



A Different World

A World of Difference

About this Report

OUR APPROACH

We are committed to sustainability through our products, processes and approach. This report is a synopsis of the activities undertaken during FY 2019-20 towards ensuring sustainability. Through this Report, we intend to provide our stakeholders, an all-inclusive depiction of our value creation process using financial and non-financial resources, and also lay the foundations of our sustainability journey in the forthcoming years.

REPORTING PRINCIPLE

The Report is guided by the IIRC's framework and is prepared in accordance with the International Integrated Reporting Council's (IIRC) Integrated Reporting (<IR>) standard and Global Reporting Initiative's (GRI) indicators. This is in line with the Securities and Exchange Board of India's Circular No. SEBI/HO/CFD/CMD/CIR/P/2017/10 dated February 6, 2017, which advises top 500 listed companies to prepare IIRC framework-based non-financial report. The financial and statutory data presented in the Report complies with the requirements of the Companies Act, 2013 (and the Rules made thereunder), Indian Accounting Standards, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards.

REPORTING PERIOD, SCOPE AND BOUNDARY

The Report covers the key statutory financial information and activities of RBL Bank in FY 2019-20. Comparative figures of the past years have been reported to provide a holistic view to the stakeholders. Through the Report, we intend to provide a perspective of our value creation process centred around the usage of six capitals (financial, manufactured, intellectual, human, social and relationship, and natural) and their interlinkage, depicting the value generated for our stakeholders. Where possible, indicators have been aligned with the United Nations Sustainable Development Goals.

APPROACH TO MATERIALITY

While covering business activities of the Bank that assist in value creation, the Report also identifies key issues and their possible impact on operations, enabling investors and other stakeholders to take informed decisions.

FEEDBACK

For any questions or feedback regarding the Sustainability Report or its content, please write to: sandeep.mukherjee@rblbank.com



Online version of the Sustainability Report can be viewed at:

www.rblbank.com

Contents

A Different World. A World of Difference.	02
Message from the MD & CEO	04
RBL Bank – At a Glance	06
The 'New Normal' in Banking	08
Value Creation Process	10
Governance, Risk Management and Compliance	12
Materiality Assessment	24
Financial Capital	30
Manufactured Capital	36
Intellectual Capital	42
Human Capital	50
Social and Relationship Capital	58
Natural Capital	68

A Different World. A World Of Difference.

The world is witnessing unprecedented times – a realignment of the world order is in process. The tectonic shifts in the macro (political, economic, social and technological) and micro (specific to banking) trends and the deepening economic challenges are set to crystallise a different world – a permanently reshaped one.

And the ripple effects of this will be seismic. Trends that were already discernible pre-COVID have intensified with the Coronavirus, and many of these are likely to be permanent. As the crisis abates, we will be in a different world – one that will look and feel different in all aspects.

At RBL Bank, as we evaluate the impacts and take a long-term view, we are creating a competitive edge for ourselves and generating a world of difference by leveraging the Highest Grade of creative energy and technological

proWess. We are exploring new ways to create, preserve and recover value, while in parallel, adapting our operating models to drive efficiency and acquire suppleness.

Comprehending our fiduciary responsibility towards customers amid these uncertain times, we are ensuring that there is minimal impact in their journey with us and are empowering them to manage their finances even more dynamically. We are offering solutions to meet their shifting expectations and revisiting their needs as true partners in their financial journey. In addition, we are also ensuring the right mix of technology, people and processes, and re-skilling our people capabilities to foster a diverse and inclusive workforce. We are building resilience by investing in intelligent automation and embracing digital even more strongly.

As we evolve further, we continue to be nimble-footed and resilient to prepare for the future, and the new reality that lies beyond. We are leveraging these drifts to build integrated ecosystems, while in the process, fostering sustainable growth opportunities.



To aid navigation and to indicate cross-referencing, the below icons have been used through the report:



Message from the MD & CEO



WE UTILISED THIS TIME TO LOOK AT OUR VALUE PROPOSITION FROM DIFFERENT PERSPECTIVES AND TO PLANT THE SEEDS FOR ENHANCED TECHNOLOGICAL INNOVATIONS. WITH AN OBJECTIVE OF INCREASING OUR EFFICIENCY, AGILITY AND RESPONSIVENESS, WE RAMPED UP OUR INVESTMENT IN TECHNOLOGY, CLOUD-MIGRATION AND ANALYTICS.

Dear Stakeholders,

I hope all of you and your families are keeping safe and well.

Our world underwent a seismic change in the past year. The outbreak of COVID-19 brought social life to a standstill and led to a multi-sectoral impact as economic activities slowed down. It has been the greatest challenge the world has faced in decades and has steered us towards a different world.

A DIFFERENT WORLD. A WORLD OF DIFFERENCE.

COVID-19 urged us to rethink what we value and how we live and work. One word that we have often come across during these times is "resilience". The pandemic has fully tested our resilience on more than one front. It elevated human experience and made an impact on the behaviour

of new-age customers and made heavier demand on technology infrastructure. Technology played a vital role in supporting remote working, scaling digital channels and measuring productivity. It has made digital transformation more relevant and urgent than ever before.

At RBL Bank, as we grappled with the challenges of the new world order, we focused on building a human-centred approach. Besides creating a competitive edge for ourselves, we took every effort to create a world of difference for our stakeholders.

Our priority was to effectively service our customers, while making sure that our employees and their families were safe. Our employees, on their part, ensured that all our operations ran smoothly and seamlessly. We not only accelerated business continuity and productivity, but also created an impact on our customers by maximising the use of technology.

EMBRACING DIGITAL

We utilised this time to look at our value proposition from different perspectives and to plant the seeds for enhanced technological innovations. With an objective of increasing our efficiency, agility and responsiveness, we ramped up our investment in technology, cloud-migration and analytics. Besides building integrated ecosystems, we adapted new operating models and leveraged our digital tools to manage risk effectively and mitigate potential threats, modernise our payments and offer an enhanced customer experience. In addition to driving our efficiency, these tools empowered our customers to manage their finances more dynamically.

ENGAGING WITH OUR EMPLOYEES

As we focused on having the right mix of technology, people and processes, we also made employee engagement our top priority. We went a step ahead and addressed their emotional well-being during these trying times, with an added emphasis on health awareness. We also re-skilled our people capabilities for the new reality that now lies beyond. With this, we ensured they adapted well to virtual technology and the new circumstances they found themselves in.

EMPOWERING COMMUNITIES

We achieved one of our most significant and meaningful feats when we successfully raised ₹ 5.12 Crore through RBL Bank's UMEED 1000 Cyclothon in support of girl child education, all the while living amidst the pandemic. We witnessed the indomitable spirit of humankind, through the

overwhelming participation we received from the Bank's employees, and everyone associated with the cause.

We donated mobile medical vans in Maharashtra equipped with doctors, support staff, medicines and protective kits. We also worked closely with our partner NGOs to support response and relief work undertaken across the country.

MOVING FORWARD

We reaffirm our commitment to purpose-driven growth, which maximises value for all stakeholders. We remain well placed on capital, retail liability and asset quality outlook. We will focus on granularity of our balance sheet and will take every opportunity to become sharper on cost and efficient on delivery. Our emphasis will be on businesses where we have built scale and invest further capital and resources to acquire a market-leading position in the next few years.

We believe this will be achieved as a result of the strategic building blocks we have put in place – strengthening the core, creating a portfolio of the future and investing in people and process capability, which continued to hold us in good stead despite the challenging times.

Through coordinated efforts, we continue to contribute towards social and economic progress and advancing an inclusive society. At the same time, we remain dedicated to address the environmental challenges and meeting our sustainability goals.

We are doing our best to innovate, reinvent and redefine ourselves in a way that benefits all, creating a – World of Difference!

VISHWAVIR AHUJA
Managing Director & CEO

RBL Bank – At a Glance

RBL Bank is one of India's fastest growing private sector banks with an expanding presence across the country. The Bank offers specialised services under six business verticals namely: Corporate & Institutional Banking, Commercial Banking, Branch & Business Banking, Retail Assets and Treasury and Financial Markets Operations. It currently services over 9.08 million customers through a network of 403 branches, 1,344 business correspondent branches (of which 259 banking outlets) and 412 ATMs spread across 28 Indian states and Union Territories. RBL Bank has a Corporate Agency licence from IRDAI for distributing life / general insurance products.

RBL Bank is listed on both **NSE** and **BSE** (RBLBANK).

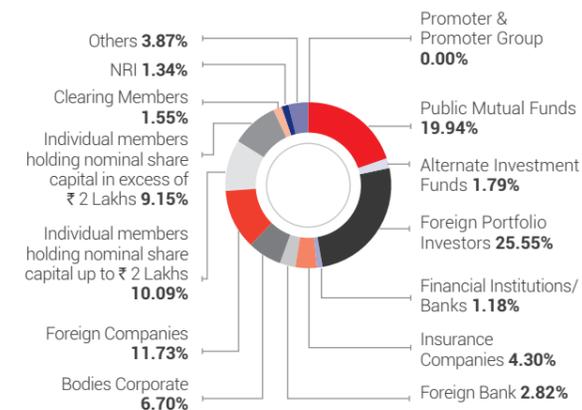
The Bank does not operate in any international location; however, it has an International Financial Service Centre Banking Unit ("IBU") in Gujarat International Finance Tech City (GIFT), Gandhi Nagar, Gujarat

KEY NUMBERS*

₹57,812 Crore Total Deposits	₹58,019 Crore Net Advances
₹10,424.63 Crore Total Income	₹505.67 Crore Profit After Tax

*Numbers as on March 31, 2020

SHAREHOLDING PATTERN*



OUR MISSION



CUSTOMERS AT THE HEART

To engage and understand customer needs, provide best-in-class products and services, be responsive and quick in resolving queries - resulting in true customer delight and peace of mind.



SHAREHOLDER VALUE AS THE FOCUS

To demonstrate high corporate governance standards that protects and balances stakeholder interests in the journey to achieving short and long-term business goals.



EMPLOYEES AS THE PILLAR

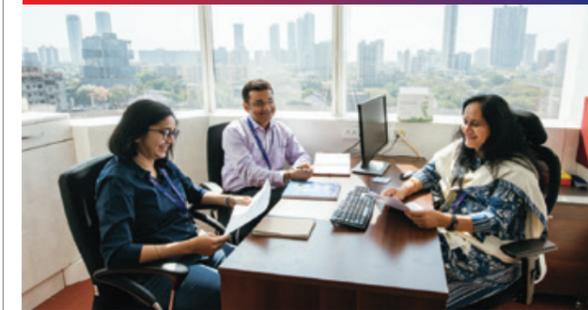
To provide an enabling work culture where career aspirations can be realised through consistent performance and demonstration of the Bank's core values and beliefs.



COMMUNITY AS THE CAUSE

To deliver robust and cost-effective banking services that promote financial inclusion, catalyse growth and reduce social inequalities.

OUR VISION



BANK OF CHOICE

To be the preferred choice for the banking needs of our customers.



CREATING AND NURTURING ENDURING RELATIONSHIPS

To create and build lasting partnerships with all our customers based on full disclosure and transparency.



TRUST AND RESPECT OF OUR STAKEHOLDERS

To engage and ensure that all our stakeholder commitments are fulfilled, while working as a team.

OUR VALUES



PROFESSIONALISM

To conduct our duties with good judgement and in good faith.



RESPECT

To be sensitive and responsible for what we say and do.



EXCELLENCE

To act in a manner that earns the trust and admiration of others.



ENTREPRENEURIAL

To be enterprising and take ownership of our actions.



TEAMWORK

To be successful together.

The 'New Normal' in Banking

Operating Environment

In 2020, COVID-19 began as a health crisis and spread rapidly across nations, triggering a global economic catastrophe. While the economy's ascent back to pre-pandemic levels and remains prone to setbacks, its growth path depends on how quickly and productively the growth levers are deployed.

Multiple macro environmental changes shaped the Bank's business environment in FY 2019-20. Besides the pandemic, the meltdown of the global and Indian economy adversely impacted the banking sector. In the new normal, the Bank witnessed changing operational norms, including the way it works, to how consumers bank and how employees collaborate and upskill themselves.

Several key macro global or national trends that impacted the banking sector are presented below. Major shifts arising from these trends will shape the world of tomorrow, depending on how long it takes for an organisation to move to a new equilibrium and be in a better position for the future.

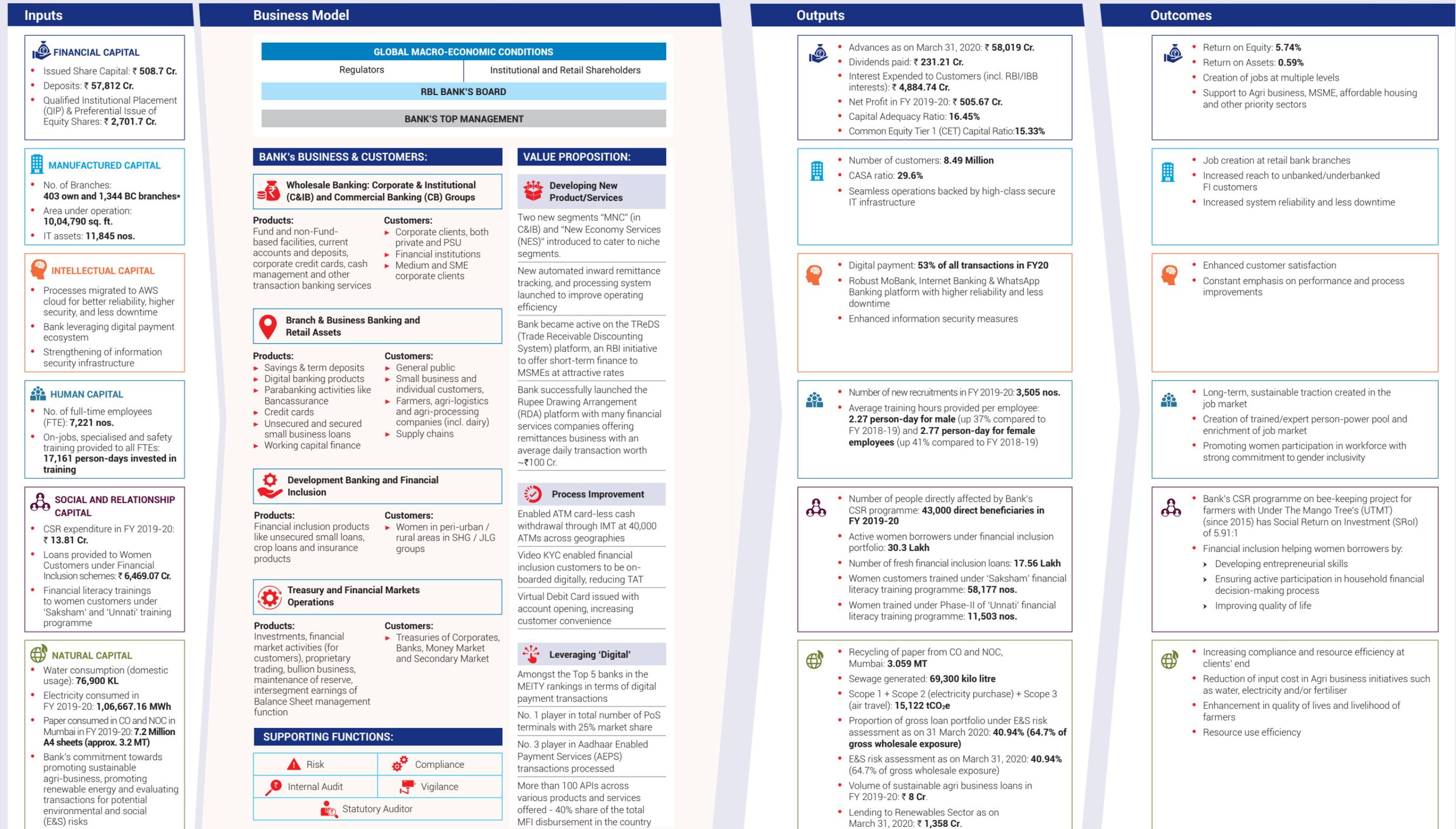


 MACRO-ECONOMIC TRENDS, OPPORTUNITIES, OR THREATS	 THE BANK'S RESPONSE
<p>Uncertainty relating to COVID-19 COVID-19 has adversely impacted nearly 53% Indian businesses, while several smaller businesses closed down. As per an estimate, nearly 12.2 Crore people lost their jobs and nearly 45% of Indian households have reported a reduction in income.</p>	<p>The Bank's approach towards management of COVID-19 involved:</p> <ul style="list-style-type: none"> ▶ Offering loan moratorium to clients as per RBI guidelines. ▶ Creation of a quick response team (QRT) to manage / guide employees. ▶ Provision of working from home (WFH) for employees. ▶ Providing a safe workplace to employees during graded unlock phases.
<p>Macro-economic environment in India Credit growth slowed and interest rates stood at historic lows, however, the economy continues to be resilient. Globally, trade uncertainty persists.</p>	<ul style="list-style-type: none"> ▶ The Bank has the backing of a strong balance sheet and it is managed prudently. Its Capital Adequacy Ratio (CAR) and Tier I capital is one of the highest among Indian Banks. ▶ The Bank undertakes regular stress tests to understand how business performs and what actions should be taken in different scenarios. <p><i>Please refer to section on Governance, Risk Management & Compliance for further details.</i></p>
<p>Regulations driving change The industry is undergoing a period of heightened regulatory change, which is affecting the Bank's business model, risk appetite and operational risk management.</p>	<ul style="list-style-type: none"> ▶ The Bank is proactively engaging with regulators in an open and transparent manner. ▶ The Bank has a strong fiduciary responsibility towards its customers. By being transparent, the bank is able to attract more investors, shareholders and clients. <p><i>Refer to the Governance, Risk Management & Compliance section on Pg. 12 for further details.</i></p>

 MACRO-ECONOMIC TRENDS, OPPORTUNITIES, OR THREATS	 THE BANK'S RESPONSE
<p>New-age banking The industry is rapidly expanding with the emergence of new-age banks, small banks, wallets competing with the existing traditional institutions in the country, who are constantly leveraging new innovations in the domain of technology and data.</p>	<ul style="list-style-type: none"> ▶ The Bank is investing in machine learning, AI and data driven service to exceed customer expectations and thrive in an extremely competitive environment. ▶ The Bank is engaging with its customers through multiple physical and digital channels such as branches, ATMs, call centres, internet banking platform, MoBank app, WhatsApp, text messages and emails. ▶ The Bank's digital offerings are on par with other banks and wallets. While physical banking has enhanced its geographic reach, digital banking is simplifying the Bank's business and helping it to optimise cost. <p><i>For more information, please refer to Intellectual Capital section on pg. 42.</i></p>
<p>Cybersecurity and data protection Cybersecurity and data privacy are becoming increasingly significant due to increased digitisation of banking infrastructure, huge spike in digital transactions, and the increasing sophistication of cyber threats.</p>	<ul style="list-style-type: none"> ▶ The Bank continues to invest in information security and data theft prevention. It has the right mix of technology, people and processes to thwart cybersecurity threats. The Bank's systems are ISO/IEC 27001: 2013 (Information security management systems) certified. ▶ The Bank collaborates with a range of government, and industry bodies to strengthen system-level resilience and reduce the impact of frauds and scams. It also runs continual customer awareness programmes to educate customers on the potential modus operandi of cyberattacks. <p><i>Read Intellectual Capital section on Pg. 42 for further information.</i></p>
<p>Changing workforce requirements Increased process automation is changing the banking landscape in India. However, this is also altering the demand for certain skill sets, and impacting the way banks recruit fresh talent.</p>	<ul style="list-style-type: none"> ▶ The Bank's HR policies are focused on re-skilling and supporting its people and helping them attain preparedness for future work. ▶ To retain and attract top talent, the Bank continues to invest in employees. The Bank offers flexible work arrangements and competitive benefits and foster a diverse and inclusive workforce. <p><i>Please refer to Human Capital section on Pg. 50 for further details.</i></p>
<p>Decline in trust and reputation Indian financial institutions have experienced an erosion of trust and reputation owing to the emergence of recent corporate governance issues in two large Non-Banking Financial Companies (NBFCs), a private bank and a large co-operative bank.</p>	<ul style="list-style-type: none"> ▶ The Bank has always emphasised on priority of creating wealth for shareholders, while also being responsible for the community and the environment. ▶ The Bank follows the highest level of corporate governance practices, which are regularly overseen by its esteemed Board. ▶ In addition, the Bank also ensures compliance with the regulatory requirements imposed by statutory bodies including RBI, SEBI, MCA and others. ▶ The Bank is well capitalised and has a strong balance sheet. Its risk policies are robust and have been evolving with time. ▶ As of today, nearly 2,12,891 retail shareholders and several Indian and international investors have placed their trust on the Bank. <p><i>Refer to the Governance, Risk Management & Compliance sections on Pg. 12 for further information.</i></p>

Value Creation Process

(all values are either as on March 31, 2020 or for FY 2019-20, unless explicitly specified)



* December 31, 2020.

Governance, Risk Management and Compliance

We recognise that the Bank has strong fiduciary responsibilities. We are committed to meet the expectations of our customers, regulators, investors and communities in a transparent, fair and efficient manner. We stress on meeting the highest level of corporate governance, risk management and internal audit standards. Banks are run on trust – hence these are non-negotiable.

R. Gurumurthy, Head - Governance, Controls & Operations

CORPORATE GOVERNANCE

The practice of Corporate Governance is aimed at efficient conduct of business operations and meeting the Bank's obligations towards its stakeholders. RBL Bank is committed to be transparent and merit-based organisation and ensures fairness, transparency and responsiveness in all dealings. The Bank understands its responsibility towards all the stakeholders and strives hard to meet their expectations.

RBL Bank's corporate governance philosophy is hinged on:



Transparency

- ▶ Timely and detailed disclosure of performance (viz. annual report, quarterly results, analysts call transcripts, investors meetings initiations, media disclosures) as required by regulatory bodies/ stakeholders
- ▶ Conducted general meetings with shareholders (Annual General Meeting/ Extra-ordinary General Meeting)



Fairness

- ▶ Setting up of committees chaired by non-executive directors
- ▶ Establishing and operationalising internal control procedures manned by qualified manpower



Accountability

- ▶ Relevant functions are subjected to periodic internal and external audits
- ▶ Audit results are presented to the top management; Bank's Board is severally and jointly responsible for decision-making



Compliance

- ▶ Processes are standardised, procedures have been developed and concerned employees are trained
- ▶ Ensure compliance with regulatory expectations and evolving standards
- ▶ Extend full support to regulatory agencies during their review process

Checks and balances – division of maker and checker, multiple levels of verification and majority decision-making mandate will ensure transparency and compliance with procedures and standards.

The Bank understands its strong fiduciary responsibility towards depositors and towards shareholders; and recognises that corporate governance is the key to earn their trust.

RBL Bank's Corporate Governance Structure:



Figure #1: List of the Bank's Directors, Affiliations with Various Board Committees and Meeting Attendance during FY 2019-20.

Name	Designation	DIN No.	Original Date of Appointment (date)	BOD	AGM	ACB	SRC	BICC	AFC	CSBMC	NC	RMC	HRRC	NRC #	CSRC	ITSC	CRC	WDRC	NCBRC
Mr. Prakash Chandra	Non-Executive Independent Director (Part-time Chairman)	2839303	January 25, 2016	8	1	6	4	14	0	4	5	4	6	0	2	4	5	2	0
Mr. Vishwvir Ahuja	Managing Director & CEO	74994	February 23, 2010	8	1	-	4	13	0	2	-	4	-	-	2	4	2	2	0
Mr. Rajeev Ahuja [§]	Executive Director	3545	February 21, 2017	8	1	-	4	13	0	3	-	4	-	-	-	4	5	-	0
Mr. Sivanandhan Dhanushkodi	Non-Executive Independent Director	3607203	December 18, 2012	7	1	6	-	-	0	4	5	-	-	-	2	4	-	-	0
Mr. Ishan Raina	Non-Executive Independent Director	151951	April 30, 2016	8	1	-	-	14	0	4	5	-	6	0	2	0	-	2	0
Mr. Jairaj Purandare*	Non-Executive Independent Director	159886	September 16, 2011	2	1	2	-	6	-	-	-	2	3	-	1	2	-	1	0
Mr. Palepu Sudhir Rao**	Non-Executive Independent Director	18213	January 30, 2012	7	1	5	-	10	-	-	4	4	5	-	-	4	2	-	-
Mr. Vijay Mahajan	Non-Executive Non-Independent Director	38794	April 27, 2018	67	0	1	-4	-	-	-	-	-	2	0	2	1	1	-	-
Ms. Veena Mankar [§]	Non-Executive (Additional) Non-Independent Director	4168	October 22, 2019	45	0	-	1	-	-	-	2	1	-	0	-	-	-	1	-
Ms. Ranjana Agarwal [#]	Non-Executive (Additional) Independent Director	3340032	November 30, 2019	23	0	3	-	14	-	-	-	-	-	0	0	-	-	0	-

[§] Mr. Rajeev Ahuja was reappointed as an Executive Director w.e.f. February 21, 2020 for a period of three years, subject to approval of the Members of the Bank.

* Mr. Jairaj Purandare, upon completion of his tenure, ceased to be a Director w.e.f. closing business hours of September 15, 2019.

** Mr. Palepu Sudhir Rao, upon completion of his tenure, ceased to be a Director w.e.f. closing business hours of January 29, 2020.

[§] Ms. Veena Mankar, appointed as Non-Executive (Additional) Non-Independent Director w.e.f. October 22, 2019.

[#] Ms. Ranjana Agarwal, appointed as Non-Executive (Additional) Independent Director w.e.f. November 30, 2019.

** The Board, at its meeting held on March 20, 2020, approved the Merger of the Nomination Committee with Human Resource and Remuneration Committee. The Merged Committee is now termed as 'Nomination & Remuneration Committee'.

[X] Indicates chairmanship of a specific Board sub-committee as on March 31, 2020.

[X] Indicates total no. of meetings of Board sub-committee held in specific financial year

RBL Bank's Board's composition is provided in Figure #1.

Figure #1 also indicates the composition of various Board Sub-committees including chairmanship and attendance by individual members.

RBL Bank's Board Diversity

As of March 31, 2020, the Board of the Bank comprises eight (8) Directors out of whom two Directors are Executive/ Whole-time Directors (one of whom is Managing Director & Chief Executive Officer), Four Directors are Independent Directors (including Part-time Chairman of the Board and one Women Independent Director) and Two Directors are Non-Executive Directors.

During the year under review i.e. FY 2019-20, the following changes with respect to appointment/cessation of Directors had taken place:

Mr. Jairaj Purandare (DIN: 00159886), Non-Executive Independent Director and **Mr. Palepu Sudhir Rao (DIN: 00018213)**, Non-Executive Independent Director ceased to be the Directors of the Bank due to completion of their tenure of eight years, as prescribed under section 10A of the Banking Regulation Act, 1949, w.e.f. closing of business hours of September 15, 2019 and January 29, 2020 respectively.

Ms. Veena Mankar (DIN: 00004168), was appointed as Non-Executive (Additional) Non-Independent Director of the Bank at the meeting held on October 22, 2019 on the recommendation of Nomination and Remuneration Committee of the Bank ('erstwhile Nomination Committee & Human Resources and Remuneration Committee').

Ms. Ranjana Agarwal (DIN: 03340032), was appointed as Non-Executive (Additional) Independent Director of the Bank by the Board of Directors at their meeting held on November 30, 2019 on the recommendation of Nomination and Remuneration Committee ('erstwhile Nomination Committee & Human Resources and Remuneration Committee').

Selection of Non-Executive Directors

The appointment process of Non-Executive Directors is independent of the Company management. The Nomination and Remuneration Committee (NRC) of the Board is responsible for selection of Board members.

The Nomination and Remuneration Committee of the Board ensures that the Board always represents an optimum combination of Executive and Non-Executive Directors as well as Independent Directors with at least one Independent Woman Director. Further, the selection of suitable candidature for directorship of the Bank is based on the criteria/skill sets as laid down by the Reserve Bank of India.

Non-Executive Director is appointed as per the applicable provisions of the Companies Act, 2013 and rules made thereunder and assessed on the relevant skill set criteria and fit and proper parameters as laid down by the RBI. The appointment of Independent Directors is made in accordance with the provisions of Companies Act, 2013 and SEBI Listing Regulations. A formal letter of appointment is also issued to the Independent Directors upon their appointment.

Code of Conduct for Directors

The Board of Directors of the Bank had laid down a 'Code of Ethics and Conduct' for Board of Directors and Senior Management of the Bank. This Code is uploaded on Bank's website at <https://ir.rblbank.com/pdfs/governance/CodeofEthicsandConductforBODSM.pdf>

The Directors need to abide by the Code of Conduct, which follows the provisions made in Schedule IV of Companies Act, 2013, as amended from time to time. The Board of Directors and Senior Management personnel have affirmed their compliance with the said Code for FY 2019-20.

Under clause 6 of Code of Ethics and Conduct, Board members and Senior Management officials are required to disclose to the Board any material transaction or

relationship that could potentially give rise to such conflict(s). Such conflicts, defined in the policy, includes: (a) cross-shareholding with suppliers and other stakeholders,

(b) related party disclosures, (c) engaging in insider trading, (d) accepting gifts / favours / benefits etc. There has not been any such case of conflict of interest in FY 2019-20.

Qualification and Skillset available with Bank's Directors:

The details of qualification and skills/expertise available with the Bank's Directors is presented below:

#	Name	Designation	Qualifications	Skill Set
1	Mr. Prakash Chandra	Non-Executive Independent Director (Part-time Chairman)	B. Sc, LLB, P.G. diploma in Development Policy from University of Glasgow, U.K.	<ul style="list-style-type: none"> ▶ Finance ▶ Law (Investigation, Legal matters like corporate laws, constitutional matter etc.) ▶ Taxation and Accountancy
2	Mr. Vishwavir Ahuja	Managing Director & CEO	B. Com., P.G. dip. in Business Administration (IIM-A) MS (International Finance) from University of Michigan	<ul style="list-style-type: none"> ▶ Banking ▶ Economics ▶ Finance ▶ Risk Management and Business Management
3	Mr. Rajeev Ahuja	Executive Director	B. Com., P.G. dip. in Business Administration (IIM-A)	<ul style="list-style-type: none"> ▶ Banking ▶ Economics ▶ Finance ▶ Capital Markets ▶ Treasury ▶ FX ▶ Financial Inclusion & Agriculture ▶ Risk Management, Business Management ▶ Information Technology and Payment & Settlement Systems
4	Mr. Ishan Raina	Non-Executive Independent Director	B. Com, P.G. dip. (International Law & Diplomacy), P.G. dip. Business Administration (IIM-C)	<ul style="list-style-type: none"> ▶ Advertising/brand and communication strategy ▶ Business Strategy and Human Resources
5	Mr. Sivanandhan Dhanushkodi	Non-Executive Independent Director	M.A. (Economics)	<ul style="list-style-type: none"> ▶ Economics ▶ Law Enforcement ▶ Investigation of Fraud and Crime Management ▶ Rural Economy, and Information Technology
6	Mr. Vijay Mahajan	Non-Executive Non-Independent Director	B. E. (Electrical) (IIT-D), P.G. dip. Business Administration (IIM-A), Mid-Career Fellow, Economic Development Policy from Woodrow Wilson School of Public and International Affairs, Princeton University	<ul style="list-style-type: none"> ▶ Agriculture and Rural Economy ▶ Financial Inclusion ▶ Micro-Banking, Finance ▶ Rural Development ▶ Business Management ▶ Human Resources ▶ Risk Management, and Co-operation
7	Ms. Veena Mankar	Non-Executive (Additional) Non-Independent Director	B.A. (Economics) P.G. Diploma Business Administration (IIM-A)	<ul style="list-style-type: none"> ▶ Banking & Financial Services, including Agriculture & Rural Economy and Financial Inclusion ▶ Finance and Business Management
8	Ms. Ranjana Agarwal	Non-Executive (Additional) Independent Director	B.A.- Economics (Hons), Fellow Member of Institute of Chartered Accountants of India	<ul style="list-style-type: none"> ▶ Finance, ▶ Accountancy & Audit and Taxation



Remuneration of Directors

Executive Directors including the Managing Director & CEO are being paid remuneration as recommended by the Nomination and Remuneration Committee ("NRC") and approved by the Board of Directors, RBI and Members of the Bank.

Bank's Nomination and Remuneration Committee decides on remuneration structure for executive and non-executive directors as per the 'Compensation Policy of Non-Executive Directors'. The remuneration policy is available at <https://ir.rblbank.com/pdfs/governance/CompensationPolicyforNEDfinal.pdf>

Non-Executive Directors (including the Part-time Chairman) are currently remunerated by way of sitting fees to attend the Board & Committee meetings. Given the role played by them in setting strategic direction and ensuring governance on continuous basis, commission on net profits also forms part of the remuneration for Non-Executive Directors (apart from Part-time Chairman). The remuneration payable to the Part-time Chairman is subject to prior approval of the RBI and Members of the Bank. Thus, the Non-Executive Directors not only receive remuneration by way of fees and reimbursement of expenses for participation in meetings but also in profits pursuant to the RBI guidelines, provisions of the Companies Act, 2013 and other applicable laws.

The Non-Executive Directors (other than part-time Chairman) are entitled to receive remuneration by way of profit-linked commission not exceeding in aggregate, one per cent of the net profits of the Bank as computed in the manner laid down in section 198 of the Companies Act, 2013 or a maximum of ₹ 10 Lakhs to each of such Directors, whichever is lower; in such manner and in all respects as may be decided by the Board of Directors and such payments may be made with respect to the profits of the Bank for each year.

The Commission, if approved by the Board, may be paid to the Non-Executive Directors (other than part-time

Chairman) on pro rata, inter alia on the basis of criteria such as performance of the Bank during the particular Financial Year; reviewing the Industry practices and benchmarks; number of Board/Committee meetings attended etc.

The remuneration proposals of non-executive and executive directors are subjected to shareholders' approval in Annual General Meeting (AGM).

Please refer Pg. 101-104 of Annual Report for FY 2019-20 for detailed process of determination of remunerations for non-executive and executive directors.

Ratio of annual total compensation for the organisation's Key Managerial Persons (KMPs) to median salary of all employees and percentage increase in annual total compensation for the Bank's KMPs are presented in Pg. 74 of the Annual Report.

Bank's ESG Committees

The Board has delegated the authority of managing Bank's environmental and social issues to the Environmental, Social and Governance (ESG) committee.

The ESG committee is a Board sub-committee; it is chaired by Bank's Executive Director (ED) and includes a Non-Executive Non-Independent Director, Senior Executives, and Invitee ESG experts from key lenders/investors.

The Terms of Reference (ToR) for ESG committee is presented in pg. 2 of Bank's Environmental & Social Risk Policy .

The ESG committee oversees the rollout of sustainability efforts across the Bank, related policy measures and provides guidance, where needed.

The ESG committee meets on quarterly basis and updates from the committee meetings are presented to the Bank's Board. Further details about ESG committee are presented in 'Natural Capital' section.

<https://drws17a9qx558.cloudfront.net/document/Bank%20Policies/e-and-s-risk-policy.pdf>



RISK MANAGEMENT

Risk Management is an integral part of the Bank's business. The goal of the Bank's risk management framework is to ensure that (a) risks incidental to the business is well understood and preferably identified upfront, (b) appropriate measures to mitigate and control these risks are in place, and (c) suitable mechanism to monitor these risks are in place, thereby minimising unexpected outcomes.



Bank's Risk Management Philosophy

The following figure defines the Bank's risk management philosophy:



Bank's Enterprise Risk Management (ERM) architecture

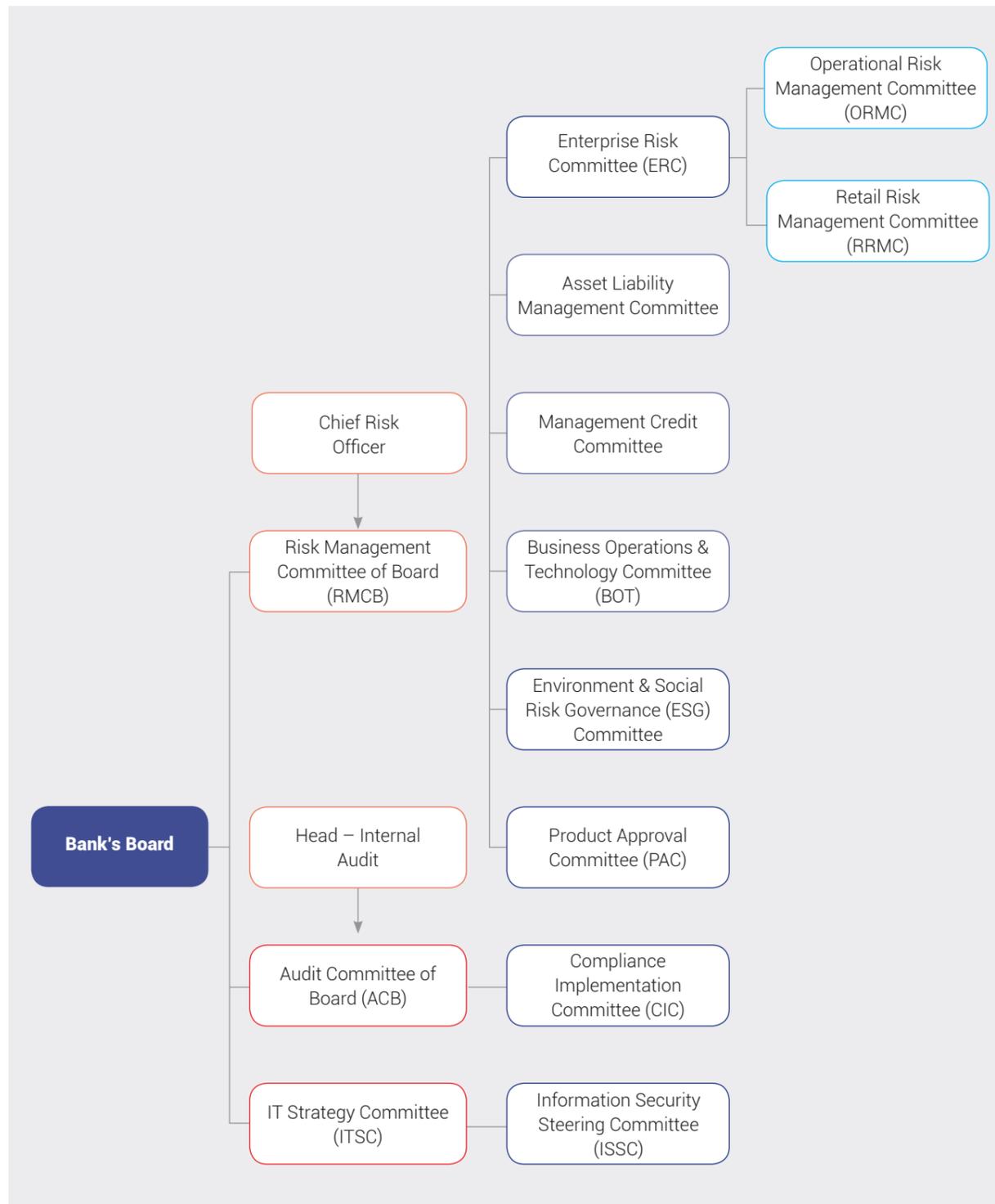
The Board of Directors at the apex level sets the overall risk appetite and philosophy for the Bank, which is followed across the Bank by way of policies, processes, and procedures.

The Bank's risk management processes are guided by well-defined policies appropriate for various broad risk categories viz. credit risk, market risk, operational risk, and liquidity risk.

The Risk Management Committee of Bank (RMCB), which is a sub-committee of the Board, prescribes risk management policies, processes, systems and monitors

entire gamut of risks faced by the Bank. It is supported by executive committees like:

- ▶ Enterprise Risk Committee (ERC),
- ▶ Asset Liability Management Committee (ALCO),
- ▶ Management Credit Committee (MCC),
- ▶ Operational Risk Management Committee (ORMC),
- ▶ Product Approval Committee (PAC),
- ▶ Compliance Implementation Committee (CIC),
- ▶ Environmental & Social Risk Governance (ESG) Committee.



Source: Bank's Enterprise Risk Management (ERM) Policy. July 2019.



The IT Strategy Committee of the Board oversees the overall IT strategy of the Bank, including cyber security risk. The committee prescribes policies and procedures with respect to cyber security. It is supported by the Information Security Steering Committee (ISSC), an executive committee.

The functional details of executive committees could be found in Bank's Annual Report for FY 2019-20 and Bank's quarterly Basel III disclosures.

The Bank has invested its time, effort and resources in people, technologies, and tools to detect and control the risks and manage them better, and to have a solid, sustainable and robust business always.

Bank's Risk Management hierarchy:

The Bank's Board of Directors is responsible for Bank's overall Risk Management and approves the Bank's Risk Appetite Statement.

The Head – Governance is responsible for providing oversight to Risk Management, Compliance, Operations & Administration functions. The Chief Risk Officer (CRO), Chief Compliance Officer (CCO), Head – Internal Audit, respective Heads of Wholesale and Retail Credit functions and Chief Operations Officer (COO) report to him.

Role	Chief Risk Officer (CRO)	Chief Compliance Officer (CCO)	Head – Internal Audit
	Assists the RMCB, Board & Management in fulfilling their risk oversight responsibilities	Has overall responsibility for coordinating the identification and management of Bank's Compliance Risk and supervising the activities of other compliance staff. The responsibility includes:	Assists the ACB, Board and Bank's Management to evaluate compliance with regulations, standards, policies and procedures
Key Responsibility	<ul style="list-style-type: none"> ▶ Establish ongoing risk management practices suitable for the Bank. ▶ Oversee Risk management ownership within different lines of business. ▶ Escalate identified or emerging risk exposure to Management and the Board. ▶ Evolve organisational capabilities in line with the maturity and suitability of enterprise risk management. ▶ Position Risk Management as a strategic function by developing linkages with Business units / Functional Departments. ▶ Developing a robust Risk Culture and Skills in the Bank through awareness, interaction, and training. 	<ul style="list-style-type: none"> ▶ Report to the ACB on quarterly basis on how ongoing and upcoming Compliance Risks are mitigated. ▶ Report on a quarterly basis - or immediately if required - to the ACB/ Senior Management about compliance-related significant incidents, breaches of regulation, non-compliance with applicable legislation and conflicts of interest. ▶ Provide the relevant information assisting Senior Management / ACB in performing its tasks in relation to overseeing Compliance Risk. ▶ Informed of emerging trends and successful practices in compliance. ▶ Assist in remediation of significant breaches of the relevant management and report to the ACB on the result. ▶ To enhance the professional skills of staff through regular and systematic education and training on corporate governance, risk management and supervisory practices etc. ▶ Participate in key discussions held at RBI. ▶ Review the compliance function on regular interval for the subsidiary. ▶ Contribute to various Committees like Product Approval Committee, Operational Risk Management Committee for ensuring compliance and risk mitigation measures. 	<ul style="list-style-type: none"> ▶ Develop a risk-based annual internal audit plan with approval from ACB. ▶ Oversee the implementation of the approved audit plan. ▶ Update ACB & Senior Management with the Critical Risks noted during various Audits. ▶ To ensure that all the Critical Risk issues are resolved by way of logical conclusion. ▶ Provide technical assistance with investigations, special audits, and provide subject-matter expertise as needed. ▶ Perform organisation-wide risk assessments to identify significant risks or exposure related to internal controls or compliance with Bank's policies, procedures, laws and regulations, contracts and regulatory requirements, efficiency of operations, and accuracy of programmatic and financial reporting. Provide feedback and recommendations where appropriate. ▶ Co-ordinate with external and regulatory auditors, as directed by the Audit Committee and senior management, to ensure smooth functioning. ▶ Co-ordinate and assist with the preparation of Audit Committee materials. Participate in quarterly or more frequent Audit Committee meeting.



Risk Classification:

Bank's Board has set strict policies, processes, and risk triggers for Capital Adequacy Risk, Credit Risk, Liquidity Risk, Operational Risks, Market Risk, Cyber Risks, Reputation Risk, Cyber Security Risk, Compliance Risk and Environmental & Social Risk as per ICAAP / regulatory / internationally acceptable guidelines.

As enterprise risk canvas widens accommodating new risks, the Bank is proactively addressing emerging risks like Reputation Risks and Environmental and Social Risk including Climate Risks. Please read Bank's Climate Risk Mitigation strategies in 'Natural Capital'.

Risk Management during COVID-19

During COVID-19, there has been marked increase in credit risk, operational risk, IT security and online fraud risks and social risks. COVID-19 has placed an unprecedented challenge before conventional banking.

Many medium and small clients have become insolvent in near term, that has added a new dimension in credit risk

assessment. The Bank, guided by RBI policy, has provided requisite moratoriums to credit card, retail customers, agri / KCC customers, clients in financial inclusion business and corporate clients.

Mobilising IT infra to employee's homes to ensure seamless transition to Working From Home (WFH) regime has increased operational and IT data privacy risks.

COVID-19 has also seen a spike in less secure WFH and heightened online transactions. Naturally, this period (March – May 2020) saw a heightened phase for cyberattacks. The Bank has responded by heightening information security policies.

Also, during the first two phases of the lockdown, India was marred by closure of small businesses, construction sites and infra projects. This resulted in closure of 53% Indian businesses and job losses for 12.2 Crore people. The Bank factored this in its Environmental and Social (E&S) risk studies conducted for potential and existing clients.

COMPLIANCE, VIGILANCE, INTERNAL AUDIT AND BANK'S CODE OF CONDUCT

Compliance, Vigilance, and Internal audit functions are key components of the Bank's Corporate Governance strategy. These functions are essential for maintaining necessary checks and balances.



Compliance

The compliance function is essential for ensuring compliance with the regulatory and statutory requirements laid down by the regulators and statutory bodies such as Reserve Bank of India, Securities and Exchange Board of India (SEBI), and various ministries under the Government.

A key thrust area handled by the Compliance team is Know Your Customer (KYC) and Anti-Money Laundering (AML). Money laundering is a serious crime and the estimated amount of money laundered globally is approximately 2 - 5% of the global GDP, or USD 800 billion - USD 2 trillion per year.

RBL Bank has developed:

- ▶ Know Your Customer (KYC) and Anti-Money Laundering (AML) policy following RBI guidelines
- ▶ Wolfsberg questionnaire for cross border transactions
- ▶ Processes like KYC checklists, AML checklists and negative lists
- ▶ Training modules for employees to ensure sustained compliance

Vigilance

The Bank's Vigilance department is an independent function which reports to Head – Risk & Governance. Vigilance actions are triggered by potential whistle-blower complaints or acts of fraud identified by the Bank's employees, customers or any other third party.

Vigilance covers a wide range of offences including abuse of authority, breach of contract, record manipulation, pilferage of sensitive information, deliberate violations, financial irregularities, misuse of bank assets, graft or any other unethical behaviours.

The department manages the Bank's Whistle-blower Policy which includes multi-channel reporting facilities, non-retaliation and identity protection towards whistle-blowers, investigation, and reporting clauses.

Apart from replying on Whistle-blower complaints, the department also carries surprise checks on Bank's branches and offices to check compliance and maintenance of good order. This improves the Bank's overall compliance level.

In addition, the team curates real-life fraud case studies from RBI/IBA/other external sources. This helps in training the Bank's staff and also in strengthening the existing processes.

Internal Audit

The Bank's Board has the ultimate responsibility for ensuring an adequate and effective system of internal controls.

The Bank's internal audit is an independent function that reports directly to the Audit Committee of the Board (ACB) through Head – Internal Audit. The internal audit function is designed as per the 16 principles developed by the Basel Committee on Banking Supervision (BCBS).

The internal audit function reviews the Bank's operations vis-à-vis the performance requirements set by management / regulators, and any deviations are reported to the top management.

Bank's Code of Conduct

The Code of Conduct (CoC) is an important element in the Bank's Corporate Governance architecture as it guides the employees' conduct under certain circumstances.

CoC sets forth a mandatory procedure that should always be followed by all the employees. It clearly spells out the employee's responsibilities and obligations and provides guidance when faced with an ethical dilemma or conflict of interest at work. The original Code of Conduct (CoC) was adopted in 2014, and the same has been amended in March 2020 to address the emerging risks and concerns.

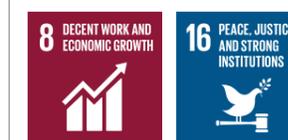
The CoC is circulated to all the employees upon joining. The Bank has developed an e-learning training on CoC module to ensure dissemination.

The CoC covers the following elements:

#	Element	Significance
1.	Ethical Conduct (incl. anti-bribery / corruption clauses)	The CoC provides a clear guideline on what could be construed as potential misconduct. It also lays out clear anti-bribery / corruption guidelines for Bank employees.
2.	Non-Discrimination	CoC clearly states that non-discrimination based on gender, caste or creed is a principal area of selecting prospective employees. Similarly, non-discriminatory practice is extended to the Bank's client servicing platforms as well.
3.	Confidentiality and Data breach	The CoC lays down strict data privacy and confidentiality guidelines.
4.	Management of third party / agents / consultants	The CoC guides how employees should manage third party relationships incl. agents and / or consultants.
5.	Identification and management of Conflict of Interest	The CoC provides a clear definition of potential conflicts and guides how employees should act under such cases.
6.	Repercussions of Non-Compliance with CoC	The CoC lays down strict guidelines for non-compliance with CoC / indiscipline. Violation of CoC is handled by Management Disciplinary Action Committee.
7.	Linkage with other policies and employee's obligations	The CoC mandates that the employees will abide by Bank's Insider Trading code and Bank's Know Your Customer (KYC) / Anti-Money Laundering (AML) policies.

The CoC covers all employees and business partners of the Bank, covering all operational verticals. In FY 2019-20, there has not been any confirmed cases of corruption in Bank.

Related Sustainable Development Goals (SDGs)



Materiality Assessment

What matters to the Bank

The following section provides the material issues identified by engaging with the Bank's internal and external stakeholders and the management's approach to resolving them.

In FY 2018-19, the Bank had conducted a detailed materiality assessment covering both internal and external stakeholders.

process of brainstorming, review of analyst reports, and review of non-financial disclosures made by marquee Indian and international banks.

A group of 23 material issues were identified through this materiality assessment which could affect the Bank's financial and non-financial performance in the short to medium term. These issues were identified through a

Indicators were broadly grouped into the following segments corresponding to Environmental, Social and Governance (ESG) – triple bottom line.



These material issues were communicated to 100+ external stakeholders and 50+ key internal business leaders through e-mail. Participants were asked to rate each material issue on a scale of 1-10, with 10 being most and 1 being of least material concern.

Results of the Materiality Analysis:

 7 (30.5%) Issues have been ranked 'Highly material'	 4 (17.4%) Issues have been ranked 'Moderately material'	 12 (52.1%) Issues have been ranked 'Not material'
--	--	--

Interestingly, all issues were rated at least a minimum of '7' out of '10'; most material issues, as identified by stakeholders, pertained to economic and / or governance areas, while only one environmental and one social issue was identified as moderately material; and this trend was equally apparent in internal and external stakeholders.

Figure 1: RBL Bank's Materiality Matrix



Table 1 presents the list of material issues, the assigned rating ('highly', 'moderately' and/or 'not' material) to the materiality aspects; while Table 2 presents the management approach for high and moderate material issues.

These material issues have been addressed either as commentary from the Bank's top management, or as performance indicators in the Bank's Annual Report, Business Responsibility Report or Sustainability Report. References to these reports/ sections/pages has been provided in Table 2.

Table 1: List of 'High', 'Medium' and 'Low' Materiality Issues

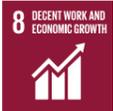
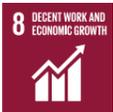
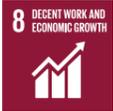
Code	Economic & Governance	Significance	Code	Social Issue	Significance
EC1	Enhancing shareholder's wealth	●	S01	Job creation	●
EC2	Maintaining robust risk management framework	●	S02	Talent management and retention	●
EC3	Ensuring suitable corporate governance practices	●	S03	Ensuring a diverse & inclusive workplace	●
EC4	Ensuring compliance with pertinent regulatory requirements	●	S04	Ensuring 'holistic' employee well being	●
EC5	Information security and customer data protection	●	S05	Capacity development of employees	●
EC6	Providing transparent and fair advise to clients	●	S06	Developing financial products to cater to economically weaker sections	●
EC7	Enhancing customer delight	●	S07	Running financial literacy programmes	●
EC8	Enduring 'digital disruption' and changing consumer preferences	●	S08	Responsible value chain management	●
EC9	Coping with changes in global macro-economic environment	●			
EC10	Process automation and introduction of new technologies	●			
EC11	Managing/coping up with regulatory changes	●			
EC12	Money laundering, fraud and terror financing	●			

Code	Environmental Issue	Significance
EN1	Management of Environmental & Social (E&S) Risk associated with transactions	●
EN2	Optimising Bank's own environmental footprint, like water and energy footprints	●
EN3	Managing climate change impacts	●

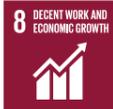
● Highly material ● Moderately material ● Not material

Table 2: Management Approach & GRI Indicator linkage for High and Medium Material issues

Material Issues	Management Approach	Linkage with pertinent GRI indicators	Linkage with SDG
Code - EC1			
Enhancing shareholder's wealth ● High Materiality rating	Consistent return on equity will help financial institutions increase stickiness of existing shareholders and attract new shareholders. Infusion of fresh capital will help institutions grow faster. This is imbibed in the Bank's Mission Statement "SHAREHOLDER VALUE AS FOCUS" . Please also refer to 'Financial Capital' in this Sustainability Report.	103-1: Management Approach	 

Material Issues	Management Approach	Linkage with pertinent GRI indicators	Linkage with SDG
Code - EC2			
Maintaining robust risk management framework ● High Materiality rating	Robust risk policies, procedures and supervisory system helps financial institutions reduce all forms of risks to acceptable levels. For more details, please refer to Pg. 56 of the Bank's Annual Report, Basel III disclosures available online and Page 12 pertaining to 'Governance, Risk Management and Compliance' section in this Sustainability Report.	102-11: General Disclosure (organisation's approach to risk management) 102-15: General Disclosure (key impacts, risks and opportunities) 102-16: General Disclosure (Values, principles, standards, and norms of behaviour) 102-17: General Disclosure (Mechanisms for advice and concerns about ethics) 102-30: General Governance (effectiveness of the organisation's risk management processes)	 
Code - EC3			
Ensuring suitable corporate governance practices ● High Materiality rating	Ensuring high levels of corporate governance will: maximise operational transparency for investors, regulators and other stakeholders; preserve minority shareholder's interests, and reduce potential reputation risk. For more details, please refer to 'Corporate Governance Report' on Pg. 79 of the Bank's Annual Report and Pg. 12 of 'Governance, Risk Management and Compliance' section of this Sustainability Report.	102-18: General Disclosure (Governance structure) 102-22: General Disclosure (Composition of the highest governance body and its committees) 102-26: General Disclosure (Role of highest governance body in setting purpose, values, and strategy)	 
Code - EC4			
Ensuring compliance with pertinent regulatory requirements ● High Materiality rating	Complying with pertinent regulations and standards ensures that financial institutions reduce possibilities of coercive action by regulators, and reduced potential reputation risk. For more details, please refer to Pg. 58 of Annual Report and 'Governance, Risk Management and Compliance' chapter on page 12 of this Sustainability Report.	103-2: Management Approach 102-16: General Disclosure (Values, principles, standards, and norms of behaviour) 102-17: General Disclosure (Mechanisms for advice and concerns about ethics)	 

Material Issues	Management Approach	Linkage with pertinent GRI indicators	Linkage with SDG
Code - EC5			
Information security and customer data protection High Materiality rating	Having a resilient information security structure (software, expert manpower, and operational practices) helps financial institutions to reduce cyber threats to privileged information. The Bank has robust policies, procedures, controls and monitoring tools to manage and mitigate cyber security risk. For more details, please refer to Pg. 59 of the Bank's Annual Report and "Intellectual Capital" chapter on page 42 of this Report.	103-1: Management Approach 102-15: General Disclosure (Key impacts, risks, and opportunities) 102-17: General Disclosure (Mechanisms for advice and concerns about ethics) 418-1: Customer Privacy	   
Code - EC6			
Providing transparent and fair advise to clients High Materiality rating	Mis-selling and lack of fair dealing could adversely affect the client's experience and affect financial institution's performance in the long run. Transparency in products/services offered, timely communications and training of front office staff could reduce/eliminate mis-selling possibilities. The Bank's front office staff is highly trained, the rights of the clients are explicitly spelled out and it has a sophisticated complaints management system in place with defined TAT. It is a part of the Bank's Vision statement, i.e., ' CREATING AND NURTURING ENDURING RELATIONSHIPS ' on Pg. 4 and Pg. 67 of its Annual Report. Also please refer "Social and Relationship Capital" of this Report.	103-1: Management Approach 102-44: General Disclosure (Key topics and concerns raised) 417-1/2: Marketing and Labelling (Transparency in marketing & labelling practice)	 
Code - EC7			
Enhancing customer delight Medium Materiality rating	The Bank strives to provide ' SERVICE BEYOND EXCELLENCE ' to ensure customer delight. The Bank's operational processes are ISO 9001:2015 certified. It has also received a 'high' rating by Banking Codes and Standards Board of India (BCSBI) as per its Code Compliance Rating done for banks. Customer service is one of the key areas of consideration for this rating. For more details, please refer to Pg. 67 of the Annual Report and 'Social and Relationship Capital' of this Report.	103-1: Management Approach 102-43: General Disclosure (Stakeholder Engagement / Customer satisfaction)	

Material Issues	Management Approach	Linkage with pertinent GRI indicators	Linkage with SDG
Code - EC11			
Managing / coping up with regulatory changes Medium Materiality rating	Changes in regulations/standard or policies could affect financial institution's business model, products/service offerings and profitability. For more details, please refer to Pg. 54 of the Bank's Annual Report.	103-2: Management Approach 102-16: General Disclosure (Values, principles, standards, and norms of behaviour) 102-17: General Disclosure (Mechanisms for advice and concerns about ethics)	 
Code - S02			
Talent management and retention Medium Materiality rating	The Bank's key mission statement is " EMPLOYEES AS THE PILLAR ", which implies that the Bank will provide an enabling work culture where career aspirations can be realised through consistent performance and demonstration of the Bank's core values and beliefs. As a people-centric organisation, one of the key aims of RBL Bank is to have satisfied employees. It strives to maintain a work environment that reinforces motivation and innovation. For more details, please refer to Pg. 68 of the Annual Report and 'Human Capital' section of this Report.	102-8 Information on employees and other workers 401: Employment	  
Code - EN1			
Management of Environmental & Social (E&S) Risk associated with transactions Medium Materiality rating	Managing transaction level Environmental and Social (E&S) Risk is an integral part of the Bank's risk management strategy. The system is implemented and overseen by the Environmental and Social Risk Governance (ESG) Committee, which also provides periodic updates to the Board. E&S risk assessment is an integral part of the credit appraisal and sanction process. For more details, please refer to Pg. 59 (E&S policy) and Pg. 146 (Business Responsibility Report) of the Annual Report and 'Natural Capital' chapter on page 68 of this Report.	102-29 – General Disclosure (Identifying and managing economic, environmental, and social impacts)	  

Creating Value for Stakeholders

Financial Capital

We recognise the importance of capital to bring about positive changes. We are backed by a strong balance sheet and one of the highest capital adequacy ratios in the industry. In FY 2019-20 we raised ₹ 2,701.07 Cr. through QIP route and in FY 2020-21 we have raised ₹ 1,566 Cr. through preferential allotment. The pandemic may have impacted the pace of our progress, but we are well-placed for a brighter tomorrow.

- Rajeev Ahuja, Executive Director

RBL Bank has been cognisant that effective raising and channelising financial capital is essential for operational success and to create wealth for its shareholders. The Bank's prudent practices are helping it build strength and grow its core business as well as have a positive impact on the society, in a reshaped world.

STRONG CAPITAL RAISING

RBL Bank has demonstrated strong capital raising capabilities over the years, which has helped it maintain a comfortable capital adequacy ratio. The Bank raised ₹ 2,701 Crore of equity capital by way of a qualified institutional placement (QIP) and preferential allotment to marquee investors in December 2019.

As a result, it reported a capital adequacy ratio (CAR) of 16.45% as on March 31, 2020 (13.46% as on March 31, 2019) and Tier I CAR (comprising entirely of Common Equity Tier I; CET I) of 15.33% (12.10% as on March 31, 2019).

STEADY PERFORMANCE IN CHALLENGING TIMES

During FY 2019-20, the Bank's total revenue grew 34.6% year-on-year at ₹ 10,425 Crore from ₹ 7,743 Crore in FY 2018-19. The Bank's Total Net Income grew by 39.1% YoY to ₹ 5,539.89 Crore from ₹ 3,981.85 Crore in FY 2018-19. This was supported by 35.13% growth in Interest Income owing to an improved yield on Advances. Non-Interest Income recorded a growth of 32.4% YoY in FY 2019-20 primarily on account of growth in the Bank's Fee-based Income.

The Bank's Net Interest Margin (NIM) improved to 4.56% (vis-à-vis 4.14% in FY 2018-19). This was owing to growth in interest income, coupled with continued pass-through of MCLR increases and a changing mix in favour of non-wholesale businesses.

CONTRIBUTION TO REVENUE MIX

The Bank's key areas of business include Corporate / Wholesale Banking, Retail Banking, Treasury, Development Banking, and Financial Institutions. Its performance in each of these business segments is presented below, which indicates that Treasury, Wholesale Banking and Retail Banking have contributed significantly to the Bank's top line.

	Corporate / Wholesale Banking	Retail Banking	Treasury	Other Banking Operations	Total
Gross Revenue	5,321.77	5,170.83	6,041.12	2,861.21	19,394.93
Unallocated Revenue					0.04
Less: Inter Segment Revenue					8,970.34
Total Revenue					10,424.63

Source: Annual Report FY 2019-20. Pg. 206.



KEY FINANCIALS (AS ON MARCH 31, 2020)

 <p>Total Assets ₹ 88,977.77 Cr. (Up 10.7% YoY) (USD 11,759.44 Million)</p>	 <p>Net Interest Margin 4.56% (Up 42 bps YoY)</p>	 <p>Net Interest Income ₹ 3,629.64 Cr. (Up 42.9% YoY) (USD 479.7 Million)</p>	 <p>Other Income ₹ 1,910.25 Cr. (Up 32.4% YoY) (USD 252.46 Million)</p>
 <p>Total Net Income ₹ 5,539.89 Cr. (Up 39.1% YoY) (USD 732.16 Million)</p>	 <p>Net Profit after Tax ₹ 505.67 Cr. (-41.7% reduction YoY) (USD 66.83 Million)</p>	 <p>Total Deposits ₹ 57,812.22 Cr. (-1% reduction YoY) (USD 7,640.55 Million)</p>	 <p>Net Advances ₹ 58,019.05 Cr. (Up 6.8% YoY) (USD 7,667.88 Million)</p>
 <p>CASA 29.6% (Up 17.33% YoY)</p>	 <p>Net NPA 2.05% (Up 136 bps YoY)</p>	 <p>Provisional Coverage Ratio (PCR) 64.04%</p>	
 <p>BASIC EARNINGS PER SHARE (EPS) ₹ 11.16 (-) (USD 0.14)</p>	 <p>Book Value ₹ 202.3 (USD 2.67)</p>	 <p>Return on Assets 0.59%</p>	 <p>Return on Equity 5.74%</p>

Note: 1 USD = ₹ 75.665 as on March 31, 2020

FINANCIAL IMPACT OF COVID-19

In line with the RBI's regulatory package, RBL Bank provided moratorium to its eligible borrowers on payment of instalments / interest falling due between March 01, 2020 and May 31, 2020, and these were classified as standard even if overdue on February 29, 2020. A second three-month moratorium was offered to the borrowers on loan payments due between June 01, 2020 and August 31, 2020.

BANK'S DIRECT & INDIRECT ECONOMIC CONTRIBUTION

The Bank understands that its financing activities have both direct and indirect economic impacts. A few of these impacts are listed below:

 Direct Economic Contribution	 Indirect Economic Contribution
<ul style="list-style-type: none"> ▶ Contributing to the economy by lending to manufacturing, infrastructure development, and service sectors. Overall Advances in FY 2019-20 stood at ₹ 58,019 Crore. Approx. 14% of these advances attributed towards infrastructure and real estate development. ▶ Providing interest on deposits dividends on shareholding and interest expended to other Bank/RBI over inter-bank lending/RBI lending ▶ Providing direct employment to 7,221 full time employees (FTE). Nearly 28% of the Operating Expenses in FY 2019-20 were towards compensation and other benefits accorded to employees¹. A total of 4,453,226 nos. of ESOPs were exercised by the employees during the year. ▶ Empowering women customers through Financial Inclusion products like Unsecured Small Loans (refer to Social and Relationship Capital section on Page 58 of this Report). ▶ The Bank has made approx. ₹ 20,224 Crore investment in Priority Sectors like agriculture & allied activities like poultry, dairy and fishery, financing micro and small enterprises, housing loans to low-income section of society, and loans to weaker sections under PSL obligations. Please refer to Pg. 158 of Bank's Business Responsibility Report (BRR) included in Bank's Annual Report. Please also refer to Pg. 215-216 of Annual Report for Priority Sector Lending Certificates (PLSC) bought and sold during the year. ▶ Lending to MSMEs for enabling them to scale up (refer to 'MSME Financing' section under Social and Relationship Capital on Page 58 of this Report). ▶ Investing in communities through Corporate Social Responsibility Programmes (refer to Social and Relationship Capital section on Pg. 58 of this Report). 	<ul style="list-style-type: none"> ▶ Driving production of economic goods and services through lending activity. ▶ Driving individual consumption. Average credit card spend was ₹ 11,000 per month. The Bank is one of the market leaders in terms of card issuance with over 27.5 Lakh card users, as on March 31, 2020. ▶ Facilitating local job creation, especially in the MSME sectors. As calculated by a joint study conducted by IFC and CDC in 2017, every Million USD lent to SMEs has increased their assets by average 9% YoY and created 10-15 jobs². (refer to 'MSME Financing' section under Social and Relationship Capital on Pg. 58 of this Report). ▶ Imparting training and increasing future employability of the workforce (refer to Human Capital section on Pg. 50 of this Report). ▶ Assisting corporate clients in achieving higher resource consumption benchmark(s) and improving their bottom lines (refer to 'Environmental & Social Risk Assessment as a Sustainability Value Driver' section under Natural Capital on Pg. 68 of this Report).

¹ RBL Bank FY 2019-20 Q4 Investor presentation https://ir.rblbank.com/pdfs/financial-highlights/Investor_Presentation_Q4_FY20.pdf.

² Kehoe, A. and Khanna, M., "SME Finance and Growth: Evidence from RBL Bank". CDC Group, Plc. and IFC joint study (2017). Please visit <https://assets.cdcgroup.com/wp-content/uploads/2018/07/02194504/SME-Finance-and-Growth-2018.pdf>

Most of the above-mentioned impacts are positive in nature. However, there could be some less prominent, long-term negative environmental and social impacts arising from the Bank's financing. These may have emanated from secondary development associated with infrastructure projects and/or pollutions caused by the industries financed by the Bank. All such negative impacts are identified and mitigated by the Bank's Environment & Social (E&S) Risk Management team. Please read about the Bank's E&S Risk Management framework under Natural Capital on Pg. 68 of this Report.

Risks and opportunities posed by climate change with the potential to generate substantive changes in operations have been provided under Natural Capital on Pg. 68 of this Report.

The details of employee compensation and other benefits paid during the year as well as pension and gratuity related liabilities have been provided on Pg. 217 of the Bank's Annual Report for FY 2019-20.

The Bank has not received any kind of financial assistance from any government agency during the reporting period.



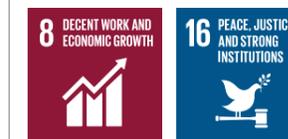
Direct Economic Value Generated, Distributed, and Retained

The Bank's Direct Economic Value Generated (DEVG), Direct Economic Values Distributed (DEVD) and Economic Values Retained (EVR) is presented in the table below. The calculation has been done as per GRI 201: Economic Performance section 201-1.

All values in ₹ Crore

	Particulars	FY 2019-20	FY 2018-19	FY 2017-18
A.	Direct Economic Value Generated (DEVG)			
1	Interest Income	8,514.38	6,300.71	4,507.57
2	Other Income	1,910.25	1,442.37	1,068.19
	Total DEVG	10,424.63	7,743.08	5,575.76
B.	Direct Economic Values Distributed (DEVD)			
1	Purchases of goods and services (incl. Provisions and Contingencies)	4,700.61	2,371.96	1,626.46
2	Employee compensation and benefits	768.44	636.18	550.68
3	Provisions for payment of taxes to Govt.	247.11	432.2	331.46
4	Penalty (if any)	0.28	0	0.04
5	Corporate Social Responsibility (CSR) expenses	13.81	10.55	6.98
6	Interest expended to customers	4,008.25	3,244.07	2,340.97
7	Interest expended to RBI/other Banks	180.45	181.16	84.08
	Total expenditure	9,918.95	6,876.12	4,940.67
8	Add: Dividend paid (incl. taxes)	231.20	106.99	82.17
	Total DEVD	10,150.15	6,983.11	5,022.84
C.	Economic Values Retained (EVR)			
1	Net Profit in FY	505.67	866.95	635.09
2	Profit brought forward from last FY	170.57	114.98	88.05
		676.24	981.94	723.14
	Less: Dividend paid to Shareholders (see entry B.8.)	231.20	106.99	82.17
	Total EVR (towards appropriation)	445.04	874.95	640.97

Related Sustainable Development Goals (SDGs)



Robust Infrastructure for Superior Customer Service

Manufactured Capital

In the retail segment, we are deploying our physical and digital banking mediums together to maximise our reach. Our branch network helps to generate visibility and garner trust and confidence in customer; while our digital channels offer anytime availability and ease-of-use.

- Surinder Chawla, Head - Branch Banking



Manufactured capital represents Bank's physical assets on ground, like branches and offices. During the Covid-19 pandemic, steps have been adopted to keep 95% of the branches up and running. As the world reels back to normalcy, more and more emphasis is being laid on digital and physical infrastructure.

The Bank places strategic importance on leveraging its physical and digital infrastructure to drive stakeholder value. The Bank keeps optimising its structures, systems, processes and tools to improve its organisational efficiency. This helps the Bank to become flexible and responsive to its customers' needs and deliver its products effectively.

The Bank's manufactured capital, particularly its digital infrastructure, plays a key role in eliminating resource usage, enabling human resources to be directed towards value generating activities. The Bank seeks to strengthen its physical and digital reach, underpinned by its strategic pillars of sharpening business focus and enhancing customer experience.

IMPACT OF COVID-19

The unprecedented time that the onslaught of the COVID-19 pandemic brought forth, impacted countries and

economies at large. At the Bank, the employees worked tirelessly ensuring that there was minimal impact, to Bank's customers and operations. The Bank's distribution network was fully operational despite the pandemic, ensuring all safety measures.

The Bank ideated and deployed Mobile ATMs to enable customers to withdraw money without physically visiting the ATM.

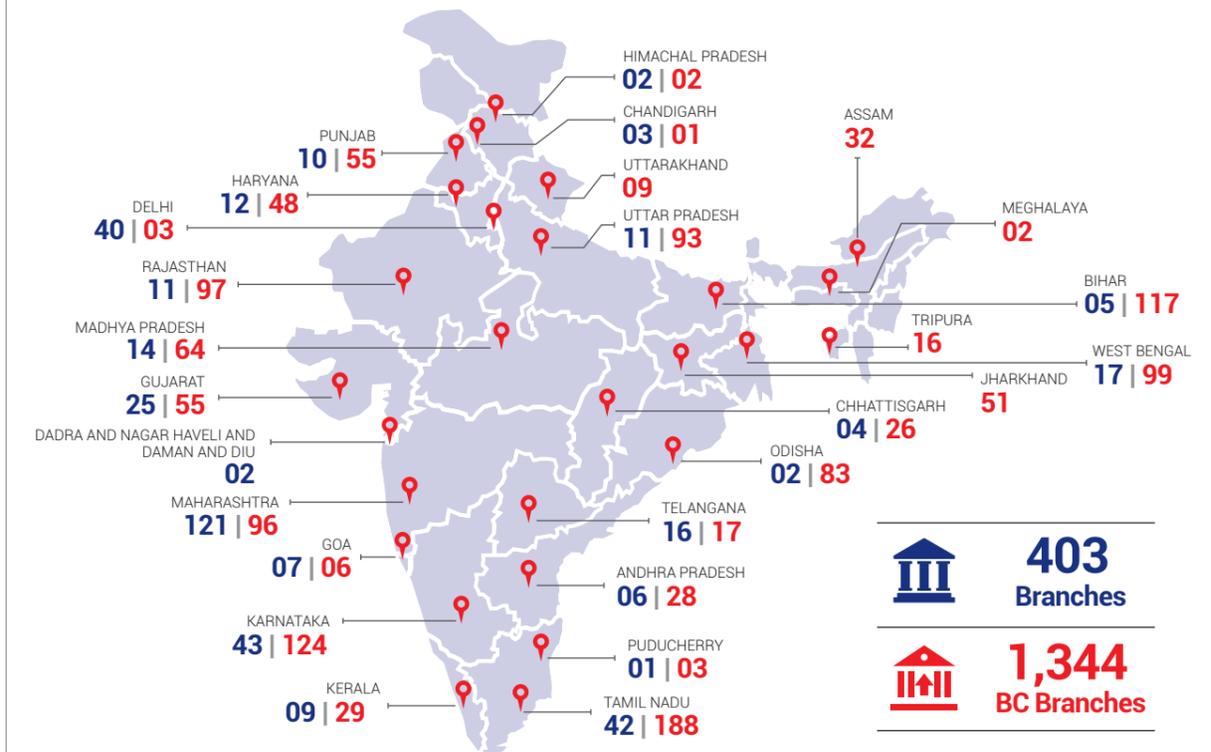
The Bank ramped up its information security and cyber security risk measures to mitigate potential risk and threats during this period.

Between March 16, 2020 and April 10, 2020, the Bank's IT team mobilised thousands of desktops/laptops to the employees, and over 300 laptops were rented out to facilitate Work From Home (WFH) for employees.

In April 2020, the Bank's Credit Card and IT teams appointed 80+ call centre agents who worked from home to solve credit card related grievances of the customers.

BANK'S BRANCH NETWORK AS ON DECEMBER 31, 2020

The Bank had a network of 403 Branches and 1,344 Business Correspondent (BC) Branches (including Business Outlets) spread across 28 Indian States and Union Territories. This enabled the Bank to serve its customers and engage with them to ensure operational sustenance.

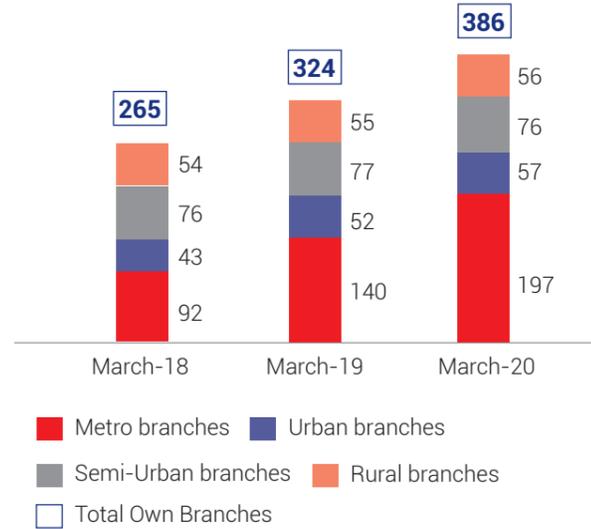


As on December 31, 2020

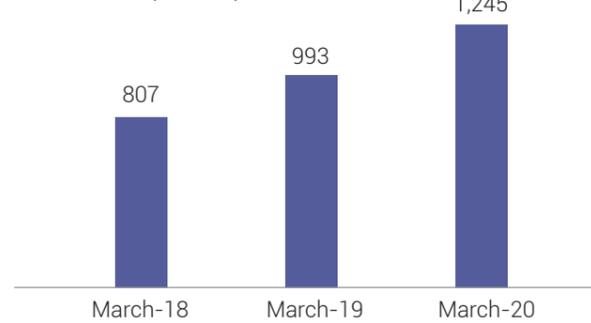
Map not to scale

The growth trajectory of the Bank's branches and their classification as per area over the last three financial years is presented in the below table:

Branches



BC Branches (incl. BO)



Key findings:

- ▶ The focus of RBL Bank's branch banking network has been mainly on metro and urban areas. The proportion of metro and urban branches, which stood at nearly 50% of the total branches as on March 2018, increased further to approx. 66% by March 2020.
- ▶ The number of semi-urban and rural branches have remained constant over the three-year period.

the above data indicates that the Bank's branches have grown primarily in metros. Whereas, in the semi-urban and rural areas, Bank leverages its BC network. This is a conscious strategy to reduce cost and enhance reach.

Geographically, nearly 44.5% of the Bank's branches are in the western region, followed by 26.7% in the southern region and 18.9% in the northern zone of India.

Bank's Business Correspondent (BC) Network

The Bank's BC network serves customers in the rural and semi-urban areas of India. Over a period of last three years, the Bank's BC network has grown by a CAGR of nearly 16%. As on March 2020, of the 1,245 BC branches, about 88% or 1,099 branches are dedicated towards financial inclusion and the remaining 12% or 146 branches are dedicated towards the retail MSME business.

A detailed list of the Bank's BC partners and the states they operate in has been provided on the Bank's website¹.

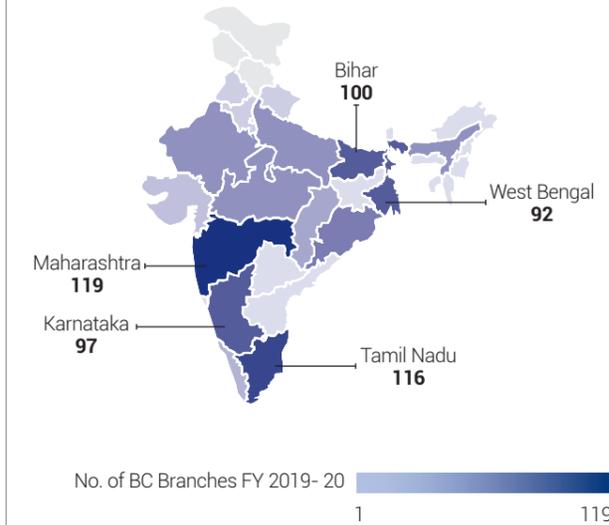
¹<https://www.rblbank.com/product/agri-banking/developmental-banking-&-financial-inclusion>



The Bank's Financial Inclusion branch network across Indian states (as on March 31, 2020) and its 3-year CAGR (FY 2017-18 to FY 2019-20) is mentioned below:

FI BC branches network in FY 2019-20

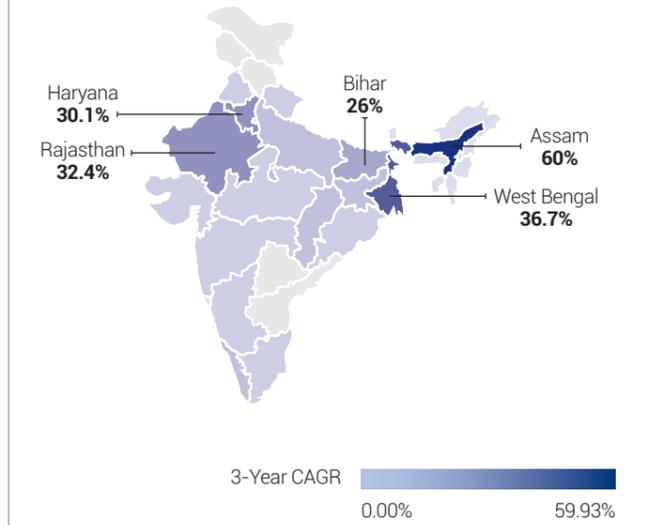
In terms of absolute number of BC branches, top 5 States are:



Map not to scale

3-year CAGR of FI branch network across States

The highest 3-FY Compounded Annual Growth Rate (CAGR) of FI BC branches network has been reported



Map not to scale

Business Correspondents have helped the Bank in expanding its network to remote locations through 7.1 Lakh customer service points approximately, and in successfully processing transactions worth ₹ 20,000 Crore per annum through AEPS and DMT.

PoS NETWORK

RBL Bank ranks No. 1 in PoS coverage with ~27% market share. There are 12.50 Lakh PoS terminals deployed through merchant acquired channels (Source: NPCI).

Please refer to the Bank's website for further details².

BUSINESS IMPLICATIONS OF BRANCH AND BUSINESS BANKING

Branch banking plays an important role in brand building, new customer acquisition, and growth of liabilities, including term deposits. It also helps in cross selling of other products and services. The growth in branches is directly correlated to the number of clients and cost of funds.

RBL BANK'S DIGITAL FOOTPRINT

RBL Bank has invested heavily on information technology (IT) to ensure OPEX (operating expenses) cost reduction, improved performance and reliability.

² <https://www.rblbank.com/product/our-product-portfolio/merchant-acquiring>

PHYSICAL IT ASSETS

As on March 31, 2020, the Bank's physical IT assets have been provided below:

Asset Type	Assets as in FY 2019-20
Desktops	3,581
Laptops	5,382
Thin Clients – Linux	2,882
Grand Total	11,845

PHYSICAL SERVERS

The following table presents the break-up of physical servers' managed by the Bank.

Count	Physical Servers
Windows	98
Linux	18
Virtualisation	89
Anunta	20
Appliance	12
Storage and Backup	58
Oracle	4
AIX	14
Total	313

CLOUD SERVERS

RBL Bank has migrated its physical servers onto Amazon Web Services (AWS) virtual servers. Its migration to cloud servers has enabled the Bank to handle peak loads, while zeroing down the idle time. Cloud servers have also enabled the Bank to put up additional firewalls and facilitated speedy disaster recovery.

The details of AWS servers (VM) and managed databases have been provided below:

Phases	Virtual Machines	Managed Database
User Acceptance Testing (UAT)	151	24
Full production phase	231	27
Development phase	40	11
Total	422	62

In March 2020, following the outbreak of COVID-19 in India, the Bank developed and created its Working from Home (WFH) strategy for its employees, which necessitated the development of Virtual Desktop Infrastructure. The Bank has subscribed to 234 nos. of AWS/Citrix VDI.

RBL Bank's Chief Information Officer, Mr. Sankarshon Banerjee, in a new article in Economic Times in a CIO interview dated November 27, 2020, stated the following:

RBL Bank has managed to lower the cost of running (servers) with a lesser required skill set. Since there is no hardware to manage on the cloud, the Bank did not hire the network expert or a special expert.

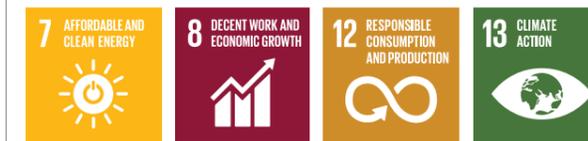


BANK'S SUPPLY CHAIN

RBL Bank works with multiple partners in Bank's supply chain. However, number and valuwewise, Bank's supply chain is dominated by the technology partners. The Bank is working on developing a Standard for Supplier (SoS), which will be included in the contracts. The SoS will cover areas like ensuring human rights along supply chain, ensuring health and safety, data privacy, business continuity, insider trading etc. aspects. At present, the Bank's agreements with suppliers focus on aspects like compliance with applicable regulations / standard, management of grievances for contractual manpower and third-party checks.



Related Sustainable Development Goals (SDGs)



Enhancing Customer Experience by Leveraging Technology



Intellectual Capital

We have focused on migrating many of our systems on cloud. This has resulted in increased efficiency, reduce downtime, and cost. Our multi-channel banking avenues has helped our customers to bank at convenience.

- Sankarson Banerjee, Chief Information Officer

The Bank's knowledge-based intangibles include intellectual property such as the software, rights and licenses. Building onto the other five capitals, Intellectual Capital enables the Bank to remain sustainable and build for the future. It helps to proactively respond to any market demand based on evolving consumer trends. In a constantly changing IT landscape, this flexibility is vital for its growth.

IMPACT OF COVID-19

The impact of COVID-19 was felt in the digital banking channels too. With restriction imposed on external movement, more emphasis was laid on digital channels, such as net banking, mobile banking, e-commerce and PoS swiping. In addition, during this period, the Bank observed nearly 134% jump in digital opening of savings bank accounts, and an approximate 50% jump in opening of digital term deposits. During the first quarter of FY 2020-21, nearly 58% of the accounts were opened digitally, and 1 of every 3 products was sold online. In view of COVID-19, the Bank has launched the following contactless banking initiatives:



Video KYC

The Bank has created an AI driven, Video-based KYC platform to enable instant, contactless & paperless KYC experience for new retail customers of the Bank.



Cardless withdrawal at ATM

Enabled cash withdrawal through IMT at 40,000 ATMs across geographies.



Scan and Pay

The RBL Bank Mobile App has the Bharat QR reader feature integrated to enable scan and pay transactions at POS terminals, enabling safe and secure payment from Mobile Banking.



Virtual Relationship Managers

Relationship Managers virtually manage customer requirements for banking and other financial products.



WhatsApp Banking

Real-time updates available on WhatsApp, including information on account balance, credit cards, products and even opening of new digital account



Virtual Debit Card

The Bank offers a Virtual debit card through its Mobile app, enabling contactless transactions without the need for plastic cards.

Prior to the nationwide lockdown, the Work from Home (WFH) culture in the banking industry was unheard of. Consequently, the Bank's IT hardware or software infrastructure was not ready for such challenges. Between March 2016 to early April 2020, the Bank's IT team needed to mobilise thousands of desktops/laptops, renting over 300 laptops from market, enabling VPN connections, and enabling access to all employees. On March 17, 2020, prior to the lockdown, the Bank had around 250+ VPN. By mid-April, the Bank had procured 4,000 VPN licenses.

Around 350+ users were migrated to Citrix VDI and AWS VDI solutions in locations where employees experienced network issues/VPN was not available. On the collaboration front, prior to the lockdown, the Bank had 50+ WebEx licenses, which was increased to 350+ licenses by early-May, and 3,000+ non-critical users were migrated to Zoom platform.

During COVID-19, as an increasing number of customers worked from home, the usage of net-banking, mobile banking and debit/credit cards witnessed an upswing, which also led to an increase in online fraud cases. To counter this, the Bank ramped up its customer education and online fraud detection-cum-prevention activities, during COVID-19.

MAKING OF A DIGITAL BANK

RBL Bank has always been at the forefront of digital banking. The Bank's journey towards digitalisation commenced in FY 2016-17 with the introduction of API banking and its first mobile banking application.

Please refer to the Bank's Sustainability Report FY 2018-19 (Page 35) and the Bank's Annual Reports for further details.

DIGITAL INITIATIVES:

In FY 2019-20, the Bank has undertaken the following transformational drives:



DigiCollect Mobile Collections

- ▶ DigiCollect is a cloud-native collection management system for collecting outstanding payments of overdue customers. The solution encompasses mobile application for managers for allocation, configuration and for administrative purposes. It is also used for collections for field-based users. The App enables auto allocation, has offline and online alerts and enables real-time payment to customer accounts.



Video Know Your Customer (Video KYC)

- ▶ The Bank has created an AI driven, Video-based KYC platform to enable instant, contactless and paperless KYC experience for acquiring new retail customers. This follows regulatory guidelines laid by RBI for Video-based Customer Identification Process (V-CIP) to achieve paperless KYC in a fully compliant manner.
- ▶ The process takes approximately 5 minutes, involves real-time face biometric and document verification capabilities, and costs 60% less due to reduced manpower and logistic requirements.
- ▶ The digital e-KYC project went live in mid-November 2019. Within a period of four months, the Bank has been able to conduct close to 4 Lakh successful KYC transactions.



Foreign Inward Remittance

- ▶ The Bank has introduced a customer-centric initiative using technology partners and some significant optimisations. It has been certified by NPCI – IMPS for processing Foreign Inward Remittance transactions.



Aadhaar Data Vault

- ▶ RBL Bank was one of the first banks in India to complete the adoption of the Aadhaar Data Vault mandated by the Unique Identification Development Authority of India (UIDAI). The solution involved encryption of all Aadhaar-related data to be stored separately in a secure, access-controlled data repository. This project was completed by the internal team in two months.



Opening online secured overdraft account

- ▶ The Bank has enabled its customers to seek an online secured overdraft account on mobile and internet banking. This account is available for debit utilisation on a real-time basis. The customer has the flexibility to avail the amount instantly. While the Bank charges interest only on the utilised amount for the number of days the OD facility was utilised, the customer can repay the amount online and the interest will be waived off.



Hyper-converged Infrastructure

- ▶ In partnership with Nutanix, the Bank has adopted a hyper-converged infrastructure, which is simple yet fully scalable and is a high-performing platform. It is used to run on the latest version of virtualisation infrastructure and other critical applications. The Bank has scaled up its usage, leading to significant savings in time to market and hosting costs.



Portfolio First for Relationship Managers

- ▶ The Bank has launched its Portfolio First application, which gives the Relationship Manager a consolidated view of his portfolio in one view.
- ▶ Launched by the inhouse IT Team, Portfolio First is used to plan and reach out to the clients in a more effective manner, identifying actionable insights from multi-channel data.
- ▶ The Relationship Manager has access to various dashboards such as Portfolio across CASA; Term Deposits; Advances, AUM, and Digital Channels Snapshot, among others.



Digital Lending

- ▶ The Bank launched Digital Lending by developing a complete loan acquisition process over digital channels. Innovative functions like 'Call me now' on web, instant calls, continuous journey link, E-Agreement are some of its examples.



RBL Cares ChatBot

- ▶ RBL Cares was launched in September 2019 with the purpose of being a digital assistant for managing customer queries and requests.
- ▶ This is the only Chatbot in the industry with 35 straight-through processing, 500+ FAQs, 8 Pushbots, 5 Login Modes. It has an accuracy of 96%, with non-comprehension of <3%.
- ▶ Nearly **5.5 Million** queries have been answered so far.



WhatsApp Banking

- ▶ Launched in May 2020, WhatsApp Banking facilitates multiple types of transactions including check account balance, check last 5 transactions, fetch credit card statements, block debit/credit card, apply for credit card and open digital savings bank account.
- ▶ Nearly **40%** of the Bank's existing customers transact through WhatsApp. The app has seen 4.2 Lakh unique users per month.



MIGRATION OF APPLICATIONS TO CLOUD

The Bank's cloud migration strategy is based on the flexibility to scale up and down. As business peaks up during the end of every month or quarter, it can align the usage of its services and consume resources in a cost-efficient manner. The Bank has already migrated more than 100 applications to cloud servers, while another 40 applications are proposed to be migrated soon.

It has made significant progress in cloud adoption and is working with AWS, which has given it the benefits of scale and performance. A "10x" programme that was run to improve internal efficiencies without additional investment has seen over 40 such improvements.

Advantages of Cloud Server:

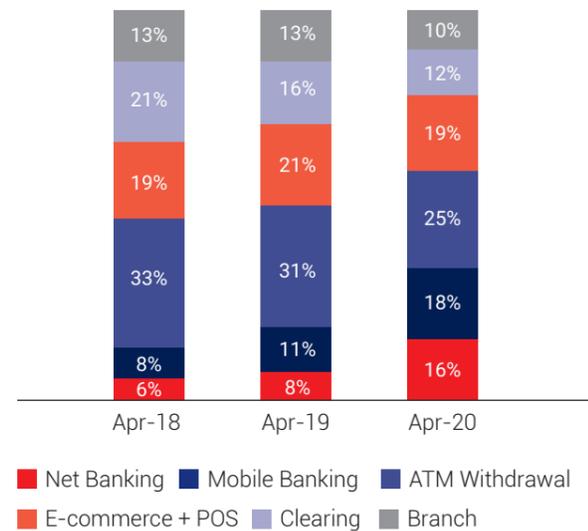
- ▶ **On-demand scalability** – Elastic scalability
- ▶ **High availability** – Services available for architecting highly available applications
- ▶ **No separate investment for Disaster Recovery** – Cloud providers offer services across multiple data centre locations, therefore, investment in setting up a separate DR site is not required.
- ▶ **Cost optimisation** – For most applications migrated to cloud, the infrastructure provisioned is 50% of that at the on-premises data centre. Cloud provides the flexibility of per hour billing, which means the Bank will be charged only for the duration that the servers are up and running.

▶ **Platform as a Service** – There is availability of managed services for Database, Containers, and others. This reduces the overheads of managing and maintaining platforms.

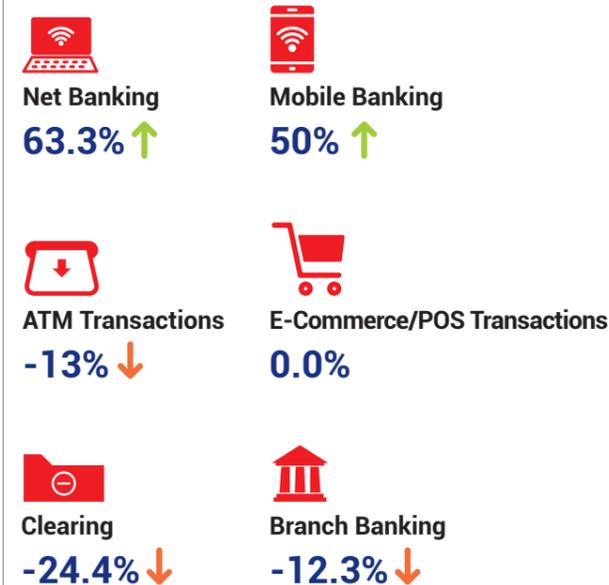
DIGITAL PAYMENT ECOSYSTEM

The figure below indicates the growth of various channels in banking. This includes digital channels like Net Banking, Mobile Banking and E-commerce/POSH transactions, including conventional means of banking such as ATM withdrawal, clearing and/or branch transactions.

% Contribution of Different Banking Channels



Compounded Annual Growth Rate (CAGR) of channels in the last three years reveal the below trend:



There has been a marked growth in net banking and mobile banking and a decline in ATM, clearings and branch banking transactions. This clearly demonstrates the impact of COVID-19, shifting preferences of millennial customers and the result of adopting digital technologies.

LEVERAGING ANALYTICS

The Bank leverages analytics as its key differentiator in client acquisition, product development and service delivery. Over the past few years, the ask for more nuanced data to drive decision-making has become a norm within the Bank. Multiple verticals such as Consumer Banking and Human Resources leverage analytics for decision-making on key matters.

The Bank's Analytics teams use Artificial Intelligence (AI), Machine Learning (ML), Algorithmic Rules, Visual Analytics and such other technologies to ensure data-centric decision-making. These teams use platforms like SQL, NoSQL, R + Python Stack for modelling, Cloud-based micro services for advanced use cases and ThoughtSpot for data visualisation.

Data plays a key role in offline and digital acquisition strategies across the Bank. Post-acquisition, analytics is extensively used to drive the customer lifecycle management including cross-sell, upsell, and retention. The use of Analytics enables the Bank to reach out to customers in a personalised manner and makes the impact of this engagement, measurable.

The below figure provides a clear view on how the Bank leverages analytics:

 <p>Acquire</p> <ul style="list-style-type: none"> ▶ Sales force productivity ▶ Lead source analyses ▶ Drop off analyses and remarketing ▶ Lead generation 	 <p>Understand</p> <ul style="list-style-type: none"> ▶ Attribution analyses ▶ RT digital journey tracking & interventions ▶ Customer profitability ▶ Portfolio health ▶ Customer segmentation ▶ Transaction patterns ▶ Product holding 	 <p>Service</p> <ul style="list-style-type: none"> ▶ Cash optimisation ▶ BOT analytics ▶ Voice analytics ▶ Social media and other UGC analytics ▶ Branch analytics 	 <p>Engage</p> <ul style="list-style-type: none"> ▶ Cross-sell propensity ▶ Upsell models ▶ Retention models ▶ Recommendation engine ▶ Cross channels campaign execution and analyses
--	--	---	--

Below are some future strategies of leveraging Analytics :



Cloud Adoption

- ▶ Cloud offers security and plug-and-play capability from anywhere. With cloud's ubiquitous availability and adaptation to the Indian scenario (languages, accent, culture), some low-hanging use cases have become attractive from a cost-benefit perspective.



User Acceptance

- ▶ As users become more data and analytics savvy, acceptance and application of analytics is becoming more widespread. Users are expected to become more comfortable with trading explainability with predictive power.



The Democratisation of Data

- ▶ As users become more "data-hungry", the Bank's Analytics team works to simplify access to data and make it more intuitive to ask questions and get answers. This basically means omni-channel access to data, Natural Language Processing (NLP) and quick insights for users.



Leveraging New Sources of Data

- ▶ In contrast to traditional data set, alternate (proxy) data sources such as tax payments data, stock market data, social media transactions, various government databases are becoming broad-based, accessible apart from "digital" big data sources. This is also helping the Bank to look beyond (traditional) internal data sets and augment decision-making by using structured/unstructured external data sets.

INFORMATION SECURITY

The Bank's information security applications conform with:

- ▶ Reserve Bank of India's guidelines on information security, electronic banking, technology risk management and cyber-frauds circular number
- ▶ ISO/IEC 27001: 2013 (Information security management systems).

Details of the Bank's Information Security architecture has been provided in its Sustainability Report FY 2018-19.

The Bank has implemented cyber resilience programme and is focussed on improving cyber security control maturity across Bank's infrastructure, technology and processes. The Bank is in the process of automating information security processes and implementation of

updated security solutions with emerging technologies such as Artificial Intelligence (AI), Machine Learning (ML) and Security Orchestration.

The Bank is proposing to adopt and re-engineer/optimize the following tools and processes:

- ▶ AI-based Vulnerability Management Platform to be implemented.
- ▶ Building Zero-trust Framework for Infrastructure and Services.
- ▶ Enhancement of current SOC tools with advanced AI/ML-based Technologies.
- ▶ Advanced Technologies enabling GRC Management.



Related Sustainable Development Goals (SDGs)

<p>8 DECENT WORK AND ECONOMIC GROWTH</p> 	<p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> 	<p>10 REDUCED INEQUALITIES</p> 	<p>11 SUSTAINABLE CITIES AND COMMUNITIES</p> 
---	---	---	---

Embracing Purpose, Potential and Perspective

Human Capital

Our mission statement stands on the principles of customers at the heart and employees as the pillar. Hence, when the Covid-19 pandemic hit, our foremost concern was to ensure the safety and well-being of our employees and their families. Moreover, being essential services, it was our responsibility to fulfill the financial needs of our customers as per the business demands.

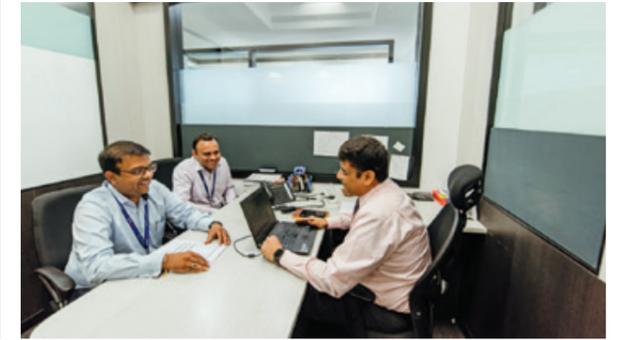
As an organisation we had to understand our employees' concerns and adopt sustainable practices towards their mental and financial stability, while adhering to government norms.

We are very proud that our employees demonstrated resilience and quick alignment to the new normal which helped us drive forward and emerge stronger.

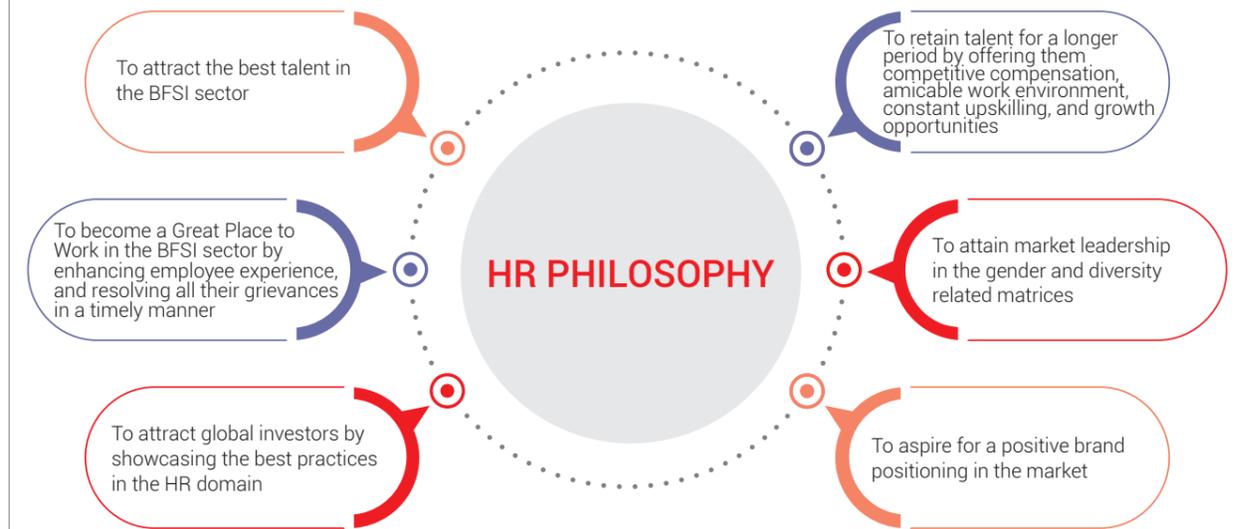
- Shanta Vallury Gandhi, Head – HR, CSR & Internal Branding



As the pandemic drives profound organisational shifts, workforce trends in a post-COVID world reflect the emergence of new drivers of change. With the work environment having been reshaped forever, the Bank is reassessing its priorities and deploying strategies and solutions for work trends. With the changed setting, the Bank has become more agile and open to doing things differently and building on the lessons learnt.



The Bank is constantly working on ensuring a great workplace environment - one that supports and enables every employee to realise their full potential.



The Bank has developed an Oracle-based cloud-hosted HR Management System (HRMS). Employees could login remotely from secured terminal, data is stored safely in cloud storage and it could be pooled in a matter of minutes.

WORKING IN CHANGING TIMES – RESPONSE TO COVID-19

COVID-19 has led the Bank to reorient the way people work with restrictions. So the onus is greater than before on organisations to understand employee concerns and adopt sustainable practices towards their mental and financial well-being. The Bank has taken the following proactive steps to address these concerns.

- ▶ **Quick Response Team (QRT):** To effectively monitor the situation and enable faster dissemination of the information as well as decision-making, the Bank constituted a Quick Response Team (QRT). This consisted of the Chief Security Officer, Senior members

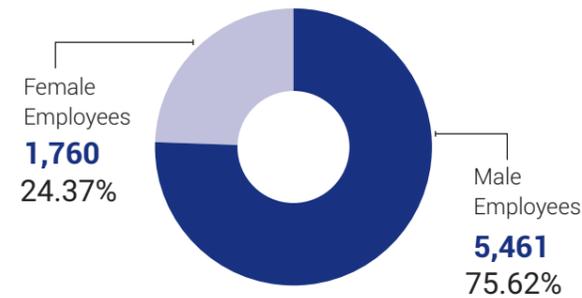
from HR, Corporate Support, IT and Business teams. The Bank's QRT issued necessary advisory – on travel, safety, health, hygiene in alignment with the Ministry of Health, established protocols, and social distancing norms and ensured the essential medical support system was in place to safeguard the Bank's employees.

- ▶ **Manager Support:** Managers were advised to conduct virtual meetings and encouraged to remain in regular touch with their teams.
- ▶ **Central Governance:** The Bank ensured that regular calls were made by each employees' HR Business Partner was deployed to monitor the safety and well-being of all the employees.
- ▶ **Medical Support:** The Bank partnered with medical service providers to address mental anxiety for employees.

SIGNIFICANT HR INITIATIVES

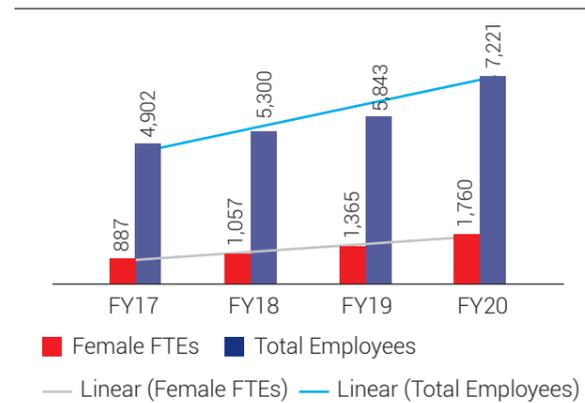
Employee Diversity

Ratio of Full-time Employees (As on March 31, 2020)



In the past 4-5 years, the Bank has witnessed a steady increase in the number of its full-time male and female employees. While Bank's total employees grew at a 4-year CAGR of 10%, male employees grew at a 4-year CAGR of 8%, and female employees grew at a CAGR of 18.7%.

YoY Growth in Female FTEs w.r.t. Total FTEs



Geographic distribution of employees

Zone	Female	Male	Grand Total
Central	22	143	165
East	65	232	297
North	411	1,274	1,685
South	288	1,067	1,355
West	974	2,745	3,719
Grand Total	1,760	5,461	7,221

Nearly 51.5% of employees are in Western zone (Gujarat, Maharashtra, Karnataka and Goa), followed by 23.3% in Northern zone (Delhi, Haryana, Punjab, Uttar Pradesh etc.) and 18.8% in Southern zone (Andhra, Telangana, Tamil Nadu and Kerala).

Age-wise distribution of employees



Percentage of employees in 30-50 years age bracket
65%



Percentage of employees in less than 30-year age bracket
32.5%

The age distribution of employees across gender bracket is provided in the table below. Interestingly, approx. 70% male FTEs belong to 30-50-year age bracket, and 27.2% male FTEs in <30-year bracket. As opposed to this, female FTEs division is nearly 49% in age bracket of <30 years, 49.7% in age bracket of 30-50 years and approx. 1.2% >50 age bracket.

Employee Across Age and by Gender Distribution	Male FTE	Female FTE	Total	In Percentage
<30 years	1,486	863	2,349	32.50%
30-50 years	3,822	876	4,698	65%
>50 years	153	21	174	2.50%
Total	5,461	1,760	7,221	100%

Similarly, the Bank is organised pyramidally, i.e. nearly 76.4% FTEs represent the junior management. (73.6% of Male FTEs and 85.2% Female FTEs), while 22.06% FTEs represent the middle management (25.3% of Male FTEs and 14.4% of Female FTEs) and approx. 0.9% FTEs represent the top management (1.1% of Male FTEs and 0.4% of Female FTEs).

The Bank has adopted measures to mentor female FTEs in the middle management level and develop them for top roles.

Please refer to the section on gender and diversity below.

Employee Distribution Across Management Brackets and by Gender	Male FTE	Female FTE	Total
Junior Management, i.e. Grades lower than Assistant Vice President	4,018	1,500	5,518
Middle Management, i.e. Assistant Vice President – Senior Vice President Grade 1	1,382	253	1,635
Senior Management, i.e. Senior Vice President Grade 2 & Above	61	7	68
Total	5,461	1,760	7,221



Attracting, Developing and Managing Talent

Recruitment and attrition

Recruitment and attrition maintain the flow of employees within an organisation. At the Bank, there is a strong emphasis on recruitment of female FTEs. Attrition amongst female FTEs is marginally higher than male attrition. However, both male and female attrition ratios are well within the acceptable range of India's BFSI sector.

The Bank has set out Compensation Policy based on the concept of CTC (Cost to Company) and TEC (Total Employee Compensation). This is aimed at making the compensation packages for officers across all grades competitive enough to attract, nurture and retain high calibre professionals in the Bank.

The Bank offers the same entry level wage to male and female FTE. The Bank's entry level wage is higher than the standard minimum wages stipulated by State Labour Departments. E.g. in Maharashtra, the entry level wage is 1.2 times of the minimum wages stipulated by the Maharashtra Labour Department for skilled workers located in Zone 1¹. Compensationwise, there is no distinction between CTC, IBA and/or FTEs working on contract for the Bank. Benefits provided to employees include over and beyond compensation: health/mediclin insurance, accidental insurance, parental leave², retirement provision (IBA staff only) and employee stock options (CTC employee only).

Average wage difference between men and women at the junior, middle and senior management levels is provided below (as on September 30, 2020). The difference between the salary of a male and female FTE is marginal.

Management Buckets	Male:Female average salary ratio
Junior Management	1:1.05
Middle Management	1:1.10
Senior Executives	1:0.97

¹Please note, this does not include the management graduates. Management Trainees are generally hired at higher compensation.

²Both male and female employees are entitled to parental leaves

Recruitment and Attrition in FY 2019-20



Males Recruited
2,521

Approx. 6.16% of total male FTEs as on March 31, 2020



Females Recruited
984

Approx. 55.91% of total female FTEs as on March 31, 2020



Attrition in Males
1,516

Approx. 27.76% of total male FTEs as on March 31, 2020



Attrition in Females
590

Approx. 33.52% of total female FTEs as on March 31, 2020

Employee Compensation

8.7%

Average increase in remuneration for employees at RBL Bank, other than managerial personnel

12.5%

Average increase in remuneration for managerial personnel at RBL Bank (Executive Directors, including Managing Director & CEO, Chief Financial Officer and Company Secretary)

The Bank also commissioned Aon Consulting for conducting an annual remuneration benchmarking survey to develop an overarching rewards philosophy. Additionally, it engaged with Towers Willis Watson for carrying out a remuneration survey, especially for the IT executives. This indicates the proactiveness of the Bank to offer fair compensation and in ensuring talent retention.

The ratio of remuneration of each Director to the median remuneration of the Bank's employees for FY 2019-20 is presented below. According to a MoneyControl report, the ratio of the CEO's salary of Nifty's top 50 companies, on an average, is 260.5x the median salary of other employees³. However, in contrast to this, the ratio at RBL Bank is modest, as presented below:

Name of Director	Designation	Ratio
Mr. Prakash Chandra	Non-Executive Independent Director (Part-time Chairman)	5.1x
Mr. Vishwavir Ahuja	Managing Director & CEO	42.45x
Mr. Rajeev Ahuja	Executive Director	30.42x

³<https://www.moneycontrol.com/news/business/companies/do-indian-ceos-get-obscene-salaries-here-is-what-we-found-out-4434191.html>

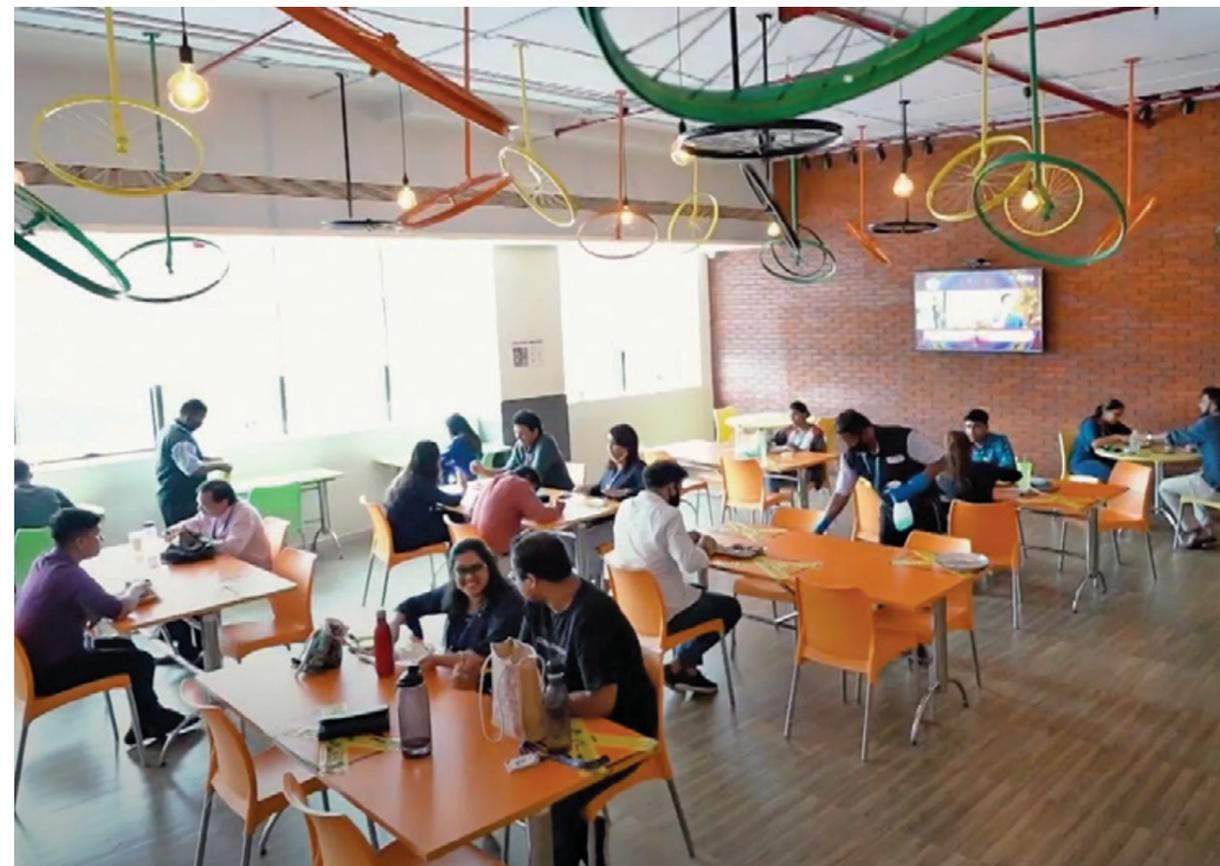
The percentage increase in remuneration of each Director, MD & CEO, Executive Director, Chief Financial Officer and Company Secretary for FY 2019-20 is presented on Pg. 72 of the Bank's Annual Report for FY 2019-20.

Celebrating the difference

Gender diversity is a key corporate priority for RBL Bank. The Bank believes that diversity is fundamental to its success. The Bank's workforce includes people from different backgrounds – be it gender, ethnicity, age, religious belief, education, sexual orientation and disability. In addition to its focus on gender balance, the Bank supports several initiatives designed to raise awareness and celebrate its diverse workforce.

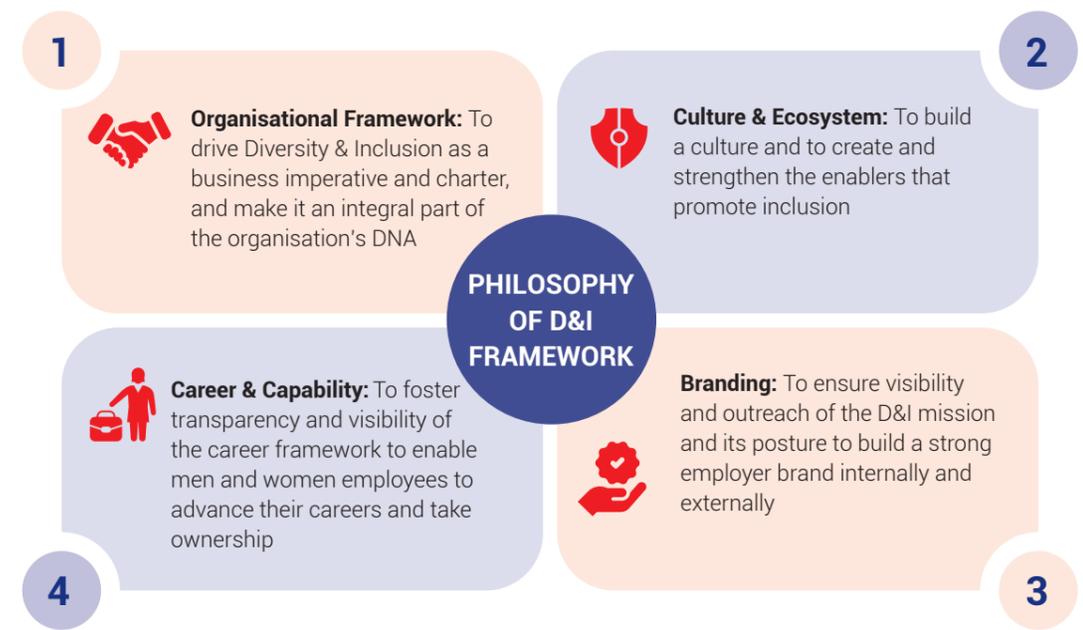
As a part of the Bank's 'Vision 2020' agenda in 2015, it has pledged to achieve 22% women participation by March 31, 2020. Notably, the Bank has managed to accomplish this successfully, in 2019 itself. By March 31, 2020, women participation in the total workforce stood at approximately 24.37%.

In FY 2018-19, the Bank hired a full-time Diversity & Inclusion (D&I) Manager and in October 2019 it adopted a D&I framework. At present, the framework focusses on gender, but in the near future it will expand its scope to specially-abled, multi-cultural, and multi-generational employees.



Key initiatives undertaken by D&I group:

- ▶ Diversity & Inclusion team launched a pilot returnee programme for professionals, especially for women who are on break for more than a year and wish to start working again. The first batch of such women professionals has been on-boarded during Q1 of FY 2020-21.
- ▶ Between October 2018 and August 2019, the D&I team organised 7 mentoring sessions across India for women in middle management. These future Women Leaders were mentored by the Bank's top leaders on positioning, networking, career growth, handling of challenges, and other key topics. They are expected to cascade these learnings to women in their respective teams.
- ▶ The Internal Complaints Committee (ICC) was strengthened by including members from different zones to ensure a larger coverage.
- ▶ The Bank has launched gender sensitisation and Prevention of Sexual Harassment (POSH) re-training sessions across North and West zones in Q4 of FY 2019-20.



Maternity Leave

Following the amendment in Maternity Benefit (Amendment) Act, 2017, The Bank amended policies and paved way for a paid maternity leave of 26 weeks for all the women employees.

63 Women FTE availed maternity benefits in FY 2019-20	53 Women FTE who rejoined the Bank after completing maternity leave in FY 2019-20	29 Women FTE who completed 12 months in the Bank after availing maternity leave in FY 2018-19
---	---	---

POSH - Trends & developments

The Bank has a Prevention of Sexual Harassment (POSH) policy and POSH Committee in compliance with the prevalent regulations. The POSH policy supports multiple modes of reporting, transparency and scope for tough actions, in case allegations are proven. The Bank has an e-learning module dedicated to POSH. All the new joinees have to mandatorily undergo POSH e-learning training within 30 days of joining.

Details of POSH complaints received by RBL Bank in FY 2019-20:

Sexual harassment cases in FY	Carried forward from the previous FY	No. registered in FY 2019-20	Nos. successfully resolved in FY 2019-20	No. pending resolution as on March 31, 2020
FY 2017-18	Nil	Nil	Nil	Nil
FY 2018-19	Nil	3	2	1
FY 2019-20	1	Nil	1	Nil

The D&I team is working on inducting new members into the ICC from zonal offices to ensure strengthening of the process and reduced delays. It has also launched a gender sensitisation course to sensitise both genders about potential pitfalls of POSH.

UPSKILLING OF EMPLOYEES



0.63%
Of Profit After Tax (PAT) utilised towards upskilling of employees in FY 2019-20 (compared to 0.33% PAT in FY 2018-19)



20 FTEs / training
Average attendance per training programme (73.4% improvement over FY 2018-19)



12,527
FTEs trained in FY 2019-20 (81% higher from FY 2018-19)



2.27 person-day
Training/year for male FTEs (36.7% growth over FY 2018-19's value)



2.77 person-day
Training/year for female FTEs (41.3% growth over FY 2018-19's value)

Bank's Learning and Organisation Development (L&OD) team looks after the skill development of employees. It undertakes classroom trainings (including external training of employees) and E-learning training sessions.

Training programmes are conceptualised using input data from the Performance Management System (PMS) by identifying the skill gap. Also, the L&OD team conducts training need analysis with business heads to develop new upskilling solutions. The team publishes quarterly training

roster in advance for self/team nomination. Number of training programmes and trainee is presented below:

Financial Year	Total number of training programmes	Total number of FTEs trained*	Total person-hour invested in training
FY 2017-18	1,157	6,317	71,987
FY 2018-19	599	6,891	1,08,440
FY 2019-20	628	12,527	1,37,287

Note: The above data includes both existing and resigned FTEs.

Genderwise division of training data is presented below. The average person-days of training undertaken by female FTEs is comparatively higher than male FTEs.

Financial Year	FTEs trained in FY		Person-day training / FY	
	Male*	Female*	Male FTEs	Female FTEs
FY 2017-18	5,025	1,292	1.5	1.9
FY 2018-19	5,321	1,566	1.66	1.96
FY 2019-20	6,036	2,068	2.27	2.77
CAGR (3 years)	6.30%	16.98%	14.81%	13.39%

Note: The above data includes existing and resigned FTEs.

As per the Bank's approved processes, reaction level feedback is collected for trainees through a post-training survey. Kirkpatrick Model is followed for evaluating effectiveness of these training programmes.

Safety training

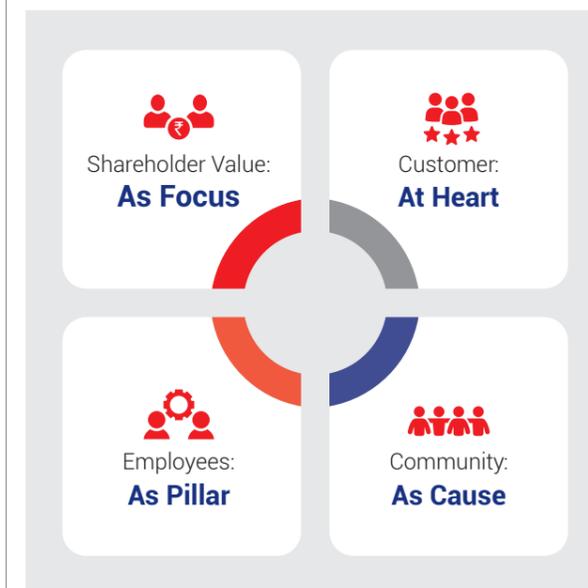
The Bank has also invested in a robust automated security and surveillance system that operates round-the-clock. In addition, it has developed an effective Business Continuity Programme (BCP) following the RBI guidelines. This ensures the safety of employees, clients, vital business data, and shareholder interest. The Bank's Security Team provides safety training to all the employees and contract workers on the premises. This includes training in security, safety, evacuation planning and fire training.

Safety-related training in FY 2019-20

Theme/Type of Safety Trainings Conducted in FY 2019-20	No. of Trainings Conducted	No. of Attendees
Security, Fire Safety & Evacuation Training at branches / offices / vendor sites	226	4,406

STRENGTHENING THE WORKFORCE

Key themes of Performance Management System



Performance Management Process

The Bank follows a meritocratic performance management system, which rewards performance within the ambit of Bank's mission statement proposed above. All employees are appraised against these goals. Employees' performance and competence assessment are considered for rating their performance. This Performance Rating has a direct correlation with increments and APLVC as well as with ESOPs.

The Bank has adopted a 360° performance evaluation process. Through a survey, a manager can receive unbiased and structured feedback on the employee from multiple sources i.e. immediate manager, direct reports, peers and other stakeholders. The consolidated inputs from the process forms the basis of their developmental journey at the Bank.

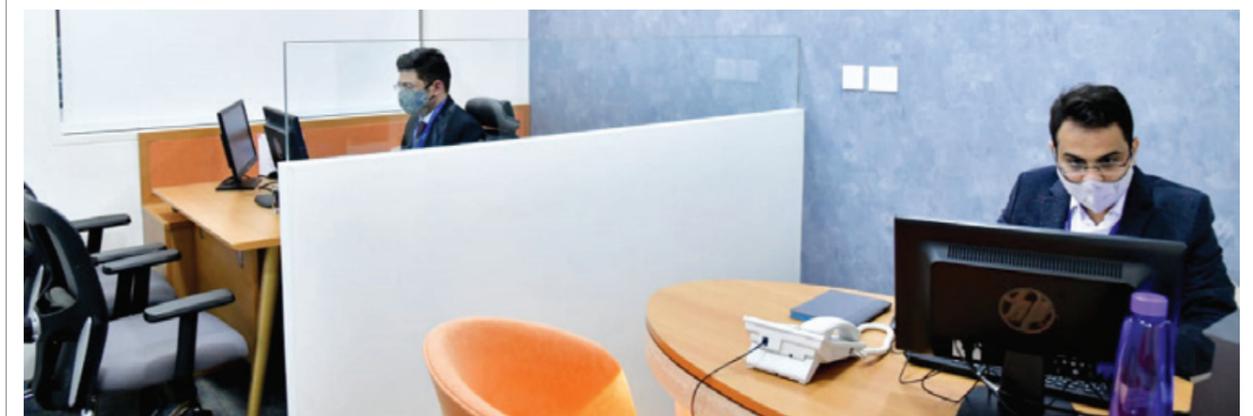
Employee Grievance Management Initiatives

The Bank has a well-defined and structured mechanism to facilitate employees to provide their views on any issues/grievances concerning themselves or the Bank. Mechanisms such as Whistle Blower mechanism and V-care (Bank's proprietary grievance redressal module) provides a platform to the employees to log their views or report issues.

The issues highlighted therein are scrutinised by HR teams and appropriate action in a time bound manner.

Beside these channels the employees could access alternate mechanisms like raising their concern directly with line managers or higher ups and/or with the concerned Employee Experience Manager.

In FY 2019-20, 3 cases of employee grievances were lodged through these channels. All these stand satisfactorily closed as on March 31, 2020.



Related Sustainable Development Goals (SDGs)



Creating Strong Relationships



Social and Relationship Capital

Expanding financial services to the unbanked and underbanked population has been a key priority for RBL Bank. We continue to remain committed to providing customised solutions to the vulnerable groups of the society. As digital transformation accelerates, we see an opportunity to expedite its various benefits to our customers.

Taking the changing landscape into consideration, we also organise structured financial inclusion and literacy programmes for select sections of the society.'

- Harjeet Toor, Head - Retail Lending, Inclusion and Rural Business.



Social and relationship capital represents the Bank's engagement with the communities where it operates and its business partners. The Bank not only has symbiotic relationships with them, but also creates maximum positive impact by building a better future for the communities. The Bank works closely with these communities by strengthening them, building their capacities, ensuring their inclusive development.

STAKEHOLDER ENGAGEMENT

The Bank's stakeholders are directly or indirectly affected by its environmental, social and/or governance practices, operations and/or policies. This encompasses its regulators, investors, customers, borrowers, employees and the communities in which the Bank operates. It has identified its pertinent stakeholders through a brainstorming process.

The Bank's existing stakeholders, its mode of engagement with each of them and the frequency with which it engages with them has been presented below:



Shareholders/ Investors

Annual: Annual Reports, Annual General Meetings with Shareholders
Quarterly: Analyst Calls, Investor Meets and Investor Road Shows
Eventual: One-on-One Meetings, Investor Relations Vertical Communications, Press Releases, Communication to Stock Exchanges, Intimation to Bank's Registrar & Share Transfer Agents
Perpetual: Company Website



Customers

Annual: Customer Satisfaction Surveys
Eventual: SMS/ E-mailers
Perpetual: Engagement through Branch Banking and Relationship Managers, MoBank and Net Banking Facilities, Social Media interactions, Financial Literacy Programmes, Engagement Through Business Correspondent [BC] Network, Customer Care Centres



Employees

Eventual: External Trainings
Perpetual: One-to-One Employee-Manager Interactions, V-Care - Employee Grievance Redressal Platform, Empower - Oracle Based HRMS System, Employee Fun Club, Open Houses and Town Hall Meetings (E/A), Internal E-Learning Platforms



Regulators

Eventual: Communications Received and Sent, Regulatory Reporting Practices (W/Q/A/E), Idea Sharing Meetings/ Workshops



Community

Eventual: CSR Programmes, Employee Volunteering, Community Events, Environmental and Social (E&S), Press Releases and Other Form of Communications
Perpetual: Grievance Redressal Mechanism



Suppliers

Perpetual: Standard Clauses Included in Supplier's Agreement, Supplier's Code of Conduct Documents, Supplier's Communication with Central Procurement Unit



Media

Eventual: Press Releases and Media Coverage, Interviews of Top Management in Media, Advertisement(S), PR Wire and Similar PR Initiatives undertaken by the Bank's Marketing & Corporate Communication Vertical

CUSTOMER COMPLAINT MANAGEMENT

The Bank has developed multiple channels such as call-centres, e-mailers and branches where aggrieved customers can register a complaint. The Bank has a complaint handling policy which defines the resolution stage, TAT (turnaround time) and the escalation route. This

is monitored by the Bank's Service Excellence team and Board-level Customer Service, Branding and Marketing Committee (CSBMC).

Provided below are details on customer complaints, investor complaints and customer cases in FY 2019-20:

	Carried forward from FY 2018-19 (i.e., pending as on March 31, 2019)	Number of Complaints registered between April 1, 2019 and March 31, 2020	Number of Complaints successfully resolved between April 1, 2019 and March 31, 2020	Number of Complaints pending resolution as on March 31, 2020
Customer Complaints	629	35,339	33,158	2,810

Customer Satisfaction Survey

The Bank conducts two types of Customer Satisfaction surveys – (a) Service Resolution Index (SRI) and (b) Complaint Resolution Index (CRI). The Bank is committed to provide the best possible customer experience to its clients.

SRI:

The objective of the SRI survey is to measure the customers' experience with regards to service requests placed by him/her at the Bank's branches. To measure the Bank's SRI, clients are randomly selected and contacted telephonically to rate their request resolution experience on a scale of 1-10 (where 10 stands for 'Excellent Service Provided' and '1' stands for 'Needs Improvement'). In FY 2019-20, approximately 16,150 surveys have been conducted by approaching random customers. On an average, 90% of the sampled customers responded that they were 'Very Happy' with the resolution offered (86% in FY 2018-19).

CRI:

CRI is conducted to understand customers' experience on complaint resolution. Here, outbound calls are made by contact centre agents to its customers and they are requested to rate their overall experience with the Bank on a scale of 1-10 (where 1 denotes 'Needs Improvement' and 10 denotes 'Excellent Service Provided'). In FY 2019-20, out of an approximate number of 8,190 customers surveyed, an average of 85% of the customers responded with 'Excellent Service provided' (81.5% in FY 2018-19).

FINANCIAL INCLUSION

Financial inclusion is defined as the process of ensuring access to financial services and timely and adequate credit as needed by vulnerable groups such as the weaker sections of the society and low-income groups at an affordable cost.

It refers to a state in which all the working age adults have effective access to credit, savings, payments, and insurance from formal financial institutions¹. The World Bank has reported that India has more than 19.1 Crore adults above the age of 15 years without any bank account (2017). Non-inclusion in mainstream finance can lead to incremental poverty, falling prey to loan sharks and might lead to loss of property. Financial inclusion, particularly the empowerment of rural and semi-urban women clients, is a key strategy adopted by financial institutions globally.

The Bank's Development Banking and Financial Inclusion (DBFI) segment ensures that the rural unbanked and under-banked customers can avail basic banking services through its own and Business Correspondence (BC) branches. As on March 31, 2020, RBL Bank had a network of 1,099 Financial Inclusion (FI) BC branches. Over the last three years, the BC branch number has grown at a CAGR of approx. 17%. A list of the Bank's BC Partners and the states they cater to has been provided on the Bank's Website². Nearly 13.1% of the Bank's total advances were allocated towards the DBFI segment, as on March 31, 2020.

Women empowerment is a key focus area for the Bank's Financial Inclusion strategy. The Bank provides credit facilities to women's Joint Liability Groups (JLG) and/or Self-Help Groups (SHG) and discusses with them details on the loan taken, its usage for income generation and the importance of timely repayment. This has proved to be effective in driving female entrepreneurship, women's engagement in household financial decisions and their entry into the formal banking system.

¹ IFC Bulletin No 38 Financial inclusion indicators. January 2015. <https://www.bis.org/ifc/publ/ifcb38.pdf>
² <https://www.rblbank.com/product/agri-banking/developmental-banking-&-financial-inclusion>

In FY 2019-20, the Bank's financial inclusion products bouquet included the following products:

RBL BANK'S FINANCIAL INCLUSION PRODUCT OFFERINGS		
▶ Microfinance	▶ Micro-enterprise finance	▶ Insurance
▶ Term loans	▶ Working capital finance	▶ Life insurance
▶ Working capital finance	▶ Asset finance	▶ General insurance
	▶ Term loans	▶ Credit-life micro-insurance
		▶ Health insurance
▶ Micro-banking	▶ Micro-savings and Remittances	▶ Personal Banking Products
▶ Crop loan	▶ No-frill savings account	▶ Savings account
▶ Crop loan (vegetables)	▶ Domestic remittance	▶ Current account
▶ Agri investment loan (land development)	▶ Flexible RD	▶ Loans
▶ Agri allied loan (dairy)		▶ Deposit
▶ Agri allied loan (non-dairy)		▶ Insurance
▶ Micro-enterprise loan		

Financial Inclusion portfolio related details across the last three financial years is presented below:

	FY 2019-20	FY 2018-19	FY 2017-18	3 Yr. CAGR
Gross FI Loan portfolio (₹ Crore)	6,469.07	5,038.06	3,620.02	21.35%
Loan amount disbursed in FY (₹ Crore)	5,895.81	4,789.36	639.79	109.65%
No. of Loans disbursed in FY (Lakh)	17.56	15.23	12.71	11.39%
No. of active borrowers (Lakh)	30.39	24.99	19.21	16.52%
Average ticket size of loans (₹)	33,574	31,446	28,343	5.81%

The top five States contributing to the Bank's Financial Inclusion business as on March 31, 2020 are: Bihar (14.7% of portfolio), Tamil Nadu (13.4%), Maharashtra (10.7%), Karnataka (8.8%) and West Bengal (8.5%). Cumulatively, these 5 States contribute approximately 56.1% of the FI portfolio. Interestingly, while the Bank has been significantly active in Maharashtra, Karnataka and Tamil Nadu, it is Bihar, a traditionally low-income State, that serves as the new front of FI business.

Approx. 74% of the loans disbursed are to new women customers in their first cycle. About 23% of the women customers are generally new to organised credit³. This ensures more women customers are covered under the FI ambit. The increase in the average ticket size of loans indicates the increasing loan appetite of the greater loans by women clients.

³ https://ir.rblbank.com/pdfs/financial-highlights/Investor_Presentation_Q4_FY20.pdf

FINANCIAL LITERACY

'Saksham', the Bank's leading financial literacy programme, has covered 47 Business Correspondent (BC) branches in Maharashtra, Gujarat, Rajasthan and Bihar by the end of FY 2019-20. Since the inception of this programme, a total of 1,95,066 women have been trained till March 31, 2020.

The classroom training programmes focus on issues like importance of savings, modes of formal and informal savings, lifestyle needs and relevant financial products, KYC requirements (like Aadhaar Card), magic of compounding, over indebtedness, credit bureau, and responsibilities and rights of customers.

The State-wise details of trainings and women clients trained are provided below:

Maharashtra

	FY 2017-18	FY 2018-19	FY 2019-20
	2,050 No. of Training Programmes	1,597 No. of Training Programmes	2,238 No. of Training Programmes
	10,336 No. of Clients* Trained	10,198 No. of Clients* Trained	10,590 No. of Clients* Trained

Gujarat

	FY 2017-18	FY 2018-19	FY 2019-20
	3,335 No. of Training Programmes	2,124 No. of Training Programmes	2,570 No. of Training Programmes
	38,108 No. of Clients* Trained	16,999 No. of Clients* Trained	15,238 No. of Clients* Trained

Rajasthan

	FY 2017-18	FY 2018-19	FY 2019-20
	867 No. of Training Programmes	140 No. of Training Programmes	1,411 No. of Training Programmes
	10,216 No. of Clients* Trained	1,417 No. of Clients* Trained	10,660 No. of Clients* Trained

Bihar*

	FY 2018-19	FY 2019-20
	149 No. of Training Programmes	2,065 No. of Training Programmes
	1,605 No. of Clients* Trained	19,254 No. of Clients* Trained

Haryana*

	FY 2019-20
	296 No. of Training Programmes
	2,435 No. of Clients* Trained

Note: *Clients indicate under-privileged women in Joint Liability Groups/Self Help Groups.
https://ir.rblbank.com/pdfs/financial-highlights/Investor_Presentation_Q4_FY 2019-20.pdf, Pg. 41.
 #Saksham programme in Bihar started in FY 2018-19
 %Saksham programme in Haryana started in FY 2019-20

The Bank launched “Unnati” financial literacy programme in four districts of Bihar in April 2018, in association with CDC Group and RBL Finserve Ltd. The programme originally was designed to provide classroom training to 30,000 women spread across 15 BC Branches in 4 districts of Bihar. At the end of Phase I, by the end of January 2019, the programme overshot its original target and trained 32,251 women clients. About 73% of the women trained were RBL Bank customers. Approximately 35% to 40% of the women

customers under each BC branch were covered under Phase I of Unnati.

Phase II of Unnati started in April 2019 and ended in October 2019. This was a refresher programme and focussed on revised training and product linkages to clients and their families, connecting them through phone calls. By October 30, 2019, 11,503 women clients were trained in this phase, and 95% of these were customers of RBL Bank.

	No. of Clients ^A Trained	No. of Call Made	Clients Contactable	Product Linkage Leads	Product Linkages	“Swadhaar Saathi” App Download
Phase I [#]	31,452	24,421	13,187	1,702	2,527	1,138
Phase II [#]	11,503	14,072	5,488	NA	4,779	1,761

Note: ^A Clients refer to poor women in the catchment of BC branches.
[#] Phase I - April 2018 to January 2019 and Phase II - April 2019 to October 2019.

A key focus area of training in Phase II was product linkage. This included opening of ‘no frills’ bank account, enrolment in either Pradhan Mantri Suraksha Bima Yojna or in Pradhan Mantri Jeevan Jyoti Bima Yojna, opening of Sukanya Samruddhi Yojana account, enrolment in Atal Pension Yojana, or opening of Recurring Deposit (RD) and

Fixed Deposit (FD). Approximately, 38.67% of trainees under Phase II bought PM Jivan Jyoti Bima Yojna/PM Suraksha Bima Yojna life insurances.

An impact assessment programme for ‘Unnati’ financial literacy training programme is being planned.



CORPORATE SOCIAL RESPONSIBILITY

The Bank undertook the following CSR projects in FY 2019-20, which have impacted more than 43,000 direct beneficiaries. The Bank has successfully built partnership with 50+ NGO partners to address larger social issues under sustainable livelihood, education and preventive healthcare.

Highlights of the Bank's CSR activities in FY 2019-20 are mentioned below:



Preventive Healthcare:

- ▶ In partnership with the Iksha Foundation, the Bank supports the screening, detection and surgery of the under-privileged children suffering from Retinoblastoma (eye cancer).
- ▶ In partnership with Aditya Jyot Foundation for Twinkling Little Eyes, the Bank is working towards spreading mass awareness and screening of the susceptible population for Diabetic Retinopathy (retina damage due to diabetes) in various parts of Dharavi and several other parts of Mumbai. The Bank has also adopted two eye care centres.
- ▶ The Bank partnered with Cuddles Foundation, for supporting 400 families near Adyar Cancer Hospital, Chennai, by providing them with accommodation and nutritional support.



Education:

- ▶ The 6th edition of RBL Bank's 'UMEED 1000' Cyclothon was organised from Udaipur to Amritsar en-route RBL Bank branches to increase awareness on the importance of education of the girl child. More than 40 employees of the Bank cycled for 1,000 kilometres, which included 6 women too. A sum of ₹ 5.10 Crore was raised for Udbhav School in Rasoolpura slums, Hyderabad, run by IIMAAA charitable trust.
- ▶ The Bank has associated with 'Dr. Shanta Vaidya Memorial Foundation' in Pune to financially support 1,700 children with learning difficulties like Dyslexia.
- ▶ The Bank has partnered with 'Foundation for Excellence India Trust', to provide education to 100 academically gifted and financially deserving students in India pursuing Bachelor's in Engineering (B. E.) and Technology (B. Tech) through scholarship programme.



Skill Development:

- ▶ The Bank has partnered with Natarajan Education Society, Magic Bus India Foundation, and, Smile Foundation to support the youth by providing them a mix of hard and soft skills training. This is being done with the objective of helping them gain employment and break their poverty cycle. This initiative has led to an approx. 70% YoY placement track record.



Sustainable Livelihood:

Augmenting livelihood opportunities of farmers, rural youth and the under-privileged sections of the society is a key facet of the Bank's CSR activities. Few such examples have been provided below:

- ▶ Partnering with 'Under the Mango Tree', the Bank launched an innovative initiative for bee rearing that helps preserve nature's ecological balance. The project named 'Bees for Poverty Reduction' has improved the income of approximately 6,800 farmers by providing them with training on bee-keeping and handholding in the states of Maharashtra, Gujarat and Madhya Pradesh.
- ▶ The Bank supports the marginalised and small farmers through multi-disciplinary projects such as (i) goat farming, (ii) poultry, and (iii) animal husbandry in Raigad, Maharashtra, with 'Swades Foundation'. Similarly, the Bank is also supporting 'Srijan', which works in parts of Rajasthan for income enhancement of small landholders through horticulture and natural resource management trainings.
- ▶ The Bank has associated with Aajeevika Bureau to provide vocational training to 5,000 rural youth and women. Through this initiative the Bank helps women self-help groups get access to government benefits schemes and finance, through microfinance providers.
- ▶ 'Medha' works with young adults, enabling up-skilling, local job placements and promoting entrepreneurship in 15 backward districts of Madhya Pradesh, Rajasthan, Chhattisgarh, Odisha, and Telangana. The Bank has associated with Medha in the last financial year, and started an up-skilling project in Lucknow with 500 students.



Empowering Persons with Disabilities

- ▶ The Bank has partnered with 'Youth4Jobs', a non-profit organisation, to provide training to visually impaired youth in spoken English, computer skills and coaching for CCIC (automation) exam conducted by the State Board of Technical Education and Training (SBTET) in Telangana. In the last financial year, approximately 100 such students were trained.
- ▶ The Bank's partnership with 'Ratna Nidhi Charitable Trust' is enabling and empowering 170 youth with movement disability through prosthetic leg intervention and skill training programmes in Maharashtra.
- ▶ The Bank also focusses on development programmes for youth to gain job ready skills, education for the children of martyrs who would have had to discontinue or downgrade their education due to loss of the sole breadwinner in the family, and a steady income flow for families of migrant workers who work on a sporadic basis. The Bank continues to support its sustainable livelihood activities to strengthen the financial conditions of farmers and women from low-income groups.



COVID-19 response

- ▶ **Mask manufacturing and distribution:**
The Bank's CSR team engaged with Natarajan Education Society and West Bengal Rural Livelihood Mission to manufacture 30,000 face masks which were distributed through its BC partners and branches.
- ▶ **Payroll Giving Programme:**
The Bank's employees contributed towards sustenance of migratory workers, in association with Aajeevika Bureau from Rajasthan, by providing them with food, shelter and helpline numbers for information and emergency situations.
- ▶ **Volunteering from Home:**
The Bank's employees engaged with NGO partners through volunteering opportunities during the lockdown. These are short-term, bit-size and easy engagement methods with supported NGOs. The work ranges from calling home the elderly and children from orphanages to wish them on birthdays or special occasions, prepare young people for jobs on-phone interviews given the COVID-19 scenario, record e-books and important COVID-19 related information for the visually challenged.



Impact of CSR programme

<p>₹ 13.81 Cr.</p> <p>Amount spent towards CSR activities in FY 2019-20</p> <p>CSR spend for last three financial years has grown at a CAGR of 25.84%</p>	<p>40,000</p> <p>Direct Beneficiaries in FY 2019-20</p> <p>1,93,000</p> <p>Overall lives touched since the inception of CSR programme</p>	<p>01:05.9</p> <p>Social Return on Investment (SRoI) for farmer livelihood enhancement project, in association with Under the Mango Tree</p>
---	---	---



MSME FINANCING

The MSME sector is the lifeblood of India's manufacturing sector, contributing nearly 30% to Indian GDP and 48% of all exports⁴, and creating employment for nearly 11 Crore Indian citizens⁵. The Bank's MSME product suite includes secured loans up to ₹ 25 Lakh, unsecured loans of up to ₹ 10 Lakh and two-wheeler loans.

These loans are being offered through the Bank's wholly-owned subsidiary RBL Finserve, acting as Business Correspondent (BC) branches across 17 states/UT and operating through 188 branches. RBL Finserve reached close to ₹ 1,200 Crore AUM in FY 2019-20.

⁴<https://economictimes.indiatimes.com/small-biz/sme-sector/msme-sector-contributes-30-to-gdp-48-to-exports-nitin-gadkari/vedioshow/78945589.cms?from=mdr>

⁵<https://yourstory.com/2021/01/challenges-holding-msmes-achieving-full-potential>

The Bank has implemented digital on-boarding of MSME customers in more than 140 RBL Finserve branches, which has enabled seamless on-boarding and better data management.

Yearly advances to the MSME sector (as reported under Priority Sector Lending, PSL scheme of the Reserve Bank of India) has been presented below:

	Amount Disbursed (₹ Crore)	Balance Outstanding on March 31 (₹ Crore)	No. of Beneficiaries
FY 2017-18	7,491.75	6,186.53	5,72,841
FY 2018-19	9,639.77	8,084.89	7,70,689
FY 2019-20	7,382.33	8,240.86	7,95,603

Impact of MSME funding

<p>9%</p> <p>Average improvement in assets</p>	<p>10-15 jobs</p> <p>Created for every 1 Million USD (Approx. ₹ 7.5 Crore) lent to MSME borrower⁶</p>
---	---

⁶Kehoe, A. and Khanna, M., "SME Finance and Growth: Evidence from RBL Bank". CDC Group, Plc. and IFC joint study (2017). Please visit <https://assets.cdcgroup.com/wp-content/uploads/2018/07/02194504/SME-Finance-and-Growth-2018.pdf>

Related Sustainable Development Goals (SDGs)



Transitioning Towards a Sustainable Future



Natural Capital

As a responsible corporate citizen, we are focusing on consuming and recycling natural resources responsibly and optimising our own environmental footprints. These are consciously added to the Bank's procurement and facility design process.

- Pankaj Sharma, Chief Operations Officer



The business environment and the whole world today is threatened by climate change, environmental pollution and depletion of natural resources. These are shaping the Bank's credit policies, risk appetite and operational procedures. The sections below provide a glimpse into how the Bank proposes to mitigate these risks, optimise its own environmental footprint and contribute 'more' towards sustainable development.

ENVIRONMENTAL & SOCIAL (E&S) RISK MANAGEMENT

RBL Bank is one of the few Indian banks to carry out transaction level Environmental and Social (E&S) risk assessment. The Bank's Environmental & Social Management System (ESMS) provides a comprehensive set of policies and procedures to pre-emptively identify and manage E&S risks associated with corporate lending transactions.

E&S RISK ASSESSMENT

The E&S risk assessment is an integral part of the credit risk appraisal process and all transactions are screened against E&S risks. All wholesale transactions having exposure exceeding 1 million USD (approx. ₹ 7.5 Cr.) and at least one facility with tenor exceeding 12 months are subjected to E&S risk assessment. Retail and credit card transactions, transactions with non-SLR or treasury limits and invoice/bill discounting are excluded from the scope of E&S risk assessment. Similarly, Non-Banking Financial Institutions (NBFC) and/or Microfinance Institutions (MFI) are not subjected to E&S risk assessment.

Since April 2019, the Bank has adopted a new E&S risk categorisation system following the World Bank's Environmental and Social Standard (ESS) published in October 2018. Accordingly, all E&S risks are classified as 'High', 'Substantial', 'Moderate', and 'Low', enabling better classification.

A Dedicated E&S Risk Team

The Bank has a dedicated E&S team since 2015. This team is part of the Enterprise Risk function. It provides the necessary tools for E&S risk assessment, carries out assessments, site visits and conducts trainings for credit risk and business teams.

Bank's Environmental, Social and Governance (ESG) committee

The ESMS rollout is overseen by the Bank's ESG Committee, a Board sub-committee chaired by the Executive Director. The Committee includes the Bank's top management, Non-Executive Director and external invitees from investor/lender Developmental Finance Institutes (DFIs).

E&S Risk Training

The Bank's E&S risk team, along with its Learning and Organisation Development (L&OD) team, has developed an e-learning module on E&S risk assessment. This e-learning module has been made mandatory for all new inductees in business and wholesale credit risk teams. In FY 2019-20, 140 new inductees have undergone the e-learning module. In addition, the risk team conducted face-to-face refresher training programme on E&S risk management at Mumbai and Delhi offices, witnessing 43 participants from its business and risk teams.

E&S Risk Performance

Nearly 41% of the Bank's Gross Total Exposure (GTE) is qualified for E&S risk assessment as on March 31, 2020. This is comparable with GTE under E&S risk assessment in FY 2017-18 and FY 2018-19. On March 31, 2020, approx. 64.7% of Gross Wholesale Advances figured under E&S risk assessment. The Bank's 'High' risk cases have remained almost constant over time.

E&S category [^]	As % of Gross Total Exposure under E&S Risk		
	As on March 31, 2018	As on March 31, 2019	As on March 31, 2020
High	5.6%	5.6%	4.7%
Substantial [#]	0.0%	0.0%	6.0%
Medium/ Moderate	26.6%	27.7%	21.8%
Low	12.2%	13.4%	8.4%
E&S applicable*	44.4%	46.7%	40.9%

Note [^] - E&S risk categorisation is based on inherent risk, not on residual risk.

[#] - 'Substantial' E&S risk class was introduced in FY 2019-20; hence no transaction was classified as Substantial in FY 2017-18 and FY 2018-19.

^{*} - transaction (a) with tenor less than 12 months and exposure less than 1 Million USD (approx. ₹ 7.5 Cr.), (b) retail/ card / Non-SLR transactions, (c) involving Financial Intermediary (FI) clients, or (d) 100% FD/ cash backed does not qualify for E&S risk assessment.

In June 2019, the Bank's ESMS was subjected to external review to benchmark its performance against globally accepted best practices. The result of the external review was satisfactory and in line with expectations.

FACTORING CLIMATE CHANGE RISKS

Most sectors are likely to be affected by acute and chronic physical and / or transition climate change risks over medium term. At present, the Bank addresses climate change risks through E&S risk assessment.

All transactions eligible for E&S risk assessment mandatorily use a probabilistic tool to evaluate physical climate change risks. This enables the Bank to identify impairment in services/productivity during design and construction, operation and/or maintenance of the project lifecycle. The tool uses an ordinate scale to denote identified climate related risks. High-risk cases are flagged off to the concerned business and credit teams.

The Bank's E&S risks also focus on transition risks by (a) identifying borrowers overly dependent on water or energy for operations; (b) Borrowers from sectors like thermal power, which are already facing market pressure; and (c) Borrowers from sectors with supply chains that could be adversely affected due to transition risks. Such cases are

flagged to higher authorities for facilitating lending decision making.

SUSTAINABLE AGRI-BUSINESS INITIATIVES

The Bank's senior leadership is strongly committed towards promoting sustainable agricultural solutions. The Bank's agricultural business division has a dedicated line of credit from Global Climate Partnership Fund (GCPF) for financing energy efficient products as below:

- ▶ Drip/micro irrigation technology
- ▶ Installation of solar pump-sets in areas
- ▶ Installation of solar home solution

DRIP IRRIGATION

Water and nutrients supplied at the root zone of plants, especially in water scarce areas.



Note: Compared to flood irrigation

SOLAR PUMP SET

Irrigation pump powered by solar panels in areas with limited or erratic power supply



*Compared to scenario where farmers use tanker water for irrigation

SOLAR HOME SOLUTIONS

Provides energy to power small appliances in rural off-grid areas



RBL'S OWN ENVIRONMENTAL FOOTPRINT

AIR EMISSIONS

The Bank's air emission from (a) captive DG sets (only operated during power failure); and (b) Own vehicle fleet.

DG sets are compliant with CPCB emission guidelines no. GSR 771(E) dated 11 December 2013.

The Bank's own vehicle fleet are compliant with PUC norms.

WATER CONSUMPTION AND SEWAGE GENERATION

The Bank's water consumption is for domestic purposes.

Fresh water consumption for domestic usage across the Bank in FY 2019-20:

76,900 kilo litres*

Assuming, approx. 45 litres water was consumed per employee per day (Source: Sec. 2.2.8.3 of CPHEEO Manual on Water Supply and Treatment, 1999).

Water is sourced from municipal sources.

69,300 kilo litres

Approx. sewage generated in RBL Offices and Branches; Sewage from WC is discharged in municipal sewers.

The Bank has adopted measures like low flow taps, sensor-based faucets, flushing with treated sewage (in CO and NOC) to save water.

POWER CONSUMPTION

Approximate number of units of purchased electricity from grid in FY 2019-20

14.4 Million kWh

Or approx. **51,870 gigajoules** of electrical energy consumed in FY 2019-20. Average energy consumption intensity of approx. **14.34 kWh/ft²/year.**

The Bank has adopted electricity saving measures like using LED light fixtures, optimising HVAC cooling temperature based on ambient temperature etc.

PAPER CONSUMPTION

A4 paper consumption in CO and NOC locations in FY 2019-20:

7.3 Million Sheets

Gross weight of paper consumed approx.

3,200 kg

WASTE RECYCLING

Approx. recycled:

3,059 kg

Includes paper, cardboard, other packaging waste and plastics generated from Corporate Office, Lower Parel and National Operating Centre, Goregaon, through Viagreen, an environmental protection organisation based in Mumbai.

E-WASTE RECYCLING

E-waste disposed of during FY 2019-20

None

BANK'S CARBON FOOTPRINT IN FY 2019-20

Scope 1 emission	Scope 2 emission	Scope 3 emission
From DG set operations: 106 tCO₂e From own vehicle fleet operations: 43 tCO₂e	From purchase of electricity: 11,815 tCO₂e Approx. 22% increase over FY 2018-19 Scope 2 emission on account of nearly 24% increment of FTEs and 31% increment in leased space mostly in branches which were operational even during COVID-19	From air travel of full-time employees: 3,158 tCO₂e

Scope 1 + Scope 2 + Scope 3 emission:

15,122 tCO₂e Approx. 55% above FY 2018-19 total CO ₂ emission, owing to (a) inclusion of Scope 3 emissions and (b) 22% increase in Scope 2 emission (due to electricity consumption) in FY 2019-20 over FY 2018-19 value.	Emission intensity CO ₂ emission intensity per full time employee (FTE): 2.09 tCO₂e / FTE This value is 25% higher than last year's 1.67 tCO ₂ /FTE value as in FY 2018-19 Scope 3 emission was not considered. If only Scope 1 and Scope 2 emissions are considered CO ₂ emission intensity in FY 2019-20 was 1.65 tCO ₂ / FTE, which is comparable with 1.67 tCO ₂ / FTE value of FY 2018-19.	CO ₂ emission intensity per Crore of turnover: 2.73 tCO₂e / Cr.
---	---	---



CARBON OFFSET MECHANISM ADOPTED IN FY 2019-20

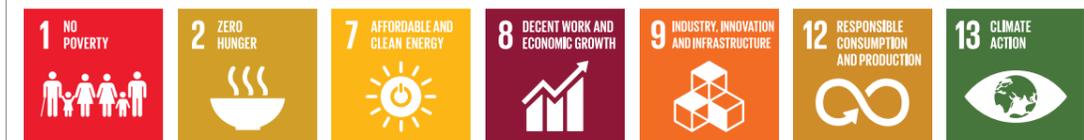
Solar energy procured in FY 2019-20 ^[1] Approx. 123 tCO₂e	Virtualisation of Servers ^[2] Approx. 3,290 tCO₂e in FY 2019-20
Adoption of thin clients ^[3] Approx. 203.5 tCO₂e	

¹The Bank has installed 102 KWp renewable energy in its 21 rural branches, Sangli Office and Bank's Head Office in Kolhapur, generating approx. 150 MW of solar power in last FY, and saving approx. 123 tCO₂e per annum. Weighted Average Emission Rate (WAER) of 0.82 MTCO₂e/MWh considered from Central Electricity Authority's CO₂ baseline database (http://www.cea.nic.in/reports/others/thermal/tpece/cdm_co2/database_14.zip)

²Assuming (a) 718 nos. virtual servers, operating from day 1, (b) each server having average power requirement 427 W, (c) each server operates 24 x 7 with preventive maintenance of 24 hours / year. Weighted Average Emission Rate (WAER) of 0.82 MTCO₂e/MWh considered from Central Electricity Authority's CO₂ baseline database (http://www.cea.nic.in/reports/others/thermal/tpece/cdm_co2/database_14.zip)

³Calculation of notional savings is based on following assumptions: (a) power consumption by a thin client terminal assumed as 11 Watt/hour compared to 63 Watt/hour by a desktop PC, (b) TC terminal is operational 9 hour/day for 230 day/year and (c) 100% thin clients are operational throughout the year. Source: <https://www.comspace.de/en/news/specialist-topics/green-in-it-what-ways-to-save-energy-does-the-it-offer/>. Weighted Average Emission Rate (WAER) of 0.82 MTCO₂e/MWh considered from Central Electricity Authority's CO₂ baseline database (http://www.cea.nic.in/reports/others/thermal/tpece/cdm_co2/database_14.zip)

Related Sustainable Development Goals (SDGs)





Administrative Office

'Mahaveer',
179/E Ward,
Shri Shahu Market Yard,
Kolhapur - 416 005,
Maharashtra, India.
Phone: +91 231 2650981 / 984
Fax: +91 231 2657386

Corporate Office

One World Centre,
Tower 2B, 6th Floor,
841, Senapati Bapat Marg,
Lower Parel,
Mumbai - 400 013,
Maharashtra, India.
Phone: +91 22 43020600
Fax: +91 22 43020520