

August 13, 2024

National Stock Exchange of India Limited Exchange Plaza Bandra Kurla Complex Mumbai - 400051	BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai - 400 001
Symbol : EQUITASBNK	Scrip Code : 543243

Dear Sir

Sub: Business Responsibility and Sustainability Report (BRSR) for the FY 2023-24

Pursuant to Regulation 34 (2) (f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Business Responsibility and Sustainability Report (BRSR) of the Bank for the FY 2023-24. This Report also forms part of the Annual Report for the FY 2023-24, submitted to the Stock Exchanges vide letter dated August 13, 2024 and the same is available on the website of the Bank at <https://ir.equitasbank.com/shareholder-services/>

Kindly take the above information on record.

Thanking you,

Yours faithfully,
For Equitas Small Finance Bank Limited

N Ramanathan
Company Secretary
Encl: a/a



BEYOND BANKING

When you bank with us, you contribute towards a better society.

Equitas Small Finance Bank Limited
(Previously known as Equitas Finance Limited)

4th Floor, Phase II, Spencer Plaza, No.769, Mount Road, Anna Salai, Chennai, Tamil Nadu, India - 600 002

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Business Responsibility & Sustainability Report

At Equitas, we embody the essence of developing an inclusive future, firmly grounded in our core principles of stability, sustainability, and scalability. Our journey from 'Now' to 'Next' is not merely a trajectory of progress but a dynamic continuum, epitomising transformative evolution. This journey signifies more than just a change; it represents a bold leap towards inclusivity and efficiency.

Our commitment to transparency and accountability is evident in our adoption of the Business Responsibility and Sustainability Report (BRSR) framework. Central to our mission is the empowerment of the underbanked and unbanked, driven by our commitment to strong governance, technological advancements, and the continuous nurturing of talent. We focus on creating a future that is not only stable and sustainable, but also scalable, ensuring that our innovations and practices uplift and include everyone.

In alignment with SEBI guidelines and NGRBC principles, our Business Responsibility and Sustainability Report (BRSR) encapsulates our comprehensive evaluation of business growth, integrating both financial and non-financial performance metrics for the reporting period ending March 31, 2024. This report serves as a validation of our commitment, providing detailed insights into our practices and performance across key principles defined by Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended from time to time, which cover topics across the ESG dimensions.

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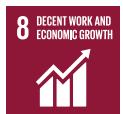
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Section A: General Disclosures

Equitas embodies fairness and transparency, seamlessly integrating business acumen with a profound sense of social responsibility. From our humble beginnings in microfinance, we have evolved into a full-fledged Bank with a mission to create the most valuable bank for all stakeholders through happy employees. Our guiding '3S' philosophy—stability, sustainability, and scalability—has enabled us to nurture a diversified portfolio and a robust deposit franchise, while venturing into digital innovations. But our impact goes beyond banking. Through our CSR initiatives, we are committed to uplifting society by focussing on education, healthcare, and empowerment. Equitas' legacy is one of meaningful inclusivity, balancing commercial success with societal progress. We are dedicated to ensuring a transformative future for all stakeholders, leaving an enduring mark of positive change.

SDGs Impacted



Linkage with the <IR> Capital

[Corporate Overview](#)

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I. DETAILS OF THE LISTED ENTITY

1.	Corporate Identity Number (CIN) of the listed entity
2.	Name of the listed entity
3.	Year of incorporation
4.	Registered office address
5.	Corporate address
6.	E-mail
7.	Telephone
8.	Website
9.	Financial year for which reporting is being done
10.	Name of the Stock Exchange(s) where shares are listed
11.	Paid-up capital
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)
14.	Name of assurance provider
15.	Type of assurance obtained

II. PRODUCTS/SERVICES

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

S. no.	Description of main activity	Description of business activity	% of turnover of the entity
	Financial and insurance services	Banking activities by central, commercial and saving banks.	100%

17. Products/services sold by the entity (accounting for 90% of the entity's turnover)

S. no.	Product/service	NIC Code	% of total turnover contributed
	Monetary intermediation services provided by commercial banks, saving banks, postal savings bank and discount houses.	64191	100%



Asset Portfolio

Our asset portfolio features a variety of products and solutions, including small business loans, vehicle finance, microfinance, housing finance, MSE finance and NBFC financing. These offerings are tailored to meet the credit needs of different segments within the informal sector. With 16 years of experience in the financial industry, including seven years as a Small Finance Bank, we have strengthened our position through consistent product diversification driven by customer needs. A key achievement is the significant reduction in unsecured lending from 53% in 2014-15 to 18% in 2023-24, highlighting our commitment to ensuring stable growth within our asset portfolio. Additionally, we leveraged on cross-selling opportunities, fostering stronger customer relationships and adapting to digital-led servicing. This strategic approach not only mitigates risk but also paves the way for expanding our lending initiatives across various product lines.

- **Small Business Loans**
- **Vehicle Finance**
- **Microfinance**
- **Housing Finance**
- **MSE Finance**
- **NBFC Financing**

Small Business Loans

Transforming forced entrepreneurs into successful entrepreneurs, we are dedicated to meeting the substantial unmet financial requirements of small businesses and empowering them to grow and thrive. Our Small Business Loans (SBL) is the Bank's flagship product, representing 38% of our entire advance portfolio.



Highlights

- SBL grew by 30% during 2023-24 compared to the previous year
- Launched the Customer App for borrowers ('Selfe Loans' Mobile application), reducing loan processing time and optimising workforce utilisation for other banking operations. Also, Selfe Loans app is being positioned as the 'Go to App' for loan enquiry by potential borrowers
- Used UPI platforms for digital collections, minimising workforce intervention in the collection process
- Achieved substantial growth in the Merchant OD segment, with advances exceeding ₹ 950+ Crores and 39,000+ customers

Growth Enablers

- **Opportunities for the Underbanked Population:**
 - Ensuring significant market penetration opportunities due to the vast demand for financial services among the underbanked population in India
- **Digitisation Initiatives:**
 - Selfe Loans App: Enhancing the customer experience and facilitating cross-selling of products by streamlining the loan application process
 - Digitally-Enabled Loan Origination System (LOS): Increasing employee productivity by allowing more files to be processed per employee
- **Cross-Sell and Upsell Opportunities:**
 - Micro LAP (M-LAP): Educating property-owning Microfinance (MF) customers to leverage their assets for business growth
 - Merchant Overdraft (OD): Providing small businesses with flexible credit facilities and long-term credit options, enhancing their ability to manage inventory and expand operations
 - Investment in Analytics: Utilising analytics to identify and capitalise on opportunities for cross-selling and upselling products to existing customers
- **Branch Expansion:**
 - Opened 33 new branches in 2023-24 to increase reach and accessibility, driving growth in the small business loans segment

Key Performance Indicators

Gross advances (in ₹ Crore)	Disbursements (in ₹ Crore)	GNPA (in %)	YoY growth (in %)	ATS at disbursements (in ₹ Lakhs)	Yield (in %)	PCR (in %)
13,152	5,916	1.86%	30%	6.99	16.78%	28.67%

Vehicle Finance

Our vehicle finance loans are strategically aimed at empowering aspiring entrepreneurs venturing into the commercial logistics service industry for the first time. These ambitious individuals possess the requisite skills but face a capital shortfall in acquiring their own commercial vehicles. Through our tailored loans, we empower skilled drivers to become vehicle owners and business operators, thereby elevating their socioeconomic standing. Leveraging our extensive expertise in commercial vehicle financing, we have now ventured into the realm of used car financing to capitalise on this growing market segment.



Highlights

- Used Commercial Vehicles (UCV) grew at 10% in 2023-24
- New Commercial Vehicles (New CV) experienced growth of 17% during the same period
- Used Car segment achieved a robust growth of 71% YoY in 2023-24 and crossed ₹ 1,200 Crores
- Introduced New Car segment to expand the vehicle finance portfolio and provide depositors with a seamless option

Growth Enablers

- Lead Generation and Upselling:**
 - Leveraging existing relationships and a strong local presence to generate leads
 - Upselling opportunities by converting UCV owners into new CV owners
- Strategic Partnerships:**
 - Forming strategic tie-ups with major OEMs, dealers, and channels across our geography, including Tata Motors Limited, Ashok Leyland, Mahindra & Mahindra Pickups, M&M SCV, Maruti Suzuki, and Volvo Eicher Commercial Vehicles Limited
- Technological Advancements:**
 - Launched proprietary Loan Origination System 'Hetra' to enable quick turnaround times (TATs) for loan approval and disbursement

Market Share from OEMs

OEM	TML			M&M		AL		Maruti	
	Region	Mar-24	YTD	Jan-24	YTD	Mar-24	YTD	Jan-24	YTD
North	2.80%	7.20%	0.49%	1.51%	3.10%	2.40%	9.37%	10.69%	
South	9.00%	10.80%	3.79%	3.82%	4.56%	5.48%	5.53%	8.59%	
West	7.30%	7.20%	1.51%	1.59%	2.60%	3.20%	5.49%	5.61%	
India	6.20%	8.50%	1.68%	2.10%	4.00%	4.60%	6.56%	7.24%	

Key Performance Indicators

Gross advances (in ₹ Crore)	Disbursements (in ₹ Crore)	GNPA (in %)	YoY growth (in %)	ATS at disbursements (in ₹ Lakhs)	Yield (in %)	PCR (in %)
8,324	5,002	2.28%	19%	5.24	15.56%	57.00%

Microfinance

Our main objective is to empower individuals from low-income backgrounds to pursue their entrepreneurial aspirations, particularly by promoting women's leadership in new business ventures. Within this area, we take pride in our fully digital loan disbursement process. The book consistently contributes around 18% to the overall advance portfolio.



Highlights

- Grew by 20% year-over-year (YoY)
- Introduced the Pragati Card, a QR based card, to provide customers with information related to loans and repayments in real time by just scanning the code
- Launched a mobile app called "Shakti" exclusively for micro finance borrowers
- Focussed on improving repeat customers who currently account for approximately 64% of customers

Growth Enablers

- Addressing Informal Credit Channels:**
 - Providing credit to the underbanked and underserved market segments at comparatively lower rates of interest than informal channels, which often charge exorbitant rates without proper records
- Offering Step-Up Loans:**
 - Providing step-up loans based on the repayment history of the borrower, allowing for increased loan amounts as borrowers demonstrate reliable repayment behaviour
- Implementing End-to-End Digital Workflow:**
 - Improving the ease of onboarding customers and enhancing turnaround times (TATs) through the implementation of an end-to-end digital workflow with E-KYC and E-Sign

Key Performance Indicators

Gross advances (in ₹ Crore)	Disbursements (in ₹ Crore)	GNPA (in %)	YoY growth (in %)	ATS at disbursements (in ₹ Lakhs)	Yield (in %)	PCR (in %)
6,265	5,716	4.02%	20%	0.50	23.15%	78.88%



Housing Finance

Equitas' housing loans are specifically designed to cater to individuals aiming to purchase their first affordable housing property. Our loans are specifically focussed at catering to self employed families looking to either construct their home or buy an apartment in affordable housing project.



Highlights

- Grew by 46% year-over-year (YoY), with the overall portfolio crossing ₹ 4,000 Crores
- Overall average branch productivity in terms of disbursement was recorded at ₹ 2.17 Crores for AHF segment
- Branch Banking teams have actively started to cross sell home loans to savings account holders especially in semi-urban locations

Growth Enablers

- Targeted Market Expansion:**
 - Focussing on expanding housing finance offerings to underserved and growing markets, leveraging the substantial growth in the housing loan portfolio to capture more market share
- Process Efficiency Improvements:**
 - Enhancing technological infrastructure continuously such as the Loan Origination System (LOS), to further reduce turnaround times and improve loan processing efficiency across all branches
- Cross Sell Opportunity:**
 - Growing base of savings account customers provides a large opportunity to grow the business
- Government Initiatives:**
 - Adopting Government schemes like Pradhan Mantri Awas Yojana, which support affordable house loans

Key Performance Indicators

Gross advances (in ₹ Crore)	Disbursements (in ₹ Crore)	GNPA (in %)	YoY growth (in %)	ATS at disbursements (in ₹ Lakhs)	Yield (in %)	PCR (in %)
4,184	1,847	0.97%	46%	11.41	10.83%	33.20%

MSE Finance

Consistently backing the Micro and Small Enterprises (MSE) sector, we provide support to businesses requiring working capital for their operations. Our services are customised to meet the needs of formal sector enterprises primarily involved in manufacturing and trading activities in urban and semi-urban areas. The MSE segment provides a range of financial solutions, such as working capital loans and term loans, to facilitate business expansion and address financial needs.

Highlights

- The book advance stood at ₹ 1,201 Crores
- 2,136 active loans under the segment

Growth Enablers

- **Competitive Financing:**
 - Offering competitive financing solutions to MSEs helps attract new customers and retain existing ones, leading to increased growth in the portfolio
- **Government Initiatives:**
 - Utilising key schemes like CGTMSE, which help in providing benefits to MSE customers
- **Adaptability to Market Conditions:**
 - Demonstrating adaptability by offering moratoriums to customers during the Covid-19 period, thus maintaining customer relationships and supporting the MSE sector during challenging times

Key Performance Indicators

Gross advances (in ₹ Crore)	Disbursements (in ₹ Crore)	GNPA (in %)	YoY growth (in %)	ATS at disbursements (in ₹ Lakhs)	Yield (in %)	PCR (in %)
1,201	514	7.10%	2%	68.40	10.97%	61.98%

NBFC Financing

The Bank offers Term Loans to Non-Banking Financial Companies (NBFCs), enabling them to offer retail customers services such as microfinance, vehicle finance, housing finance, and similar offerings.

Highlights

- The book advance stood at ₹ 716 Crores

Growth Enablers

- Competitive Loan Offerings:**
 - Offering term loans to NBFCs ranging from ₹ 10 Crores to ₹ 100 Crores, with yields between 10-13%
 - Providing flexible and competitively priced financing solutions to the NBFC segment
- NBFC Relationships and Understanding:**
 - Understanding the NBFC sector thoroughly from previous experience as an NBFC

Key Performance Indicators

Gross advances (in ₹ Crore)	Disbursements (in ₹ Crore)	GNPA (in %)	YoY growth (in %)	ATS at disbursements (in ₹ Lakhs)	Yield (in %)	PCR (in %)
716	160	0.67%	(40%)	2,667.67	10.11%	100%

Liabilities Portfolio

Providing liability products via physical and digital channels, we serve a wide range of mass and mass-affluent clientele. Our focus lies in expanding our retail deposit base by offering unique banking products and services, positioning ourselves as a competitive alternative to traditional regional banks. Our strategy emphasises building a strong liability franchise through technology investments and customer-centric products, ensuring lasting customer loyalty, resilience to interest rate changes, and increased opportunities for cross-selling and fee income.



Highlights

- **Liability Portfolio Growth**
 - Crossed ₹ 35,000 Crores in liability portfolio
 - Attracted mass affluent segment depositors, particularly in fixed deposits with competitive rates and tenures
- **Branch Expansion**
 - Opened 12 new liability branches
 - Launched flagship branches in Bengaluru and Delhi
- **Enhanced Sourcing Channels**
 - Introduced the PAM (Premium Acquisition Manager) channel for the mass affluent segment
 - Launched 'Banker on Wheels' for doorstep banking services
 - Increased digital sourcing of savings accounts significantly
- **ASBA Facility Expansion and Performance**
 - Registered 20,500 ASBA customers, with 12,000 new registrations
 - Received 3.15 lakhs IPO applications across 280 IPOs
 - Successfully blocked ₹ 11,050 Crores across all IPOs
 - Generated ₹ 30.3 lakhs in brokerage income from ASBA
 - Extended ASBA facility to NRI customers, in addition to resident, HUF, and minor customers

Growth Enablers

- **Digital Sourcing and V-KYC:**
 - Utilising digital sourcing as the primary catalyst of CASA. VKYC plays a pivotal role in attracting new deposits in facilitating seamless customer onboarding, thereby attracting new deposits
 - Introducing new channels such as 'Banker on Wheel' for doorstep banking services and PAM to specifically target mass affluent depositors
- **Enhanced Relationship Management:**
 - Improving the RM mapping of existing Bank customers to not only retain them but also garner additional deposits
 - Focussing on retail granular deposits with attractive RTD rates, especially for senior citizens, resulted in a 29% YoY growth in the elite deposit book through robust acquisition and enhanced relationship management
- **Growth in NR Deposits:**
 - Prioritising the growth of the NR book to attract retail deposits, resulting in a 47% YoY
 - Expanding the NR customer base across 145+ countries, with the NR deposit book crossing ₹ 1950 Crores

Key Performance Indicators

Parameters	Current Account (CA)	Savings Account (SA)	CASA	Term Deposits	Retail Term Deposits (RTD)	Bulk Term Deposits (BTD)	CASA Ratio
2023-24	₹ 1,215 Crore	₹ 10,337 Crore	₹ 11,552 Crore	₹ 24,577 Crore	₹ 14,670 Crore	₹ 9,907 Crore	32%
YoY Growth	28%	6%	8%	68%	65%	72%	-

Third Party Products

Equitas provides customers with a convenient platform for their investment and insurance needs, offering a comprehensive solution for financial requirements. Our focus is on serving 'savers' who prefer investment options like Mutual Funds, and Insurance schemes. Through partnerships with various asset management and insurance firms, we offer a wide range of products customised to meet the diverse needs of our clients. Leveraging technology, we grant digital access to select products via our internet and mobile banking platforms, empowering customers with self-service options.



Highlights

INSURANCE

- Strengthened partnerships and a diversified product portfolio have contributed to the expansion of our Third-Party Products (TPP) portfolio. The implementation of the InsureTech platform ENVI and the enhancement of retention strategies through the VRM channel have been instrumental
- ENVI serves as an inclusive platform, acting as a digital marketplace for insurance. It provides customers with multiple quotes to compare prices and features, facilitating the selection of the most suitable product
- Maintained an Average Ticket Size (ATS) of ₹ 90,000 with a healthy product mix: 85% regular traditional, 10% term, and 5% ULIP
- Prioritising non-participating traditional products has enabled us to maintain a consistent ticket size per policy, reinforcing our value proposition as a long-term investment solution
- Premiums from General Insurance (GI) have increased by 45%, driven primarily by 63% from motor and 37% from fire, PA, and other sachet products. We have expanded our partnerships, thereby offering multiple quotes and empowering customer choice
- Introduction of Dukandar Suraksha with HDFC Ergo caters to transaction banking customers, enhancing our service offerings

MUTUAL FUNDS

- Scaled up ENVEST, a DIY platform for Mutual Fund Investments, allowing customers to track and transact via Equitas Internet & Mobile Banking. Registered over 30,000 users, an increase of 40% YoY
- Achieved a 40% growth in AUM, surpassing ₹ 300 Crores for the first time, driven by retail Systematic Investment Plans (SIPs) and bulk purchases in top-rated mutual funds
- Consisting of 26,400 accounts totalling ₹ 5.1 Crores, the SIP book maintained a persistency rate of 70%
- Added 11,000 new SIP registrations

OTHER HIGHLIGHTS

- 80,200 customers opted for a 3-in-1 account, with 17,200 new accounts opened, showing sustained interest in this comprehensive banking solution
- Added 16 toll plazas in 2023-24, with Equitas now live in 30 toll plazas for acquiring FASTag business



Growth Enablers

INSURANCE

- Launched Insurtech Platform ENVI that currently facilitates the sourcing of 50% of General Insurance (GI) policies and a seamless experience for motor insurance by integrating with Vahaan
- Onboarding Standalone Health Insurer (SAHI) companies, allows the Bank to offer a comprehensive range of best-in-class health insurance products
- Training employees across roles to enhance cross-selling skills. Enabling over 500 new SP licences and 800+ POSP licences to expand the capacity to distribute insurance products

MUTUAL FUNDS

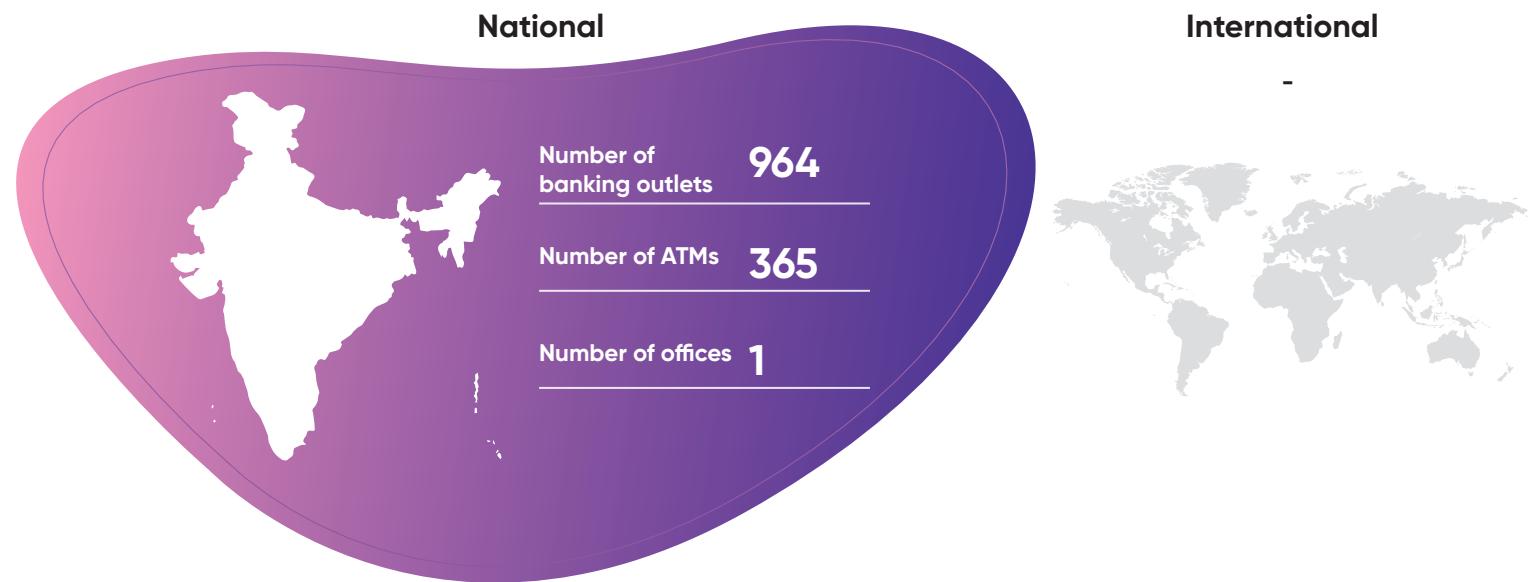
- Elevating ENVEST a preferred platform among investors, with 40% of lump-sum Mutual Fund transactions and 75% of SIP transactions conducted through it
- Demonstrating commitment to inclusivity by enhancing the digital mutual fund platform to specifically cater to transgender customers, ensuring accessibility and empowerment for all
- Extending the digital mutual fund platform to Non-Resident Indian (NRI) customers, increasing accessibility, and catering to the diverse needs of a broader clientele

Key Performance Indicators

Parameters	2023-24
Mutual Fund Registered Customers	~31,000
Mutual Fund AUM	₹ 297 Crores
Insurance Policies Sold	56,557
Insurance Premium (Liabilities)	₹ 149.12 Crores
Insurance Premium (Assets)	₹ 364.88 Crores
FASTag Issued	93,000+
Transactions (Nos.)	3.72 Crores
Micro ATM	Transactions (Nos.)
Prepaid Cards	Transactions (Nos.)
UPI	Transactions (Nos.)

III. OPERATIONS

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



19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of states)	18 States and UTs
International (No. of countries)	0

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

Equitas focusses exclusively on the domestic market and does not engage in the export of products or services. Therefore, this question is not applicable to the Bank's operations.

c. A brief on types of customers

Equitas prides itself on being a Bank for everyone, providing tailored services to a diverse clientele. From children to senior citizens, NRIs to entrepreneurs, and corporates to Trust, Association, Society and Club (TASC), each segment benefits from specialised solutions. Whether it's digital banking for millennials, agricultural financing for farmers, or corporate banking services for businesses, Equitas strives to meet the unique needs of every customer, fostering financial empowerment and inclusivity across all demographics.

IV. EMPLOYEES

20. Details as at the end of financial year

a. Employees and workers (including differently abled)

Sr. no.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Employees						
1.	Permanent (D)	22,854	19,915	87%	2,939	13%
2.	Other than permanent (E)	19	17	89%	2	11%
3.	Total employees (D + E)	22,873	19,932	87%	2,941	13%

Sr. no.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Workers						
4.	Permanent (F)					
5.	Other than permanent (G)				NA	
6.	Total workers (F + G)					

b. Differently abled employees and workers

Sr. no.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Differently abled employees						
1.	Permanent (D)	2	2	100%	-	-
2.	Other than permanent (E)			NA		
3.	Total differently abled workers (D + E)	2	2	100%	-	-
Differently abled workers						
4.	Permanent (F)					
5.	Other than permanent (G)			NA		
6.	Total differently abled workers (F + G)					

21. Participation/inclusion/representation of women

	Total (A)	No. and percentage of females	
		No. (B)	% (B/A)
Board of Directors	11	1	9.09%
Key Management Personnel	3	0	0%



22. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	2023-24 (Turnover rate in current FY)			2022-23 (Turnover rate in previous FY)			2021-22 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent employees*	38%	38%	38%	40%	43%	40%	30%	43%	31%
Permanent workers	-	-	-	-	-	-	-	-	-

*The above mentioned numbers are voluntary turnover rate for permanent employees.

Our talent management strategy at Equitas is built on respect, dignity, and inclusivity. Key initiatives include fair compensation, strategic recruitment partnerships, and innovative channels like our Hire-Train-Deploy programme. We focus on continuous development through comprehensive onboarding, performance evaluations, and mentorship. Achievements are celebrated via the High Achievers Club and Long Service Awards. Proactive attrition management involves weekly reviews and exit interviews, while holistic well-being initiatives offer flexible work arrangements and support during crises. This comprehensive approach reduces attrition and fosters a culture of growth, satisfaction, and long-term success.

V. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

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

In a significant development, Equitas Holdings Limited, the erstwhile holding company of the Bank, has merged with the Bank. This decision came into effect following an order issued on January 12, 2023, by the Honourable National Company Law Tribunal, Division Bench-II, Chennai. As a result of this merger, we now stand as a unified entity, with no holding, subsidiary, or associate companies under our umbrella.

VI. CSR DETAILS

Our CSR initiatives are focussed on the purpose of creating a better society not only through financial inclusion but also through the upliftment of the communities through various initiatives outside banking. By dedicating **5%** of our net profit, we are going beyond compliance and empowering the society to move towards a better future.

24.

- i. Whether CSR is applicable as per section 135 of Companies Act, 2013

Yes

- ii. Turnover (in ₹):

₹ 5,486.40 Crores

- iii. Net worth (in ₹):

₹ 5,969 Crores



VII. TRANSPARENCY AND DISCLOSURES COMPLIANCES

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

Stakeholder group from whom complaint was received	Grievance redressal mechanism in place (Yes/No) (If yes, then provide a weblink to the grievance redress policy)	2023-24 (Current financial year)			2022-23 (Previous financial year)		
		Number of complaints filed during the year	Number of complaints with pending resolution at the close of the year	Remarks	Number of complaints filed during the year	Number of complaints with pending resolution at the close of the year	Remarks
Communities	Yes (https://ir.equitasbank.com/wp-content/uploads/2022/12/Whistle-Blower-Policy-v6.0.pdf)	0	0	-	0	0	-
Investors (other than shareholders)	Yes (https://ir.equitasbank.com/wp-content/uploads/2022/12/Whistle-Blower-Policy-v6.0.pdf)	0	0	-	0	0	-
Shareholders	Yes (https://ir.equitasbank.com/wp-content/uploads/2022/12/Whistle-Blower-Policy-v6.0.pdf)	4	0	-	4	0	-
Employees and workers	Yes (https://ir.equitasbank.com/wp-content/uploads/2022/12/Whistle-Blower-Policy-v6.0.pdf)	0	0	-	34	0	-
Customers	Yes (https://ir.equitasbank.com/wp-content/uploads/2022/12/Whistle-Blower-Policy-v6.0.pdf)	5,849	91		3,017	71	-
Value chain partners	Yes (https://ir.equitasbank.com/wp-content/uploads/2022/12/Whistle-Blower-Policy-v6.0.pdf)	0	0	-	0	0	-
Others	NA	-	-	-	-	-	-

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

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

Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
Corporate governance	Opportunity	<ul style="list-style-type: none"> • Enhances transparency, accountability, and investor confidence • Improves financial performance, access to capital, and long-term sustainability 	NA	<p>Positive</p> <ol style="list-style-type: none"> 1. Builds investor confidence through strong corporate governance 2. Facilitates easier access to funding through the debt and equity markets 3. Improves operational efficiency via clear roles and risk management leading to cost savings and better financial performance
Data privacy and security	Risk	<ul style="list-style-type: none"> • Risk of legal and reputational issues, losing customer trust and regulatory fines • Employed a robust SOC for monitoring and mitigating data threats • Implementing data encryption at rest and during transit • Enforcing global access control policy • Using tools to detect and prevent data leaks 		<p>Negative</p> <ol style="list-style-type: none"> 1. Legal fines, losing customer's trust, and brand image can decrease revenue 2. Remediation costs and reduced market value exacerbate financial losses
Regulatory compliance	Risk	<ul style="list-style-type: none"> • Failing to adhere to compliance can lead to fines and penalties • Implementing strong internal infrastructure with committees for regulatory compliance • Ensuring strict adherence to evolving compliance standards • Nurturing a culture of compliance assurance and staff prioritisation 		<p>Negative</p> <ol style="list-style-type: none"> 1. Regulatory non-compliance can lead to fines and legal costs, which may damage your reputation 2. Encountering customer loss and decreased market value can impact finances 3. Investing in compliance infrastructure and training adds to operational expenses, compounding negative financial implications

Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
Risk management	Risk	<ul style="list-style-type: none"> Inadequate risk management practices can lead to credit, market, operational, and reputational risks Potential negative impact on financial performance and reputation 	<ul style="list-style-type: none"> Establish management and board-level committees for effective risk management Invest in governance over credit and operational risks for informal segments Develop proprietary practices over the past decade to navigate challenging circumstances successfully 	<p>Negative</p> <ol style="list-style-type: none"> Inadequate risk management heightens exposure to credit, market, operational, and reputational risks, risking financial losses, thus adversely affecting financial performance and reputation
Business continuity	Risk	<ul style="list-style-type: none"> Significant exposure to small borrowers and unsecured microfinance loans 	<ul style="list-style-type: none"> Assessing potential risks like natural disasters, regulatory changes, and market practices thoroughly Establishing a stable, sustainable, and scalable Bank as a guiding principle Achieving stability through product and customer diversification, engagement with regulators and stakeholders Utilising guidance from the independent Board and professional Management teams to mitigate risks and ensure operational continuity 	<p>Negative</p> <ol style="list-style-type: none"> Inadequate business continuity planning can lead to financial losses due to increased vulnerability to natural disasters and regulatory changes Lack of stability and scalability may impact operational continuity and financial performance negatively

Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
Sustainable finance	Opportunity	<ul style="list-style-type: none"> Increased competitiveness, cost savings, and access to new markets 	NA	<p>Positive</p> <ol style="list-style-type: none"> 1. Sustainable finance yields cost savings, enhances competitiveness, and opens new markets 2. Embracing sustainability fosters positive brand perception, attracts investors and enhances market value 3. Long-term profitability and resilience are achieved through sustainability initiatives, ensuring positive financial implications
Product innovation/responsibility	Opportunity	<ul style="list-style-type: none"> Investment in sustainable products, technologies for business sustainability Enhance scalability through technology solutions 	NA	<p>Positive</p> <ol style="list-style-type: none"> 1. Investing in sustainable products and technologies fosters business sustainability 2. Enhancing scalability through technology solutions improves market competitiveness 3. Embracing product innovation and responsibility drives long-term profitability and resilience, attracting environmentally conscious consumers and investors, ultimately fostering financial growth
Economic growth	Opportunity	<ul style="list-style-type: none"> Ensure profitability for sustained growth Benefit stakeholders through revenues, local hiring, and procurement 	NA	<p>Positive</p> <ol style="list-style-type: none"> 1. Ensuring profitability sustains economic growth 2. Benefiting stakeholders through revenue generation, local employment, and procurement 3. Prioritising economic growth aligns business interests with community prosperity, fostering a mutually beneficial relationship and sustainable development

Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
Community development	Opportunity	<ul style="list-style-type: none"> Contribute to social development for sustainable business foundations 	NA	<p>Positive</p> <ol style="list-style-type: none"> Community development fosters a sustainable business foundation by contributing to social development Engaging in community initiatives enhances brand reputation and stakeholder relationships Investing in community development aligns business goals with societal needs, driving long-term success and positive impact
Customer experience	Risk	<ul style="list-style-type: none"> Loss of customers and reputation damage 	<ul style="list-style-type: none"> Tools used: Net Promoter Score, C-SAT surveys, focus group discussions, and customer meets Proactively monitor the customer experience for early warning signs Customer experience department reports directly to management for unbiased view 	<p>Negative</p> <ol style="list-style-type: none"> Risks of customer loss and reputation damage underscore the importance of proactive monitoring
Digital transformation	Opportunity	<ul style="list-style-type: none"> Improves customer loyalty and differentiated products and services that promotes growth in market share 	NA	<p>Positive</p> <ol style="list-style-type: none"> Scalable technology solutions enhance market competitiveness

Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
Employee health and well-being	Opportunity	<ul style="list-style-type: none"> Foster a positive work environment for satisfaction and productivity Reduce absenteeism, lower healthcare costs and improve retention 	NA	<p>Positive</p> <ol style="list-style-type: none"> Prioritising employee health and well-being fosters a positive work environment, enhancing satisfaction and productivity Investing in employee well-being yields long-term financial benefits through increased productivity and reduced turnover costs
Financial inclusion	Opportunity	<ul style="list-style-type: none"> Address a significant credit gap in the underserved population Seize substantial opportunity through financial inclusion 	NA	<p>Positive</p> <ol style="list-style-type: none"> Addressing the credit gap in underserved populations unlocks substantial market potential Financial inclusion expands the customer base, driving revenue growth and economic development Providing access to financial services fosters inclusion, benefitting both society and financial institutions



Section B: Management And Process Disclosures

At Equitas, we go above and beyond statutory requirements, providing stakeholders with detailed insights into our operations through proactive measures. With a dedicated team spearheaded by experienced leaders, we remain vigilant in tracking regulatory changes and implementing timely policy adjustments to stay ahead of the curve. Through rigorous oversight from our Board committees and regular monitoring by the Board itself, we ensure strict adherence to regulations and sustainable practices across every aspect of our decision-making value chain.

SDGs Impacted



Linkage with the **<IR>** Capital

Governance



Linkage with the Stakeholders

Employees

Value Chain Partners

Governance, leadership, and oversight

- 7 **Statement by the director responsible for the business responsibility report, highlighting ESG-related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure)**
Please refer to the message from our MD & CEO on page number 8-9.

8 **Details of the highest authority responsible for implementing and overseeing the Business Responsibility policy(ies).** MD & CEO

9 **Does the entity have a specified Committee of the Board/ Director responsible for decision-making on sustainability related issues?** MD & CEO
(Yes / No). If yes, provide details.

10 Details of review of NGRBCs by the Company:

Subject for review	Indicate whether the review was undertaken by Director/Committee of the Board/Any other Committee										Frequency (annually/half yearly/quarterly/any other – please specify)									
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9		
Performance against the above policies and follow-up action	Y	Y	Y	Y	Y	Y	N	Y	Y											The performance against above policies and follow-up actions are reviewed at regular frequencies.
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Y	Y	Y	Y	Y	Y	N	Y	Y											All the applicable statutory and regulatory guidelines relevant to the principles are complied.
11 Has the entity carried out an independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9											No, evaluations are conducted internally and the Heads of Departments are responsible for ensuring effective policy implementation. The Bank's policies are periodically reviewed at both management and Board levels.

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

Questions	P	P	P	P	P	P	P	P	P
	1	2	3	4	5	6	7	8	9
The entity does not consider the Principles material to its business (Yes/No)							Y		
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)							-		
The entity does not have the financial or/human and technical resources available for the task (Yes/No)							-		
It is planned to be done in the next financial year (Yes/No)							-		
Any other reason (please specify)							-		

PRINCIPLE



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

Since our inception, corporate governance has been the foundation of our success, shaping our journey to the present day. Ethical conduct is ingrained in our foundational business principles and lies at the core of our sustainable value creation model. Our well-documented 'Code of Conduct' reaffirms the commitment of every Equitas employee to uphold integrity, transparency and openness, ensuring accountability and compliance in all our future endeavours.

Impact on <IR> Capital

- Human Capital**
- Social and Relationship Capital**
- Financial Capital**
- Risks and Opportunities**
- Governance**

Stakeholders

- Employees**
- Value Chain Partners**

Highlights

- ⇒ **96%** of our employees underwent regular training covering business practices, regulations, ethical conduct, and ESG factors
- ⇒ **ZERO** disciplinary actions occurred against any staff for bribery or corruption allegations
- ⇒ **ZERO** complaints regarding conflict of interest were lodged against Directors or KMPs

SDGs Impacted



Essential Indicators

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

We recognise that learning and development are perpetual pursuits crucial for the advancement of the Bank and our stakeholders. Our Learning & Organisational Development (L&OD) team is committed to crafting and implementing a wide array of training and awareness initiatives aimed at fostering a culture of continuous learning and improvement. Through these endeavours, we ensure that every individual within our organisation, including the Board of Directors (BOD) and Key Management Personnel (KMPs), is empowered with the requisite knowledge and competencies to make informed decisions aligned with the Bank's core values and aspirations.

Segment	Total no. of training and awareness programmes held	Topics/principles covered under the training and impact	% age of persons in respective category covered by the awareness programme
 Board of Directors	1	Principle 1	10%
 Key Managerial Personnel	1	Principle 1	67%
 Employees other than BOD & KMPs	7,777	P1, P2, P3, P4, P7, P8 & P9	96%
 Workers	NA	NA	NA

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

Monetary				
NGRBC principle	Name of the regulatory/enforcement agencies/judicial institutions	Amount (In ₹)	Brief of the case	Has an appeal been preferred (Yes/No)
Penalty/Fine	BSE Ltd. No	20,000	Record date intimation compliance	No
Settlement	-	-	-	-
Compounding fee	-	-	-	-

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

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

Case details	Name of the regulatory / enforcement agencies / judicial institutions
NA	NA

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

Yes, we maintain a rigorous Code of Conduct, available in the HR portal, strictly prohibiting employees from engaging in corrupt practices or accepting illegal gratification. Our policy ensures that personal funds or resources are not used for activities that could be completed using the Bank's resources. Employees are strictly forbidden from disguising bribes as payments, gifts, or business courtesies under any circumstances. Additionally, accepting gifts, entertainment, or incentives from current or prospective customers or suppliers is strictly prohibited, with all such courtesies belonging to ESFB and prohibited from personal use. Employees are also barred from accepting gifts that could be construed as bribes or exert undue influence. Furthermore, a specific Code of Conduct tailored for Directors and Senior Management ensures the highest ethical standards in managing the Bank's affairs. This dedication to ethics and accountability permeates all interactions with stakeholders from the moment of their association with the Bank.

The Code of Conducts can be accessed by on the links mentioned below:

- For Directors: <https://ir.equitasbank.com/wp-content/uploads/2022/03/ESFB-Policy-on-Code-of-Conduct-of-Directors-January-2021.pdf>
- For Senior Management: <https://ir.equitasbank.com/wp-content/uploads/2022/03/ESFB-Policy-for-Code-of-Conduct-for-Senior-Management-Jan-2021.pdf>
- For Employees: Available in the internal HR portal

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

	2023-24 (Current financial year)	2022-23 (Previous financial year)
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	NA	NA

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

	2023-24 (Current financial year)	2022-23 (Previous financial year)
Number of complaints received in relation to issues of conflict of Interest of the Directors	0	0
Number of complaints received in relation to issues of conflict of Interest of the KMPs	0	0

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

Throughout the reporting period, we remained indomitable in our commitment to integrity, encountering no instances of conflict of interest or corruption. However, should such challenges emerge in the future, we are prepared with robust policies and procedures to promptly address and rectify them with diligence and transparency.

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

2023-24 (Current financial year)	2022-23 (Previous financial year)
Number of days of accounts payables	Number of days of accounts payables
27	59

9. Openness of business

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

Parameter	Metrics	2023-24 (Current financial year)	2022-23 (Previous financial year)
Concentration of purchases	a. Purchases from trading houses as % of total purchases		
	b. Number of trading houses where purchases are made from		
	c. Purchases from top 10 trading houses as % of total purchases from trading houses		
Concentration of sales	a. Sales to dealers/distributors as % of total sales		
	b. Number of dealers/distributors to whom sales are made		
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors		NA
Share of RPTs in	a. Purchases (Purchases with related parties/Total purchases)		
	b. Sales (Sales to related parties/Total sales)		
	c. Loans & advances (Loans & advances given to related parties/Total loans & advances)		
	d. Investments (Investments in related parties/Total investments made)		

Leadership Indicators

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

Yes.

Embedded within our governance framework are two critical pillars: a robust Code of Conduct for Directors and a comprehensive policy addressing material-related party transactions. These measures serve as bulwarks against conflict of interest, whether they arise directly or indirectly, safeguarding the integrity of our operations. To ensure transparency and equity in our decision-making processes, our esteemed Board members adhere rigorously to these principles. They conscientiously abstain from deliberating or deciding on matters where personal interests may come into play. Furthermore, a mandatory declaration mandates Directors to disclose any potential conflict of interest at the outset of Board meetings, fostering a culture of accountability and trust.

02 PRINCIPLE



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

Although the Bank's operations naturally result in a minimal carbon footprint and material resource usage, we remain firm in our commitment to environmental stewardship. As we move ahead, we not only pledge to comply with relevant regulations but also endeavour to surpass them, championing environmental sustainability and safety in every facet of our operations.

Impact on <IR> Components

Service Capital
Social and Relationship Capital
Financial Capital

Stakeholders

Customers
Government/Regulators
Value Chain Partners

Highlights

- Focussed on digitalisation and low-energy-consuming technologies to minimise our environmental impact.

SDGs Impacted



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

	2023-24	2022-23	Details of improvements in environmental and social impacts
R&D		NA	
Capex			

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

No. As a financial services provider, our offerings do not entail physical goods or raw materials. Our material requirements predominantly revolve around office infrastructure, administrative resources, and IT-related equipment and services. Despite our minimal procurement needs, we actively strive for responsible sourcing practices throughout our operations.

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

This is not applicable, as we do not manufacture any products.

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

Given our status as a bank, Extended Producer Responsibility (EPR) does not apply to our operations.



03 PRINCIPLE



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

Our ethos revolves around 'Employee Care and Connect,' designed to draw in, nurture, and retain exceptional talent, empowering them to soar. We have a singular mission to - "Create the most valuable bank for all stakeholders through happy employees". Our bespoke benefits, tailored to individual needs, echo our unyielding dedication to employee welfare. As we stride forward, we pledge to perpetually invest in nurturing talent, well-being, and adaptable work structures, thereby fostering a thriving ecosystem where each employee thrives.

Impact on <IR> Components

Human Capital

Stakeholders

Employees

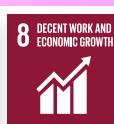
Value Chain Partners

Government/Regulators

Highlights

- » **100%** of employees are covered under health and accident insurance.
- » **All** employees benefit from comprehensive coverage, including paternity, maternity, and retirement benefits.
- » **98%** return-to-work rate and **98%** retention rate of permanent employees that took parental leave.
- » **96%** of employees received training on skill upgradation.
- » **ZERO** safety-related incidents.

SDGs Impacted



The Equitas Culture

We are deeply committed to cultivating a vibrant and uplifting organisational culture that resonates across every facet of our operations. Our approach is multifaceted, blending leadership endorsement, peer influence, dynamic communication and training initiatives, structured recognition and rewards schemes, and ongoing culture pulse surveys, among other strategies. Below, we have outlined our comprehensive approach to nurturing the culture at the Bank:

i. Leaders Fostering Culture

Our cultural ethos starts at the helm. Our leadership team passionately champions the essence of the Bank's culture in pivotal forums like Business Meets, Town Halls, and Branch Visits. These platforms serve as more than just avenues for articulating our cultural values; they are dynamic arenas for honouring and commemorating the accomplishments of culture award recipients, instilling and perpetuating the desired behaviours throughout the organisation.

ii. Peer Influence

Our Culture Champions are the driving force behind magnifying the impact of our culture initiatives and elevating employee engagement to new heights. By impeccably embodying our core values and setting a sterling example, they become beacons of inspiration, encouraging their colleagues to embrace and epitomise positive behaviours throughout the workplace.

iii. Communication & Training

A robust communication strategy is instrumental in articulating and reinforcing the Bank's core values and behaviours. We employ various initiatives to achieve this:

- **Aarambh:** Our induction programme, Aarambh, introduces newcomers to the cultural ethos of the Bank, facilitating a swift assimilation of core value behaviours into their work environment.
- **'Did You Know' Mail Series:** Regular communication via this series elucidates the 'acceptable and unacceptable' behaviours aligned with each sub-theme of our core values, ensuring clarity and consistency among employees.
- **Core Values Refresher Videos:** These contextualised e-learning bytes present case scenarios that enable employees to easily relate to and emulate the behaviours associated with our core values.
- **Sanskriti:** Featuring sections such as 'From Leader's Desk,' 'Voice of Champions,' and 'Kindling Inspiration,' Sanskriti, our Culture Newsletter, reinforces the importance of employees' adherence to core value

behaviours through real-time success stories and experiences shared by culture award winners.

iv. Recognition and Rewards

Our recognition and rewards programmes are designed to celebrate and incentivise the demonstration of core values:

- **High Five Champion and Value Victor Award:** These monthly and quarterly recognition events acknowledge outstanding individuals and branch communities for their exemplary demonstration of core values.
- **High Five Club Recognition Programme:** By actively involving and empowering our business leaders to promote culture initiatives, this programme fosters a culture of ownership and accountability at all levels.
- **Culture Contests:** The launch of various culture contests such as the Culture Quiz, Guess the Scene Contest, and Earn the Badge Contest enhances awareness levels and encourages active participation among employees.

v. Culture Pulse Survey

To gauge the alignment and demonstration of the Bank's culture, a pulse survey was administered to employees. The survey yielded an impressive overall average score of 4.49 out of 5.00, indicating a high level of culture alignment and demonstration among employees. This continuous assessment allows us to gain valuable insights and make informed decisions to further enhance our organisational culture.



Ensuring Employee Benefits and Well-Being

We prioritise the holistic well-being of our employees, understanding that a comprehensive rewards package and supportive work environment are crucial for their overall satisfaction and productivity. Our approach includes competitive compensation, retirement benefits, various perks, and a robust leave policy, all designed to ensure the financial security, health, and work-life balance of our workforce.

Allocation of Benefits

Benefits are allocated based on a combination of factors such as employee role, tenure, performance, and organisational needs. In 2023-24, we introduced several enhancements to our benefits allocation criteria to better address the evolving needs of our workforce:

Inclusive Leave Policy: Our leave policy aims to offer employees the flexibility and support needed to balance their personal and professional responsibilities. We periodically amend the policy to align with changes in legislation and organisational needs. In 2023-24, we introduced Sabbatical Leave for eligible women employees, providing extra support during personal needs such as a child's board exams, childcare, or pursuing higher education.

Parental Benefits: At our Head Office, we provide a day care facility for all employees, offering a convenient solution for working parents. Female employees across PAN India benefit from Creche Reimbursement, alleviating childcare expenses. We also ensure that

eligible male employees have access to paternity leave, enabling them to actively engage in early parenthood. Similarly, maternity leave is available to all eligible female employees, providing crucial time off for childbirth, bonding with their newborn, and postnatal recovery.

Investing in Employee Well-Being: We are committed to investing in measures that promote the health and well-being of our employees. Our expenditures towards employee well-being include initiatives such as:

- Health and Wellness Programmes
- Employee Assistance Programmes
- Training and Development Opportunities for Personal and Professional Growth
- Flexible Work Arrangements to Support Work-Life Balance

These investments are integral to fostering a positive work environment and ensuring the long-term success and satisfaction of our employees.

Essential Indicators

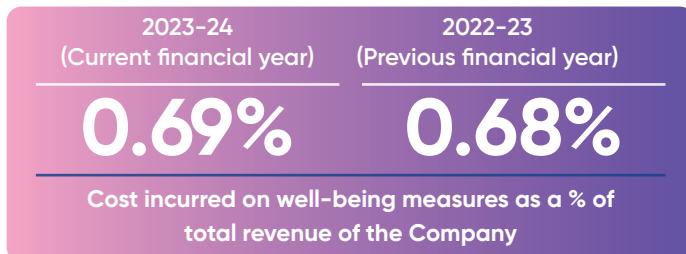
1. a. Details of measures for the well-being of employees

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits	Paternity benefits		Day care facilities		
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)
Permanent employees											
Male	19,915	19,915	100%	19,915	100%			19,915	100%	1,233	6%
Female	2,939	2,939	100%	2,939	100%	2,939	100%			542	18%
Total	22,854	22,854	100%	22,854	100%					1,775	8%
Other than permanent employees											
Male	17	3	18%	3	18%	NA	NA	NA	NA	NA	NA
Female	2	1	50%	1	50%	NA	NA	NA	NA	NA	NA
Total	19	4	21%	4	21%	NA	NA	NA	NA	NA	NA

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

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

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



2. Details of retirement benefits, for current FY and previous FY

Benefits	2023-24 (Current financial year)			2022-23 (Previous financial year)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with authority (Y/N/N.A.)
PF	100%	NA	Yes	100%	NA	Yes
Gratuity	100%	NA	Not deducted from the employee but deposited with the authority.	100%	NA	Not deducted from the employee but deposited with the authority.
ESI	0	NA	NA	0	NA	NA
Others – please specify	NA	NA	NA	NA	NA	NA

Ensuring an Inclusive and Healthy Work Environment

Treating our diverse workforce with fairness, respect, and dignity is at the heart of our values. We strictly prohibit discrimination based on caste, creed, religion, gender, race, or ethnicity. Engaging in political activities or actions that could hurt religious sentiments is equally unacceptable, both during employment and in prior engagements. Our recruitment policy and code of conduct champion equal opportunity and non-discrimination, celebrating the diverse skills and perspectives of our employees. This commitment ensures a welcoming and inclusive environment for all.

3. Accessibility of workplaces

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

No.

To ensure our premises are accessible to both differently abled employees and customers, our infrastructure administration team conducted an extensive feasibility study. Based on the findings, the Bank is now installing ramps to enhance accessibility and inclusivity.

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

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	98%	98%	NA	NA
Female	94%	94%	NA	NA
Total	98%	98%	NA	NA

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

Equitas maintains a structured and transparent grievance redressal mechanism, ensuring employees have a clear process to address any concerns. The procedure starts with employees raising grievances with their 1st level supervisor or Regional HR Manager, either orally or in writing. The supervisor must resolve the grievance within five working days.

If the employee is not satisfied or if the grievance involves the supervisor, they can escalate the issue to the 2nd level supervisor and, if necessary, to the respective Functional Head. Further escalation can be directed to grievance@equitasbank.com, where the Grievance Redressal Officer, in consultation with the Grievance Redressal Committee, aims to resolve the grievance within one week.

If the grievance remains unresolved, the employee can appeal to the Managing Director, who will address the grievance within two weeks. The resolution provided by the Managing Director is final and binding, ensuring fair and timely closure for all involved parties.

**Yes/No
(If yes, then give details of the mechanism in brief)**

Permanent workers

Other than permanent workers

No

Yes

Permanent employees

Other than permanent employees

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

None of our employees or workers are members of associations or unions. However, we regularly engage with our workforce to encourage open communication and address grievances.

Employee engagement initiatives are integral to our organisational culture, fostering a supportive environment where feedback is valued. Through various initiatives, we prioritise connecting with our employees to ensure their well-being, satisfaction, and active participation in shaping our workplace.

- Feedback Channels:** We actively seek employee feedback through audio bridges, enabling direct communication of views, ideas, and feedback to senior management. These channels enhance employee engagement and

contribute to a culture of open communication and continuous improvement.

Additionally, effective communication is crucial to ensuring that our initiatives achieve their intended goals. To facilitate timely and precise communication, we utilise a variety of channels, including calls, HR Connect Mail, SMS, WhatsApp, MS Teams, and HRMS-Work Groups. These channels help us keep our employees informed and engaged.

Category	2023-24 (Current financial year)			2022-23 (Previous financial year)		
	Total employees/ workers in the respective category (A)	No. of employees/ workers in the respective category who are part of association(s) or Union (B)	% (B/A)	Total employees/ workers in the respective category (C)	No. of employees/ workers in the respective category who are part of association(s) or Union(D)	% (D/C)
Total permanent employees						
Male						
Female				NA		
Total permanent workers						
Male						
Female						

8. Details of training given to employees and workers:

Our comprehensive training initiatives ensure seamless integration, regulatory compliance, and skill development for all employees. These programmes prioritise both personal and professional growth, benefitting from internal resources and strategic partnerships to nurture a skilled and compliant workforce.

Leadership Development Programmes



Our Leadership Development Programmes (LDP) provide immersive experiences and structured learning, incorporating several essential features. Firstly, we have developed an in-house behavioural competency framework that is seamlessly integrated into our LDPs. This framework aligns with the Bank's culture, embedding our mission and core values into our core

competencies as leaders. Moreover, our Assessment and Development Centres are meticulously designed using this framework, complemented by models from external partners. Key success dimensions—Ability, Aspiration, and Loyalty (Stability)—form the cornerstone of our eligibility criteria and selection process, supported by comprehensive assessments and competencies.

We utilise a diverse array of assessment tools tailored to leadership competencies, translating developmental

needs into Individual Development Action Plans (IDPs). These plans guide our multi-phased development journeys, structured into foundational and specialised series. By leveraging expertise from leading global learning institutions like INSEAD and top-tier IIMs, along with renowned consulting partners such as Deloitte and Aon, we meticulously identify and address developmental requirements, ensuring the effectiveness of our leadership development initiatives.

- 1. Leadership Development Interventions:** Our programmes offer structured learning opportunities, emphasising our core values and competencies. We incorporate assessment centres and development centres using in-house competency frameworks, ensuring a holistic approach to leadership development.
- 2. Leadership @ All Levels:** We recognise the vital importance of leadership across all tiers, driving us to prioritise the theme of 'Leadership @ All Levels' within our Leadership Development Programme (LDP). This initiative forms the bedrock for enhancing our leadership capabilities internally.

Management Leadership Development

To address the dynamic demands of the banking sector, our Management Leaders undergo targeted assessment and development activities. Collaborations with external partners bolster these efforts include:

- Select Management Committee members benefitted from the 'Strategic Management Programme in Banking' at INSEAD, France.
- Additionally, select Management Committee members participated in a developmental centre led by global leadership assessment experts.

Interventions for Senior Leadership

To nurture future leaders, we have engaged global leadership consulting experts. Noteworthy achievements include:

- Select Senior Leadership team completed the 'Foundation Series' of their development journey with a five-day 'Strategic Leadership in the 'Digital Age' programme at IIM-Bangalore.

Interventions for Mid-Managerial

Tailored developmental interventions are vital for nurturing mid-level managers for upcoming supervisory roles include:

- Programmes like PROGRESS and LEAP workshops refine process, governance, and people management skills.
- 'Lead to Excel' initiatives sharpen execution and team handling abilities, ensuring a robust talent pipeline and retention of top performers.

Interventions for Young Managers

Specialised programmes such as 'Lead to Win' are instrumental in guiding first-time managers into supervisory positions, solidifying effective leadership at all organisational levels.

Skill Development



We leverage various platforms to provide immersive learning experiences, ensuring our employees have access to personalised and accessible learning solutions anytime, anywhere.

- 1. Tie up with content aggregator:** We have partnered with Skillsoft (Percipio) to create an anywhere-anytime 'On-the-Go' learning ecosystem. Skillsoft, a leader in corporate digital learning, offers AI-driven, personalised learning solutions. This platform provides skill-based certification programmes in various formats, including video, audio, boot camps, live events, and practice labs. Learners earn digital badges to boost engagement and inspire continued professional development.
- 2. E-Learning Platform (LMS):** We use PeopleStrong's e-learning platform (LMS and mobile application) to offer seamless, accessible learning for our workforce. This platform supports over 22,000 employees, enabling flexible learning anytime, anywhere. Our customised e-learning solutions cover diverse business needs and include interactive modules on functional, technical, and regulatory topics. For instance, bite-sized video modules on Core Values and mobile-based pre- and post-learning assessments enhance our employees' knowledge and skills.

Self-Development



We encourage employees to take charge of their professional growth through our Professional Development Programme (PDP). Eligible employees, including women and members of our High Achiever's Club (HAC), are supported in enrolling in professional courses and advancing their careers.

Regulatory Mandated Trainings



Compliance is essential, and we ensure all employees, including our Board of Directors and Key Management Personnel (KMPs), complete mandated training requirements. This ensures everyone possesses the necessary knowledge and skills for informed decision-making.

External Trainings



Many of our employees have attended various workshops, conferences, and seminars organised by prominent institutions such as the RBI, the Department of Financial Services (Ministry of Finance), CAFRAL, IIBF, IIA, ISACA, and FEDAI. These events have enhanced their understanding of critical subjects, including financial cybersecurity and online financial frauds, foreign trade and foreign exchange business, credit appraisal, monitoring, and recovery, countering trade-based money laundering, regulatory aspects for Small Finance Banks, forensic accounting and fraud investigation, and treasury emerging trends and challenges. These learning opportunities have equipped our employees with valuable knowledge and skills to effectively address key challenges in the financial sector.

Behavioural Programmes



We offer a variety of behavioural programmes aimed at enhancing multi-dimensional personality attributes and behavioural competencies. These programmes cover essential areas such as:

- Delivering Impactful Presentations
 - Cultivating Executive Presence
 - Improving Conversational Intelligence

- Leading Organisational Change
 - Encouraging Collaboration

Tailored learning pathways like STAR-AOM, STAR 2.0, ASCEND, IMPACT, PERFFECT, PROPEL, STROM, and PROJECT CATAPULT are designed to cater to specific organisational and employee needs. These programmes aim to strengthen leadership capabilities, refine interpersonal skills, manage conflicts effectively, and facilitate group interactions across different levels within the Bank.

Digital Transformation Trainings



The Bank's HR team spearheads our digital transformation journey. We prioritise specialised training programmes to ensure our staff remains abreast of emerging tech-driven banking systems. Through organisation-wide initiatives, we seamlessly integrate new technologies into our operations, providing hands-on coaching and support for a smooth transition. Noteworthy digital applications like Hetra LoS Application and Newgen highlight our commitment to innovation. Customised training sessions for applications like MS Dynamics CRM and EnCOLLECT enhance our branch operations teams. The recent launch of Selfe Loan, a customer mobile app, aims to enhance customer experience and streamline loan applications. Overall, our HR team plays a crucial role in driving our digital evolution forward.

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

Our developmental strategies prioritise nurturing internal talent, aiming to foster their career growth and readiness for key business roles. Through performance assessments, we identify high-potential individuals who show a keen interest in accelerated advancement. In 2023-24, the Bank conducted its Annual Performance Review for 17,337 eligible employees, guided by the Bank's core values of Fairness & Transparency and Pride of Performance.

These talented individuals undergo tailored developmental programmes designed to enhance their skills and prepare them for higher-level responsibilities. Our specialised learning initiatives facilitate both vertical and horizontal career progression, empowering talent to navigate diverse functions confidently. Noteworthy programmes include VALAR CEP, VALAR PET, and Potential Hero.

- VALAR CEP: A structured fast-track role enhancement programme
- VALAR PET: Recognises the career progression of frontline employees
- Potential Hero: Addresses the developmental needs of underperformers
- Additional interventions include S.T.A.R & S.T.A.R 2.0, focussing on enhancing supervisory abilities

Category	2023-24 (Current financial year)			2022-23 (Previous financial year)		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	19,915	15,416	77%	18,092	13,622	75%
Female	2,939	2,257	77%	2,471	1,828	74%
Total	22,854	17,673	77%	20,563	15,450	75%
Workers						
Male						
Female				NA		
Total						

10. Health and safety management system:

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

Yes.

We've taken several steps to guarantee a secure workplace for all our staff members. Our Emergency Response Team (ERT) is well-trained to handle emergencies efficiently, and we organise frequent fire drills to educate employees on the correct protocols in case of a fire. Moreover, we've implemented preventive measures against seasonal illnesses like the flu by providing hand sanitizers and temperature guns at all our work locations, and we require symptomatic employees to wear masks.

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

Our commitment to fostering an inclusive workplace where employees' concerns are valued and led

to the establishment of the 'Voice of Employee' initiative. Through this platform, employees can report various issues, including work-related hazards, by sending mails to voiceofemployee@equitasbank.com. Additionally, recognising that many of our employees work in field roles requiring two-wheelers, we prioritise ensuring that they possess valid driving licences and encourage the use of helmets while travelling.

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

Yes.

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

Yes

Ensuring the physical and mental well-being of our employees is our top priority. To achieve this, we have created a comprehensive health and wellness calendar that aligns with significant calendar days designated by the World Health Organisation.

Here are some of the initiatives included:

- Offering additional coverage beyond the eligible limit under Group Medical Coverage (GMC) and utilising Corporate Buffer to provide financial support to employees during hospitalisation
- Providing a complimentary comprehensive Master Health Check-up for employees aged 40 years and above, which includes a range of tests and consultations
- Organising wellness camps with on-desk screenings for blood sugar, blood pressure, and BMI, along with doctor consultations
- Presenting comprehensive OPD Plan coverage, including annual health check-ups, dental and vision care, and access to various medical services
- Offering counselling services through the Employee Assistance Programme, available 24/7
- Yoga session at the desk: To encourage employees to incorporate Yoga in their daily routine. These initiatives aim to support employees' physical health and address their mental well-being through various resources and services.

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

Safety incident/Number	Category	2023-24 (Current financial year)	2022-23 (Previous financial year)
Lost Time Injury Frequency Rate (LTIFR) (per one million person-hours worked)	Employees	0	0
	Workers	NA	NA
Total recordable work-related injuries	Employees	21	13
	Workers	NA	NA
No. of fatalities	Employees	11	11
	Workers	NA	NA
High-consequence work-related injury or ill-health (excluding fatalities)	Employees	0	1
	Workers	NA	NA

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

At the Bank, prioritising a secure and well-prepared workplace environment is of utmost importance. To achieve this goal, we have implemented the following initiatives:

- Established a proficient Emergency Response Team (ERT) trained to handle emergencies effectively
- Conducted routine fire drills to educate employees on emergency protocols in the event of workplace fires
- Provided hand sanitizers and temperature guns at all work sites and mandated the use of masks for symptomatic employees who needed to be present at work, thereby reducing the risk of seasonal flu transmission
- Offered training to employees and raised awareness about health and safety practices

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

	2023-24 (Current financial year)			2022-23 (Previous financial year)		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working conditions	0	0	NA	34	0	NA
Health & safety	0	0	NA	0	0	NA

14. Assessments for the year:

% of your plants and offices that were assessed (by entity or statutory authorities or third parties)	
Health and safety practices	0
Working conditions	0

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

NA

Leadership Indicators

- Does the entity extend any life insurance or any compensatory package in the event of the death of (A) Employees (Y/N) (B) Workers (Y/N).**
 (A) Employees – Yes
 (B) Workers – NA
- Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**
 NA
- Provide the number of employees/workers having suffered high consequence work-related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees/workers	No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment		
	2023-24 (Current financial year)	2022-23 (Previous financial year)	2023-24 (Current financial year)	2022-23 (Previous financial year)
Employees	11	12	NA	NA
Workers				

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

Yes.

The Bank offers transition assistance programmes to aid employees in navigating career transitions due to retirement or termination. The Bank provides

options for extending the tenure of essential roles, either through contracts or consultancy arrangements, based on the needs of the role. These initiatives are aimed at promoting ongoing employability and facilitating seamless transitions for employees leaving the organisation.

04+PRINCIPLE



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

Equitas remains committed to prioritising stakeholder interests, ensuring that our business activities are in line with expectations and contribute to maximising shared value. We engage proactively with stakeholders to collect feedback, facilitating informed decision-making and fostering positive outcomes. Through this methodical approach, we systematically address concerns raised by stakeholders. Recognising the significance of stakeholder engagement in driving positive social change, we place great importance on embracing diverse perspectives. Our aim is to meet stakeholder expectations through collaborative efforts, transparency, and accountability.

Impact on <IR> Components

Human Capital

Social and Relationship Capital

Stakeholders

Customers

Government/Regulators

Investors

Suppliers

Employees

Local Communities

Highlights

» 6 stakeholder groups were identified

» Regular engagement across multiple platforms to understand expectations, inform strategy, and communicate progress

SDGs Impacted



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

Establishing strong connections with stakeholders is integral to our business strategy. Through the adoption of Strategic Proactive Engagement principles, we place emphasis on inclusive, strategic, proactive, transparent, and open communication to comprehend the needs, interests, and expectations of our stakeholders deeply. This method assists us in grasping diverse viewpoints and requirements, thereby nurturing transparent and trusting relationships. Acknowledging stakeholder engagement as an ongoing effort crucial to our prosperity, we highly regard the collaboration and assistance from all stakeholders.

To identify our key stakeholders, we have implemented a five-step approach:

1. Reviewing the comprehensive list of stakeholders
2. Understanding the rationale behind identifying key stakeholders
3. Assessing the influence of stakeholders on our operations
4. Evaluating their requirements concerning our business
5. Prioritising the stakeholder list



Stakeholder group	Whether identified as vulnerable & marginalised group (Yes/No)	Channels of communication (Email, SMS, newspaper, pamphlets, advertisement, community meetings, notice board, website), other	Frequency of engagement (annually/half yearly/quarterly/others – please specify)	Purpose and scope of engagement, including key topics and concerns raised during such engagement
Communities	Yes, 100% of the communities are identified as marginalised and vulnerable.	<ul style="list-style-type: none"> - Meetings - Awareness sessions - Need assessments - Review and monitoring - Job fairs - Workshops 	Regularly	Developing communities and promoting financial and social inclusion.
Investors and shareholders	No	<ul style="list-style-type: none"> • E-mail • Newspapers • Quarterly reports • Press releases • Websites • Investor conferences • Analyst meets • Earnings call • Branch visits 	Quarterly	Financial results, AGM, dividend intimation, fund raise Intimation, merger-demerger intimation, and Company guidance & strategy

Stakeholder group	Whether identified as vulnerable & marginalised group (Yes/No)	Channels of communication (Email, SMS, newspaper, pamphlets, advertisement, community meetings, notice board, website), other	Frequency of engagement (annually/half yearly/quarterly/others – please specify)	Purpose and scope of engagement, including key topics and concerns raised during such engagement
Employees	NA	<ul style="list-style-type: none"> • E-mail • SMS • WhatsApp • Workgroups (available in the HRMS portal) • Notice boards placed at work locations, and audio bridge calls • One-on-one meetings through branch visits with leaders, and HR • MS Teams (video connect) 	Others: Communication happens as and when need arises.	Amendment to a change in the existing policy or implementation of a new policy, change in leadership roles, benefits extended to employees, information regarding the closure of the trading window, BCP during natural calamities, and IT security.
Customers	Yes, a segment of customers may be considered marginalised.	<ul style="list-style-type: none"> • On-ground hoardings • Online platforms • Direct interactions • Branch meetings 	Monthly branch meetings, periodic customer location visits, and quarterly online conferences.	Enhancing product awareness, gathering feedback on services, and addressing customer expectations.
Value chain partners	No	<ul style="list-style-type: none"> • E-mails • Meetings • Phone calls 	Ongoing and need-based	Product, service, and technology quality and support; contract commercial and technical terms and conditions.
Regulatory bodies	No	<ul style="list-style-type: none"> • Regulatory filings • Compliance statements • Meetings • E-mails 	Need-based	Licence request and renewal, compliance with filings and other regulatory requirements, participation in government financial sector plans and programmes.

PRINCIPLE



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

The Bank is committed to ensuring and promoting human rights across all facets of our operations. Our primary objective is to foster a secure and nurturing environment for everyone within our organisation. Through our Fair Practices Code and Employee Code of Conduct, we outline the essential behaviours and standards required to safeguard and uphold human rights. This commitment remains unyielding as we continue to evolve and progress in our 'Next' phase.

Impact on <IR> Components

Human Capital

Social and Relationship Capital

Governance

Stakeholders

Employees

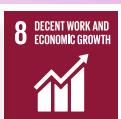
Suppliers

Highlights

- **100%** of our employees are paid more than the minimum wage

- **94%** of our employees are trained on human rights issues and policies

SDGs Impacted



Essential Indicators

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

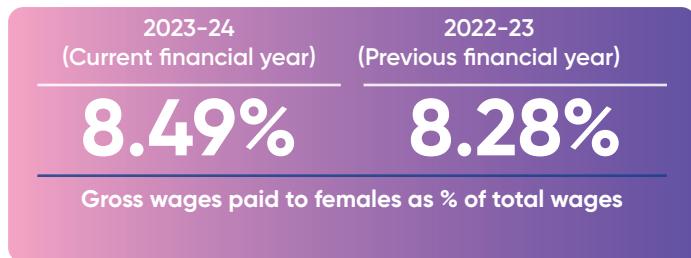
The Bank is dedicated to nurturing a culture that promotes inclusivity, respect, and awareness of human rights. Through extensive training programmes, we equip our employees with a thorough understanding of their rights and responsibilities. We acknowledge and appreciate the diverse skills, strengths, and perspectives of our workforce, recognising that each employee is crucial to our achievements. In our recruitment and employment processes, we uphold a policy of non-discrimination, ensuring that no individual is unfairly treated based on caste, creed, religion, nationality, gender, race, or ethnicity.

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

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

	Male		Female	
	Number	Median remuneration/ salary/wages of the respective category	Number	Median remuneration/ salary/wages of the respective category
Board of Directors (BoD)	10	10,00,000	1	-
Key Managerial Personnel	3	1,50,86,554	-	-
Employees other than BoD and KMP	19,911	3,32,341	2,940	2,97,989
Workers	-	-	-	-

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



4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes.

We have established two committees to manage the human rights implications resulting from our operations. These committees play crucial roles in addressing and mitigating any negative impacts or contributions to human rights issues within our business activities.

1. The Internal Complaints Committee (ICC) is dedicated to handling complaints related to sexual harassment and ensuring a safe and respectful workplace environment.
2. The Grievance Redressal Committee deals with all other concerns raised by our employees, offering a platform for the prompt resolution of various issues.

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

Yes. We have established two internal mechanisms aimed at effectively addressing human rights grievances.

Internal Complaints Committee (ICC) for Sexual Harassment Complaints:

Equitas is dedicated to fostering a safe and respectful workplace environment, especially for women, by implementing a robust mechanism to address and prevent incidents of sexual harassment. Our Internal Complaints Committee (ICC) diligently handles complaints of sexual harassment, ensuring fairness and promptness in addressing grievances. Employees are encouraged to submit written complaints within three months of the incident, with alternative avenues such as e-mail provided for accessibility. The ICC is authorised to extend time limits under exceptional circumstances and may assist those unable to document grievances themselves.

After a thorough inquiry, the ICC submits its findings to management, who are required to act upon recommendations within a specified timeframe. Confidentiality is strictly maintained throughout the process, safeguarding the identities of all involved parties. By upholding stringent procedures and confidentiality measures, Equitas remains firm in its commitment to cultivating a workplace free from sexual harassment.

Grievance Redressal Committee for Broader Human Rights Concerns beyond Sexual Harassment:

At Equitas, we are dedicated to addressing broader human rights concerns beyond sexual harassment through a structured grievance redressal process. If any employee has a grievance, they are required to raise it with their 1st level supervisor or Regional HR Manager, either orally or in writing. The supervisor is required to resolve the grievance within 5

working days. If the employee is not satisfied with the resolution, or if the grievance is against the 1st level supervisor, the issue can be escalated to the 2nd level supervisor. Should the matter remain unresolved, or if the grievance is against both supervisors, the employee may then approach the respective Functional Head, who will also have 5 working days to address the issue.

If the grievance still remains unresolved, the employee can escalate the matter by contacting the Grievances Redressal Officer at grievance@equitasbank.com. The Grievances Redressal Officer, in consultation with the Grievance Redressal Committee, must resolve the issue within one week. If the employee is dissatisfied with this resolution, they may appeal to the Managing Director, who will provide a final decision within two weeks which will be binding on all parties concerned.

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

	2023-24 (Current financial year)			2022-23 (Previous financial year)		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual harassment	21	2*	-	5	0	-
Discrimination at workplace	0	0	-	0	0	-
Child labour	0	0	-	0	0	-
Forced labour/Involuntary labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights-Related issues	0	0	-	0	0	-

*Pending complaints as on March 31, 2024 have since been closed.

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

	2023-24 (Current financial year)	2022-23 (Previous financial year)
Total complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	21	5
Complaints on POSH as a % of female employees/workers	0.7%	0.2%
Complaints on POSH upheld	19	4

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

We uphold a strict policy on maintaining the confidentiality of complaints related to harassment and discrimination. Details such as the identities and locations of the aggrieved individual, respondent, and witnesses, as well as information regarding conciliation and inquiry proceedings, recommendations from the Internal Complaints Committee (ICC), and actions taken by management, are treated as strictly confidential and cannot be disclosed to anyone under any circumstances. However, information about the

resolution attained for any victim under this policy may be shared, ensuring anonymity by refraining from disclosing any details that could potentially identify the aggrieved individual or witnesses.

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

Yes. Our human rights requirements are systematically incorporated into our business agreements and contracts. Our policies and Code of Conduct demonstrate our dedication to upholding human rights, prioritising them, and ensuring their protection in all interactions with stakeholders.

10. Assessments for the year:

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

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

NA



06 PRINCIPLE



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

Even with a limited direct environmental impact, at Equitas we aim to drive environmental stewardship by integrating sustainability into our core operations. Through digitalisation, the introduction of energy efficient systems, and the use of recycled resources, we are committed to doing our bit to reduce the burden on limited resources, the generation of waste, and emissions. As we move towards the 'Next' phases of our journey, we aspire to consistently improve our initiatives towards environmental sustainability.

Impact on <IR> Components

External Environment

Natural Capital

Stakeholders

Local Communities

Government/Regulators

Value Chain Partners

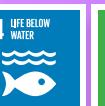
Highlights

• **0.73 GJ** energy intensity per rupee of turnover

• **8.8 MT** e-waste recycled

• **568.27 tCO₂** carbon emissions caused

SDGs Impacted



Policy Framework

We've established a comprehensive Micro and Small Enterprises Policy Framework that incorporates environmental and social considerations into the loan application evaluation process for these enterprises. Additionally, we foster a culture of environmental responsibility by encouraging our employees to adopt e-mail communication and digital document storage practices. This not only enhances our operational efficiency but also reduces paper consumption, aligning with our sustainability goals.

To further minimise our environmental impact, we've introduced the 'Pragati Card,' a QR code-based payment inquiry solution for microfinance customers, replacing traditional sticker collections and serving as a digital passbook. We actively promote paper-free banking practices among account holders, including options like e-mail statements, internet banking, mobile banking, e-wallets, and electronic toll collection. Our initiatives encompass implementing the Loan Origination System Hetra, issuing virtual debit cards for half-KYC customers, and introducing green pin technology for debit cards.

Essential Indicators

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

Parameter	2023-24 (Current financial year)	2022-23 (Previous financial year)
From renewable sources (in GJ)		
Total electricity consumption (A)	-	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	-	-
From non-renewable sources (in GJ)		
Total electricity consumption (D)	2,188.07	2,214.94
Total fuel consumption (E)	1,802.95	1,874.80
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	3,991.02	4,089.74
Total energy consumed (A+B+C+D+E+F) (in GJ)	3,991.02	4,089.74
Energy intensity per rupee of turnover (Total energy consumption/Revenue from operations) (GJ/₹ turnover in crores)	0.73	0.98
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (GJ/turnover adjusted for PPP)	0.20	0.27
Energy intensity in terms of physical output (GJ/employee)	2.13	2.43

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

No

Note:

- The boundary for electricity consumption data excludes the electricity consumption in branches and ATMs
- The energy consumption numbers have been restated for FY 2022-23 based on the boundary considered this year
- The intensity calculation per employee for energy considers the total count of employees in the corporate offices at the end of the respective financial year

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

Considering the nature of Equitas' business, none of our sites or facilities have been categorised as Designated Consumers (DCs) under the Government of India's Performance, Achieve and Trade (PAT) Scheme.

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

Parameter	2023-24 (Current financial year)	2022-23 (Previous financial year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	30,88,800.00	27,77,895.00
(iv) Seawater/desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	30,88,800.00	27,77,895.00
Total volume of water consumption (in kilolitres)	30,88,800.00	27,77,895.00
Water intensity per rupee of turnover (KL/₹ turnover in crores)	562.99	667.46
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (KL/turnover adjusted for PPP)	152.33	184.20
Water intensity in terms of physical output (KL/employee)	135.00	135.00

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

No

Note:

- The water consumption has been calculated based on the assumption of 45 litres of water consumed per person for a count of average 300 working days for both the years
- The intensity calculation per employee for water consumption considers the total count of employees at the end of the respective financial year

4. Provide the following details related to water discharged:

Parameter	2023-24 (Current financial year)	2022-23 (Previous financial year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To surface water		
No treatment		
With treatment – please specify level of treatment		
(ii) To groundwater		
No treatment		
With treatment – please specify level of treatment		
(iii) To seawater		
No treatment		
With treatment – please specify level of treatment		NA
(iv) Sent to third parties		
No treatment		
With treatment – please specify level of treatment		
(v) Others		
No treatment		
With treatment – please specify level of treatment		

Total water discharged (in kilolitres)

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

NA

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

Operating in the BFSI sector, we do not generate industrial wastewater, and our water consumption is limited to drinking and sanitary purposes only. Due to this, the implementation of zero liquid discharge practices is not applicable to us.

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

Parameter	Please specify unit	2023-24 (Current financial year)	2022-23 (Previous financial year)
NOx			
SOx			
Particulate matter (PM)			
Persistent organic pollutants (POP)			NA
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others – please specify			

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

NA

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

Parameter	Unit	2023-24 (Current financial year)	2022-23 (Previous financial year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	133.09	138.40
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	435.18	440.53
Total Scope 1 and Scope 2 emission intensity per rupee of turnover	(Total Scope 1 and Scope 2 GHG emissions in tCO ₂ e/Revenue from operations)	0.10	0.14
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	(Total Scope 1 and Scope 2 GHG emissions in tCO ₂ e/Revenue from operations adjusted for PPP)	0.03	0.04
Total Scope 1 and Scope 2 emission intensity in terms of physical output	(Total Scope 1 and Scope 2 GHG emissions in tCO ₂ e/employee)	0.30	0.34

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

No

Note:

- The boundary for electricity consumption data excludes the electricity consumption in branches and ATMs
- The carbon emissions caused has been restated for FY 2022-23 based on the boundary considered this year
- The intensity calculation per employee for emission caused considers the total count of employees in the corporate offices at the end of the respective financial year

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

We have implemented specific measures aimed at collectively reducing our greenhouse gas emissions and advancing environmental sustainability. These initiatives include:

- Monitoring HVAC run-time for optimal energy consumption
- Using energy efficient CFLs and LED light fixtures
- Procuring office equipment with energy-saving features
- Promoting sustainable practices to reduce environmental impacts
- Transitioning to an electronic format for Board and committee papers
- Implementing loan origination systems to reduce paper usage and enhance customer experience
- Adopting digital initiatives such as tablets, video banking, and video KYC to minimise physical branch visits and enable remote transactions

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

Parameter	2023-24 (Current financial year)	2022-23 (Previous financial year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	-	-
E-waste (B)	8.8	6.1
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	-	-
Radioactive waste (F)	-	-
Other hazardous waste. Please specify, if any. (G)	-	-
Other non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	-	-
Total (A+B + C + D + E + F + G + H)	8.8	6.1
Waste intensity per rupee of turnover (Total waste generated/Revenue from operations)	1.60×10^{-3}	1.47×10^{-3}
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated/Revenue from operations adjusted for PPP)	0.43×10^{-3}	0.40×10^{-3}
Waste intensity in terms of physical output	0.38×10^{-3}	0.30×10^{-3}
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled (E-waste)	8.8	6.1
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total (E-waste)	8.8	6.1

Parameter	2023-24 (Current financial year)	2022-23 (Previous financial year)
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency?

(Y/N) If yes, the name of the external agency.

No

Note:

- The waste generation data has been calculated by considering the average weights of the respective devices either that which is available on the site: <https://ewasteguide.info/weight/> or as a market average
- The intensity calculation per employee for waste generation considers the total count of employees at the end of the respective financial year

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

As a financial institution, our operations primarily involve intangible products and services, thereby minimising our reliance on physical resources. Waste management, including the disposal of paper and dustbin bags, is conducted in collaboration with state municipal authorities, while e-waste is responsibly handled through vendors. To mitigate our environmental impact, we have initiated measures to reduce plastic usage across our offices and branches, opting for eco-friendly alternatives.

Furthermore, we have embraced digitisation to foster sustainability and decrease paper consumption, thereby minimising waste generation. Previously, our procedures heavily relied on physical documentation. However, we have transitioned to mobile devices for inputting customer data, and e-KYC verification is now conducted online through Aadhar using UIDAI and PAN through NSDL. This digital approach eliminates the need for physical paperwork, as loan agreements are electronically signed. Notably, our microfinance division has achieved 100% e-KYC adoption for new customers and an e-signature adoption rate of 80–90%. This paperless workflow not only reduces errors and

enhances data quality but also improves regulatory compliance and operational efficiency by necessitating fewer staff members. By transitioning to a digital framework, we are not only streamlining our operations but also championing environmental sustainability.

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

Equitas does not have any offices situated in or near ecologically sensitive areas.

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws in the current financial year

NA

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

The Bank adheres to all relevant environmental laws/regulations/guidelines in India.

07 PRINCIPLE



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

As a financial services provider, the Bank engages in partnerships with government agencies, prominent educational institutions, and fellow businesses to tackle societal and environmental issues. By participating in diverse trade and industry associations, we stay informed about industry developments and nurture relationships with essential stakeholders, thereby enhancing our impact within the wider ecosystem.

Impact on <IR> Components

External Environment

Social and Relationship Capital

Stakeholders

Government/Regulators

Highlights

- 9 affiliations with trade and industry chambers/associations to foster dialogue on industry growth drivers, innovation, and shaping public policy

SDGs Impacted



Essential Indicators

We are dedicated to harnessing our partnerships with industry associations and forums to enhance our knowledge and expertise, thereby fuelling growth across all our business sectors. Concurrently, we champion a range of social and welfare initiatives, such as responsible lending and financial literacy programs. Through these efforts, we play a role in fostering a more transparent financial landscape, facilitating improved access to credit for underbanked and unbanked individuals, and simplifying the loan acquisition process for those marginalised in the economic sphere.

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

9

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

S. no.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/associations (State/National)
1	Indian Banks' Association (IBA)	National
2	Fixed Income Money Market and Derivatives Association (FIMMDA)	
3	SaDhan – The Association of Community Development Finance Institutions	
4	Association of Mutual Funds in India (AMFI)	
5	Confederation of Indian Industry (CII)	
6	The Indus Entrepreneurs (TIE) National	
7	M-FIN	
8	Association of Small Finance Banks of India (ASFBI)	
9	Foreign Exchange Dealers' Association of India (FEDAI)	

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

Name of authority	Brief of the case	Corrective action taken
NA	NA	NA

08 PRINCIPLE



Businesses should promote inclusive growth and equitable development.

At Equitas, our philosophy mirrors the very essence of our name: fairness and transparency. We understand that genuine progress transcends mere financial empowerment. Our objective entails creating a sustainable ecosystem wherein every individual, particularly those situated at the grassroots level, can access education, healthcare, and skill development opportunities.

Through the Equitas Development Initiatives Trust (EDIT), we pledge 5% of our profits towards initiatives aimed at enhancing livelihoods and delivering essential services to the underserved. By proactively addressing societal challenges long before Corporate Social Responsibility (CSR) became a regulatory obligation, we have consistently showcased our dedication to social and economic advancement, embodying the true spirit of corporate citizenship.

Impact on <IR> Components

Social and Relationship Capital

Human Capital

Stakeholders

Local Communities

Employees

Highlights

- **38%** of input material sourced from MSMEs or locally

- **100%** of our beneficiaries are from vulnerable and marginalised groups

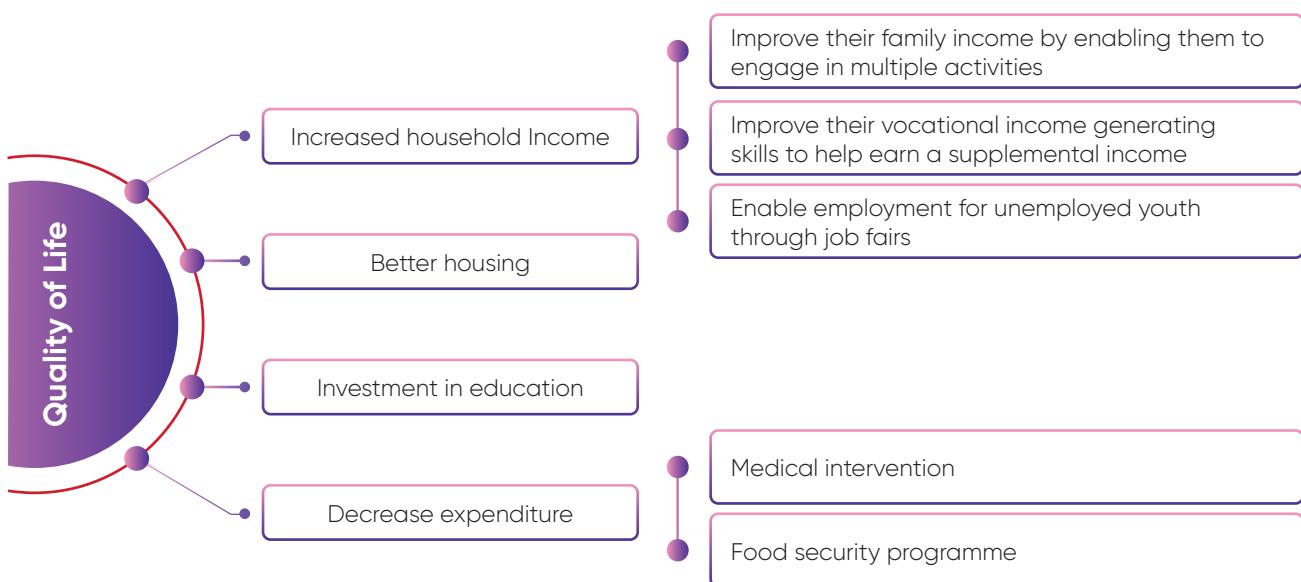
SDGs Impacted



Building Better Futures

Our social initiatives are carried out nationwide through Equitas Development Initiative Trust (EDIT) and Equitas Healthcare Foundation (EHF). Focussed primarily on healthcare, education, skill development, job placement, and homeless rehabilitation, these initiatives reflect our commitment to holistic community development.

Equitas Development Initiatives Trust (EDIT) exemplifies our dedication to fostering inclusive growth and balanced development. Through EDIT, our corporate social responsibility initiatives span a wide spectrum, encompassing endeavours such as empowering pavement dwellers with sustainable livelihoods, conducting skill training programmes for women, organising collaborative health camps, providing affordable education to economically disadvantaged children, and facilitating job fairs to integrate unemployed youth into the formal economy. The Sringeri Sharada Equitas Cancer cum Multi-Speciality Hospital operates under the purview of Equitas Healthcare Foundation (EHF), which is registered as a separate charitable trust.



Words from the Beneficiaries

Rashmi Vaijayanthi

"I recently visited Equitas Sringeri Saradha Hospital for their cancer care services, and I was truly impressed. The staff was not only warm and hospitable but made us feel like part of their family. The hospital provides world-class cancer treatment at affordable prices, ensuring top-notch care for everyone. One unique and thoughtful aspect I noticed was the provision of beds for attendants in the general ward, something I haven't seen in any other hospital. This level of consideration and care sets Equitas Sringeri Saradha Hospital apart from the rest."

Deepak Kumar

"I had been suffering from severe pain from my hip to my foot on my left leg, which severely impacted my daily activities for the past three months. My visit to Sringeri Sharada Equitas Multispecialty & Cancer Care Hospital changed everything. Under the expert care of doctors in the hospital, I am now completely relieved from the pain.

The service-oriented mindset of everyone at this hospital truly amazed me. The staff listen to patients calmly and take the time to fully understand their problems before providing treatment. I am especially grateful to the doctors and the entire organisation for their exceptional care.

I strongly recommend this hospital to anyone seeking attentive and affordable healthcare."

Our CSR Stories

Healthcare Initiatives

Recognising the essential role of quality healthcare in community well-being, a series of healthcare initiatives have been launched to address the varied medical needs of underserved populations. These efforts not only aim to provide vital medical services but also focus on raising awareness about preventive measures and fostering overall health and wellness within communities.

Sringeri Sharada Equitas Cancer cum Multi-Speciality Hospital

EHF commenced its journey by identifying healthcare deficiencies through extensive health camps, leading to a collaboration with Sringeri Saradha Mutt to establish a Chennai-based multi-speciality hospital with a particular focus on cancer care. This partnership marked the inception of Equitas Healthcare Foundation (EHF) in 2019, dedicated to delivering premium healthcare services at affordable rates. By harnessing donated resources and operational efficiency, EHF devised a pricing model that significantly slashed treatment costs, ensuring accessibility across all strata of society. With the motto 'Quality Healthcare at an Affordable Price', EHF aims to provide free treatment to the vulnerable and substantial discounts to economically disadvantaged groups, striving to make healthcare a fundamental right for all. The Sringeri Sharada Equitas Cancer cum Multi-Speciality Hospital in Gowrivakkam epitomises this commitment, offering comprehensive care with its hundred beds, three operating theatres, and cutting-edge equipment. As a non-profit entity, the hospital serves as a ray of hope, addressing critical health needs and bridging gaps in supply and

demand, showcasing dedication to the welfare of the marginalised.

- **Medical Camps:** A total of 4,933 medical camps have been conducted, directly addressing various health concerns within communities.
- **Eye Screening and General Health Camps:** These initiatives have reached a significant portion of the population, benefitting 2,85,361 people through eye screening camps and 3,06,219 beneficiaries through general health camps. Specialised camps focussing on Non-Communicable Diseases (NCDs), cardiology, dental care, and other specific health issues have also been organised.
- **Veterinary and Blood Donation Camps:** Efforts have extended to animal welfare through veterinary camps, benefitting both cattle and farmers. Blood donation camps have contributed to the blood bank, with 443 units of blood donated.
- **Free Cataract Surgeries:** Addressing vision impairment, 37,392 free cataract surgeries have been facilitated since inception, enhancing the quality of life for many individuals.

Skill Development and Placement Initiatives



Recognising the pivotal role of employment opportunities and skill development in fostering economic independence and social empowerment, various initiatives have been implemented to equip individuals, particularly women and youth, with the requisite skills and resources to attain gainful employment or embark on entrepreneurial endeavours. Through investments in skill enhancement programmes, the aim is to break the cycle of poverty and facilitate the creation of sustainable livelihoods for marginalised communities.

- Skill Training Programmes: Trained over 42,677 participants in various vocational domains,

fostering self-reliance and entrepreneurship. Cumulatively, 6,67,8875 women have been empowered since the inception of these programmes.

- Equitas Gyan Kendra (EGK) Centres: Tailored training, particularly in tailoring and computer skills, has been provided through EGK centres, equipping individuals with marketable skills for employment opportunities.
- Job Fairs: Shortlisted through 22 job fairs across multiple branches, 5,264 candidates have been identified for employment, adding to the cumulative placement of 2,89,524 unemployed youth.

Education Initiatives



Education stands as the foundation of societal advancement, igniting individual progress and communal prosperity. Driven by a dedication to equitable access to quality education, a suite of initiatives has been introduced to elevate educational standards and open pathways for academic enrichment. These initiatives are crafted to nurture an enriching learning atmosphere that nurtures the cognitive, emotional, and social development of students, empowering them to unlock their innate capabilities and contribute meaningfully to society.

Equitas Gurukul



An initiative championed by Equitas, is dedicated to offering quality education to underprivileged children. These institutions have emerged as centres of learning excellence, boasting a remarkable 99% overall pass rate and commendable academic accomplishments, nurturing the potential of 6,992 enrolled students. Focussed on holistic development, the curriculum prioritises academic excellence, character formation, and societal engagement. With state-of-the-art facilities, the schools foster interactive learning environments conducive to fostering critical thinking and unleashing creativity. The faculty comprises qualified educators committed to nurturing students' talents, while community involvement initiatives foster collaboration and partnerships. Beyond academic achievements, Equitas Gurukul aims to empower students and propel community transformation by facilitating access to education and avenues for socio-economic progression.

The Equitas Birds Nest initiative



At Equitas, we embarked on a journey with a profound recognition of the hardships endured by pavement dwellers and beggars. This realisation prompted the establishment of UPDP India Private Limited, with the goal of uplifting these marginalised communities. However, regulatory obstacles, including the lack of proper documentation among the target demographic, presented formidable challenges to extending financial

aid. Undeterred by setbacks, the team remained steadfast in their pursuit of solutions. This determination catalysed the transformation of UPDP into Equitas, broadening its scope while upholding its foundational principles of social justice and empowerment. Equitas emerged as a ray of hope, committed to enhancing the lives of the underserved.

Inspired by this ethos, we launched the Birds Nest initiative. Through this programme, 1,241 homeless pavement dwellers in Chennai and 24 in Pune have been provided with permanent housing, fostering stability and security for them and their families. Since its inception in 2008, this initiative has benefitted a total of 4,541 pavement dwellers, exemplifying Equitas' dedication to social impact and community welfare.

Other Key Initiatives



In addition to focussing on core thematic areas, we have implemented various initiatives aimed at tackling specific social challenges and promoting inclusivity and well-being. These initiatives cover a broad spectrum of activities, including health education, economic empowerment, social inclusion, and community engagement. By addressing a diverse range of needs and priorities, these initiatives play a crucial role in building more robust and resilient communities while fostering a culture of compassion, equality, and solidarity.

- **Swasth Mahila Health Education:** Prioritising women's health education, we have educated 3,33,860 women on various health-related topics.
- **Equitas Temporary Market:** Supporting economic empowerment, we have organised 158 exhibitions since inception, providing a platform for women entrepreneurs to showcase and sell their products.
- **Transgender Inclusion:** Creating opportunities for transgender individuals through Aishwarya loans, with support extended to 490 beneficiaries since inception.
- **Support for Differently Abled:** Providing financial aid to 1,71,930 differently abled persons since 2008, ensuring their inclusion and well-being in society.
- **Joy of Giving (Employee Volunteering):** Employees participating in volunteering activities for various social causes, embodying the spirit of community service and giving back.

Essential Indicators

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

In collaboration with SAN India, we conducted a Social Impact Assessment for the initiatives undertaken through EDIT between 2019 and 2022. The assessment aimed to collect both quantitative and qualitative data on the projects implemented by EDIT during this period, document changes in beneficiary behaviour resulting from Equitas interventions, capture human interest stories of beneficiaries, and report on the status and additional support requirements of beneficiaries.

Name and brief details of the project	SIA notification no.	Date of notification	Whether conducted by an independent external agency (Yes/No)	Results communicated in the public domain (Yes/No)	Relevant weblink
Social Impact Assessment (SIA) of EDIT for the period 2019-22	ORDER NUMBER: ESFB/FINANCE/22-23/01	20.03.2023	Yes	Yes	https://www.equitasbank.com/sites/default/files/2023-05/Equitas-ESA-with-Certificate.pdf

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

NA

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

To help the Self-Help Group Women raise their grievances, we have designated a toll-free number (18001032977) for expressing their concerns. Our CSR teams promptly address and resolve all issues raised through this channel.

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

Parameter	2023-24 (Current financial year)	2022-23 (Previous financial year)
Directly sourced from MSMEs/Small producers	38%	39%
Directly from within India	100%	100%

Note: We have considered the inputs related to printing & stationery, business promotion, and advertisement for calculating the percentage of input material sourced from suppliers .

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

Location	2023-24 (Current financial year)	2022-23 (Previous financial year)
Rural	2.55%	2.99%
Semi-Urban	18.62%	19.64%
Urban	25.70%	26.57%
Metropolitan	53.13%	50.80%

Leadership Indicators

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

Sr. No.	State	Aspirational District	Amount spent (in ₹)
1	Chhattisgarh	Korba	23,000
2	Chhattisgarh	Rajnandgaon	8,000
3	Chhattisgarh	Mahasamund	13,000
4	Karnataka	Raichur	11,055
5	Madhya Pradesh	Chhatarpur	3,000
6	Madhya Pradesh	Vidisha	10,000
7	Madhya Pradesh	Guna	7,000
8	Madhya Pradesh	Khandwa	1,000
9	Maharashtra	Washim	3,000
10	Maharashtra	Osmanabad	2,000
11	Punjab	Moga	5,000
12	Tamil Nadu	Virudhunagar	14,450
13	Tamil Nadu	Ramanathapuram	13,150
Total			1,13,655



6. Details of beneficiaries of CSR projects

Details of CSR Initiatives	Number of Beneficiaries in 2023-24	Cumulative from November 2008
No. of Eye-Camp Participants (A)	2,85,361	29,99,900
No. of Free Spectacles	7,371	1,27,572
Cataract Operations	2,735	37,392
Vaccination Camp Participants (B)	0	57,52,876
General Medical Camp Participants (C)	3,06,219	43,04,250
Other Camps (Homeopathy Camps/Ayurveda Camp Participants) (D)	28,342	56,475
Total (Eye Camps + Other Med Camps + Covid-19 + Health Clinic) (A)+(B)+(C) +(D)	6,19,922	1,31,13,501
Sugam Health Clinic Beneficiaries (E)	1,559	80,029
Veterinary Camps	11,841	28,868
Health Help Line	106	32,390
No. of Health Camps	4,933	46,498
No. of Vaccination Camps	0	54,252
Health Screening Vehicle Finance Clients	3,027	50,416
Participants in Skill Training Programmes (A)	42,677	6,66,439
EGK Tailoring Centre (B)	133	716
EGK Computer Centre (C)	0	720
Skill Training Programmes (A+B+C)	42,810	6,67,875
Placements for Unemployed Youth	35,567	2,89,524
Swasth Mahila Health Education	3,33,860	977,860
Persons with Disability	9,164	1,71,930
Persons with Disability (Visually Impaired)	3,194	30,878
Equitas Birds Nest - Rehab for Homeless	1,241	4,517
Equitas Birds Nest - Rehab for Homeless (Pune)	24	24
Equitas Birds Nest Scholarship	58	2,604
Transgender Inclusion	127	490
Equitas Temporary Market	102	158

Note: All beneficiaries of the CSR initiatives belong to vulnerable/marginalised sections.

09 PRINCIPLE



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

We serve as financial partners to our customers and also guide them towards greater financial literacy. Our customer-centric approach is rooted in a robust customer service governance framework. Through various committees, like Customer Service Committee and Standing Committee, overseen by the Board we engage proactively with customers to solicit their feedback. Drawing insights from these interactions, we continuously enhance our services, reinforcing our customer-first ethos. Furthermore, we are advancing by innovating new products and solutions to meet the changing needs of our customers.

Impact on <IR> Components

Intellectual Capital

Social and Relationship Capital

Stakeholders

Customers

Highlights

- **ZERO** data breaches were reported during the reporting year

- **ZERO** instances of product recalls on account of safety issues

SDGs Impacted



Enhancing Customer Experience

We are committed to amplifying our brand presence through ongoing brand-building activities and impactful social initiatives. These efforts have played a crucial role in establishing robust equity for the 'Equitas' brand. Furthermore, by expanding both our physical and digital initiatives, we continuously introduce new services to elevate the customer experience.

Building Human Connections

Key Features

- Customer Engagement: Crafting tailored ground-level interactions
- Branches: Introducing lounge facilities to establish comfortable and welcoming banking environments
- Rural Centres: Serving rural communities via 399 centres
- Micro ATM Devices: Facilitating banking transactions

Impact

- High levels of satisfaction and loyalty achieved
- Increased brand visibility

Digital Engagement

Key Features

- **Online Account Opening:** Easy and accessible account creation
- **User-friendly FD Booking:** Simplified fixed deposit bookings
- **Push Notifications:** Timely and relevant updates
- **WhatsApp:** Personalised interactions

Digital Campaigns

- **Affiliate Marketing:** Expanding reach through partnerships
- **Influencer Outreach:** Engaging new audiences via influencers
- **SEO/SEM Strategies:** Enhancing online visibility

Impact

- Increased online visibility
- Over 1 million customers acquired in a short span of time
- More first-time visitors exploring our website
- Seamless customer onboarding
- Enhanced cross-selling experiences

Moreover, our commitment to social responsibility is ingrained in our brand awareness initiatives. By actively participating in community-focussed projects and supporting local causes, we not only contribute positively but also enhance our brand reputation. Our endeavours have garnered significant recognition, with numerous awards highlighting our innovative marketing strategies and customer engagement efforts. These accolades underscore our dedication to innovation and effectiveness in marketing, solidifying our position as an industry leader.

- Most Admired Campaign for Brand Revitalisation - ACEF Awards
- IPL Regional Campaign - IDMA 2023
- Most Effective Regional Campaign - Exchange4media 2023
- Most Trusted BFSI Brands - Team Marksmen
- Best Use of AI in Customer Engagement - Netcore
- Branded Content Campaign - National Feather Awards

Customer satisfaction transcends mere metrics for us; it is a driving force behind all the initiatives. Our dedication to excellence is epitomised through the Net Promoter Score (NPS), a key element to gauge customer satisfaction levels and identify areas for improvement continually. Through the diligent efforts of our Customer Experience department, we have implemented a Voice of Customer Framework to curate feedback from various channels throughout the year, ensuring we stay aligned with customer needs and industry trends.

NPS Score:

81

2023-24

78

2022-23

Our commitment to enhancing customer experience is evident through a variety of initiatives aimed at simplifying and enhancing banking for our clients:

- DIY Services:** Through our Internet and Mobile Banking platforms, customers can effortlessly update their information or avail services on-demand.
- Video Banking Services:** Designed to reduce branch visits, this service allows customers to remotely request assistance.
- Instant Branch Service:** Automated our top 10 service requests, eliminating the need for manual submissions at branches.
- Cards365:** This feature aims to streamline debit card management, offering functionalities like limit adjustments, reward redemption, and card blocking through a dedicated portal.
- Digital Video Welcome:** Following account opening, customers receive a customised video via WhatsApp, detailing account benefits, activation procedures, and support resources.
- WhatsApp Banking, ChatBOT & Webchat:** Introduced multiple communication channels for customer convenience, enhancing accessibility and responsiveness.

- Instant 24/7 Toll Services:** Dedicated hotlines ensure customers can promptly block accounts/cards, providing round-the-clock peace of mind.

Moreover, we've launched innovative services like 'Banker on Wheels,' offering doorstep services akin to popular delivery apps, and introduced specialised mobile apps for loan customers, along with e-sign capabilities for microfinance loans. Each initiative is aimed at surpassing customer expectations and delivering exceptional service.



Circle of Life Series

We are dedicated not only to elevating our customers but also to championing their successes. Through our 'Circle of Life' video series, we share captivating tales of individuals whose journeys are defined by courage, selflessness, and empathy. These narratives serve as powerful inspirations, resonating with millions and showcasing the potential for positive change. This initiative underscores our commitment to societal progress and highlights the profound impact we can have on individuals' lives.

Driven by Determination: Virumandi's Path from Mechanic to Entrepreneurial Success



Virumandi's remarkable journey, showcasing his determination and resilience, was featured in our 'Circle of Life' series. Despite encountering numerous obstacles, Virumandi reshaped his life through persistent effort and determination. Equitas played a pivotal role in supporting Virumandi's transition from a humble mechanic to a thriving entrepreneur, overseeing a fleet of five large commercial vehicles. His narrative stands as proof of the transformative potential of 'Beyond Banking' initiatives and the invincible spirit of individuals overcoming adversity. This case study reflects Virumandi's exceptional trajectory, underscoring our commitment to uplifting individuals from the depths of uncertainty.



Flying Above Challenges: Roshan Bibi's Resilience and Passion in the Art of Kite Making



Roshan Bibi's journey shines as a validation of perseverance and passion, reflecting the vibrant spirit of the Uttarayan festival. Hailing from Gujarat, she dedicated a full year to crafting kites, adding splashes of joy to the sky during the revered three-day celebration.

Despite struggling with the harsh realities of poverty, Roshan Bibi's dedication to her craft exemplifies the transformative force of love for one's work. Her path serves as a symbol of resilience, surmounting obstacles to emerge not just as a kite maker, but as a leader within her community. Through her narrative, we encounter a symbol of hope, inspiring countless others to chase their aspirations against all odds, adorning the skies of Gujarat with hues of determination and triumph.



Essential Indicators

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

Equitas remains dedicated to swiftly and effectively handling customer grievances through our Exclusive Grievance Management Team. Complaints from various sources like branches, call centres, websites, social media and internet/mobile banking, are managed and recorded through our centralised Grievance Management Team. These grievances are addressed within the time frame set forth in our policy. Should a complaint persist beyond this period or fail to meet the customer's expectations, we offer an escalation process for further assessment. Contact details of responsible officials are easily accessible on our website and branch notice boards, ensuring customers can seek resolution with ease.

Furthermore, in alignment with our commitment to timely resolution, we've instituted a new process to address all complaints within 15 days of receipt. Any complaints that are rejected undergo prompt escalation to the Internal Ombudsman within 20 days, as mandated by the New Master Directive. This refined procedure ensures that grievances are resolved within the specified time frame, thereby enhancing customer satisfaction and confidence in our grievance redressal systems.

In our consistent pursuit of fairness and accountability, we've established a Customer Experience Committee, drawing expertise from Customer Experience, Compliance, and Operations. This Committee ensures every grievance receives thorough attention, assessing each case in detail to uphold our standards of integrity. Their discerning judgements are not only respected but also elevated to the Customer Service Committee of the Board, ensuring transparency at every step. Furthermore, we empower our customers by providing direct avenues to voice their concerns, fostering a culture of openness and trust that resonates from our staff to the highest echelons of the Bank's leadership.

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

Parameter	As a Percentage of Total Turnover
Environmental and social parameters relevant to the product	NA
Safe and responsible usage	NA
Recycling and/or safe disposal	NA

3. Number of consumer complaints in respect of the following

	2023-24 (Current Financial Year)			2022-23 (Previous Financial Year)		
	Received during the year	Pending resolution at the end of the year	Remarks	Received during the year	Pending resolution at the end of the year	Remarks
Data privacy	0	0	NA	0	0	NA
Advertising	0	0	NA	0	0	NA
Cybersecurity	0	0	NA	0	0	NA
Delivery of essential services	5,260	85	Rise in unauthorised transactions reported by the customers where the customer has compromised his details.	2,786	64	Majority of the complaints are resolved, adhering to the TAT prescribed by both the RBI and Equitas SFB.

	2023-24 (Current Financial Year)			2022-23 (Previous Financial Year)		
	Received during the year	Pending resolution at the end of the year	Remarks	Received during the year	Pending resolution at the end of the year	Remarks
Restrictive Trade Practices	0	0	NA	0	0	NA
Other	589	6	Non-Equitas customer complaints include issues like receiving unsolicited SMS, incorrect CIBIL reports reflecting a loan with Equitas, and disputes over fraudulent transactions.	231	7	Majority of the complaints are resolved within the turnaround time (TAT) prescribed by the RBI and Equitas.

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

	Number	Reasons for recall
Voluntary recalls	NA	NA
Forced recalls	NA	NA

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

Yes.

Equitas has established a robust data privacy policy to combat cybersecurity threats and mitigate data privacy risks. This comprehensive policy applies to all employees and extends to third parties, including customers, business partners, and service/product users. It governs the handling of personal and sensitive information collected through direct interactions, online platforms, mobile apps, and electronic communications. Covering all entities involved in the collection, storage, and processing of data on behalf of Equitas, this policy ensures the highest standards of data protection.

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

NA

7. Provide the following information relating to data breaches:

- Number of instances of data breaches along with impact - NA
- Percentage of data breaches involving personally identifiable information of customers - NA
- Impact, if any, of the data breaches - NA

Leadership Indicators

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

To empower our customers to shape their banking experience, we invite feedback across all channels. Every input undergoes rigorous validation, ensuring only the most valuable insights reach the right teams. From there, potential enhancements are explored, transforming the feedback into tangible improvements.

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

To empower our customers with financial awareness and data privacy, we send informative SMS alerts at regular intervals and prominently display safety tips on our website.

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

Customers receive timely SMS alerts ahead of any planned downtime, ensuring they are informed and prepared for any disruptions or discontinuations to essential services.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

NA