Business Responsibility Report

INTRODUCTION

Kotak Mahindra Bank's (hereafter referred as "Kotak" or the "Bank") seventh Business Responsibility Report (BRR) FY 2018-19 encapsulates the continuation of the Bank's efforts towards inclusive and responsible growth. This report discusses Kotak's Environmental Social Governance (ESG) performance across the dimensions of corporate governance, ethical business practices, financial inclusion, environmental protection and social upliftment. The Bank has taken several steps to align its Financial Inclusion and Financial Literacy agenda to that outlined by the Reserve of Bank of India (RBI). Through various products and services as well as specially designed interventions, the Bank works with all segments of the society including the marginalised, un-banked and under-banked sections of society. Bank's key CSR focus areas include education, livelihood & skill development, healthcare, reducing inequalities, sustainable development, relief and rehabilitation, clean India and sports as per CSR mandate prescribed in Schedule VII read with Section 135 of the Companies Act, 2013.

Kotak also presents information on its adopted approach to manage its stakeholder relationships-primarily with its employees and customers. Steady efforts have been made in ensuring that its business operations increase in efficiency while establishing a workplace that is inclusive, diverse and free from any form of discrimination. Kotak's approach to enhance customer delight has led to the development of several bespoke, customer-centric, and technology-enabled products and services. These actions, among others, reflect key elements of the Bank's sustainability journey.

The disclosures in this report have been mapped to the nine principles as per the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business that were released by the Ministry of Corporate Affairs, Government of India, in 2011. The information provided complies with the requirements of the Securities and Exchange Board of India's (SEBI) clause (f) of sub regulation (2) of regulation 34 (Listing Obligations and Disclosure Requirements) Regulations 2015 ("SEBI LODR"). Additionally, the Report fulfils the requirements of Section 135, Schedule VII of the Companies Act, 2013, and subsequent relevant notifications issued by the Ministry of Corporate Affairs.

Kotak's Approach to Responsible Business

Principle 1: Ethics, Transparency and Accountability

The Bank's Code of Conduct, Ethical Conduct and Fair Practice Code are some of the key internal drivers towards conducting business in an ethical and transparent manner. In a materiality ranking exercise conducted, business heads and the leadership team ranked issues that are most critical to Kotak's business continuity. The issue of Compliance and Risk Governance received the highest scores, and therefore assigned the pole position. This is also a direct reflection of the importance given to the organisation on governing the business responsibly.

The Bank's Board CSR committee has an oversight on the CSR and also the BRR agenda.

Principle 2: Responsible Products and Services

Kotak has always striven to develop hassle-free banking facilities for its customers, thereby enhancing customer experience. This philosophy is applied across its range of offerings, including those aimed at enhancing the accessibility of its products and services for the marginalised sections of the society.

Principle 3: Employee Well-being

The Bank focuses on implementing a diverse range of employee engagement and development programmes. From identifying the developmental needs of its employees to paving the way for future leaders, Kotak's aim is to support the personal and professional growth and well-being of its workforce.

Principle 4: Stakeholder Engagement

Kotak has set up multiple channels of communication with its stakeholders which facilitates a meaningful dialogue, leading to enhanced value creation. It believes in keeping the interests of its significant stakeholders first which in turn helps build long-term relationships based on mutual trust and respect.

Principle 5: Human Rights

Kotak's work ethos accords its internal and external stakeholders with utmost respect and the dignity that they deserve. The Bank's Human Rights Policy is central to this culture. Kotak does not discriminate against its employees or customers to whom its products and services are offered.

Principle 6: Environment

The Bank regularly monitors key environmental aspects of its operations across its large offices. This helps Kotak manage its carbon footprint while expanding its operations year on year.

Principle 7: Public Policy Advocacy

Kotak associates with a number of industry bodies to promote a collaborative ecosystem focused on delivering sustainable value creation as well as gaining knowledge for informed decision making.

Principle 8: Inclusive Growth

While contributing to many community development areas, Kotak's key CSR focus areas are education, livelihood and skill development, healthcare and sports. Reducing inequalities faced by socially and economically backward groups, sustainable development, relief and rehabilitation, and clean India (Swachh Bharat) are important areas of intervention. The Bank's CSR policy guides its approach to implement these interventions.

Principle 9: Customer Value

Over the years, the Bank has intensified its emphasis on creating unique experiences for its customers. The intent is to create an environment that focuses on solving the customers' problems beyond just meeting their expectations.

Performance with Respect to the Principles

Principle 1: Ethics, Transparency and Accountability

Kotak believes in maintaining high standards of ethical behaviour and integrity – a significant aspect that contributes to managing risks. At the heart of this is the Bank's Code of Conduct (CoC) which outlines its expectation from employees and their behaviour towards the company, customers, shareholders, communities and to each other.

The Bank works to ensure strict adherence of the CoC by all its employees, senior management members and directors. It is mandatory for all the new employees to understand the CoC right at the start of their employment. The specific requirements on transparency, integrity and ethical standards are communicated to the new hires through a dedicated training module which is a part of their induction programme.

Sr. No.	Business Responsibility Principles	Relevant Policies
1	Ethics, Transparency and Accountability	Code of Conduct (Directors, Senior Management, Employees, Direct Selling Agents); Ethical Conduct Policy; Vigilance Policy; Whistle Blower Policy; Code for Banking Practice; Compliance Policy; Internal Audit Charter and Policy, Fraud Risk Management Policy, Operational Risk Management Policy, Policy on Stress Testing Framework, Group Enterprise Risk Management Policy, Disclosures Policy, Protected Disclosures Policy.
2	Responsible Products and Services	Fair Practice for Credit Card Operations, Fair Practices for Lenders, Home Finance Policy, Educational Loan Policy, Intellectual Property Rights Policy, Board approved Financial Inclusion Plan (FY 2016-17 to FY 2018-19)
3	Employees' Well-Being	Recruitment Policy, Benefits Policy, Leave Policy, Training Policy, Sexual Harassment Policy, Anti-Discrimination/Equal Opportunities Policy, Employee Communication and Participation Policy, Human Rights Policy, Rewards and Recognition Policy, Health, Safety And Environment Policy, Code of Conduct (Directors, Senior Management, Employees, Direct Selling Agents)
4	Stakeholder Engagement	Policy Statement on Business Responsibility
5	Human Rights	Human Rights and Anti-discrimination Policy
6	Environment	Policy Statement on Environment, Policy Statement for Health, Safety & Welfare at Work Place
7	Policy advocacy	Statement on Public Policy Advocacy
8	Inclusive growth	Corporate Social Responsibility (CSR) Policy, Board approved Financial Inclusion Plan (FY 2016-17 to FY 2018-19)
9	Customer value	Policy on Collection Of Dues And Repossession of Securities, Fair Practice for Credit Card Operations, Fair Practices for Lenders, Information Security and Cyber Security Policy, Fair Practice Code Policy, Corporate Communications Policy, Third Party Distribution Policy, Protected Disclosures Policy, Disclosures Policy, Grievance Redressal Policy, Compensation Policy, Waiver Policy, Board approved Financial Inclusion Plan (FY 2016-17 to FY 2018-19), Responsible Marketing Policy

The Bank's Board CSR Committee

Formulated as per the requirements of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules 2014, the Bank's Board CSR Committee executes its activities as laid down by the applicable provisions of the Act and the Rules. The Committee is responsible for the structured execution and management of CSR activities which are aligned to Kotak's CSR agenda and policy.

This policy has been approved by the Board and can be accessed at: https://www.kotak.com/en/about-us/corporate-responsibility.html

Kotak's Board CSR Committee, set up in FY 2014-15, drives the Bank's CSR agenda. Additionally, the Committee has also been entrusted with the responsibility of driving the Business Responsibility (BR) agenda. The Committee comprises of three directors, of which one is an Independent Director.

S. NO	NAME OF THE COMMITTEE MEMBER	DESIGNATION
1	Mr. C Jayaram	Non-Executive Non-Independent Director
2	Mr. Dipak Gupta	Joint Managing Director
3	Prof. S Mahendra Dev	Independent Non-Executive Director

A senior executive*, heading the BR and CSR function, reports to the Bank's Board CSR Committee.

** Rohit Rao, Chief Communication Officer and Head Corporate Responsibility & CSR, Kotak Mahindra Group*

Principle 2: Responsible Products and Services

Kotak is one of the leading private sector banks in India and is well aware of its responsibility to improve the socio-economic status of the country. Reinforced by its agenda to accelerate digitisation, Kotak's focus on financial inclusion and literacy has helped reduce poverty and improve the quality of life across all sections of society. A dual benefit of providing digital services includes reducing Kotak's internal paper consumption. This section highlights those products and services that have directly or indirectly created positive social and environmental impact.

Reducing environmental impacts

Digital banking is driving Kotak's growth agenda and has achieved two-fold objectives-improving customer experience and simultaneously reducing environmental impact by reducing paper consumption. One of the important highlights for the Bank was the launch of 811-India's first and largest downloadable bank, in FY 2016-17. Within 18 months from the time 811 was launched on 29th March 2016, the Bank doubled its customer base, including 811 customers, from 8 million to 16 million. As on 31st March 2019, thousands of credit cards linked to the 811 app have been issued without the requirement of any physical documentation. This led to a significant volume of paper saving. Kotak also launched digital acquisition platforms for home loans, business loans and loans against property, which further reduced the requirement for paperwork whilst acquiring customers and extending seamless service quality.

Catering to the SME segment

Recognising that SMEs are an important pillar of the Indian economy, Kotak offers customised products and services to this segment. In FY 2018-19, Kotak became the first private bank to partner with an SME marketplace to offer working capital loans up to ₹ 1 crore to SME clients. The entire sanctioning and documentation process of this credit line (or product) is digital. The Bank plans to launch integrated and seamless banking services to SMEs that use digital accounting platforms. Additionally, VAS – a digital platform was created to help SME clients to avail non-banking services like ERP solutions, taxation solution, etc. through empanelled partners.

Social Impact Created

Advancement in Agri Business

Agriculture is the primary source of livelihood for approximately 58% of India's population[1]. Moreover, organisations working in the agricultural domain can strengthen the supply chain in India as well as unlock many economic opportunities. In light of this, Kotak has developed in-house expertise for the agricultural industry that allows it to offer a wide range of financial solutions to farmers, traders, exporters, start-ups, and other companies associated with this sector. Kotak promotes CAPEX models by making investments in digging wells, drip irrigations, tractor loans, etc. These are value-add investments that improve the productivity of the farm lands and enhance the outcome of the overall agricultural activities. The Agri-Business Group crossed a milestone of ₹ 19,000 crore in FY 2018-19[2] due to this approach.

The Agri Business lending structure is broadly divided into three main verticals:

- Small scale credit line is made available for crop cultivation and to finance a tractor
- Medium scale credit line is made available to individuals, partnerships and propriety customers who focus on advanced agricultural activities such as large scale cultivation, horticulture, floriculture, poultry, aquaculture and animal husbandry related activities under Agri SME
- Large scale credit line is made available to organisations that focus on primary and secondary agro processing under Agri Corporate

In addition to this, a Micro Finance credit line is extended specifically to women borrowers through a well-knit network of business correspondents.

As a business strategy, the Bank is undertaking a more focused approach towards growing the Agri Business vertical by identifying segments that are sizeable and assigning dedicated teams to help the respective segments become more profitable and productive. This in turn, helps to provide better products and services to the customers.

Success Story: Empowering farmers





Sukhdev Salunke, a progressive farmer from Ganeshwadi Gaothan, Rahuri, Maharashtra had applied for a simple tractor loan. In due course, he applied for increased funding in order to expand his farming. Even though he lacked a strong educational background, Sukhdev was a progressive farmer and wanted to establish additional sources of income. From growing only cotton and onion, he wanted to use the funding to add two acres of land to grow pomegranates. Additionally, he wanted to switch from seasonal cropping to horticultural cropping. Responding to his needs, Kotak analysed his current farming activities, his cropping patterns and cultivable lands available to him before disbursing the loan. This loan helped him fulfil his business goals and also undertake additional construction activities such as repairing his existing open well and installing an internal pipeline that now serves as a perennial water supply. As a result of all these developmental upgrades and changes in the cropping patterns, Sukhdev's monthly profit and cash flow increased, which in turn allowed him to close his tractor loan on time. He is also making regular payments on his crop loan. Sukhdev is now working on developing a new onion storage structure to capture better market rates.

[1] *https://www.ibef.org/industry/agriculture-india.aspx*

[2] *Portfolio and conversion rate as on March 31st, 2019. Agri Business comprises of Agri Corporate, Agri SME and Micro Finance Business.*

Success Story: Investing in Farm Infrastructure





Manjula Jadhav and her husband Namdeo Jadhav-farmers from Nashik, were turned down by many banks, before they approached Kotak, due to poor land conditions which made them rely on the local credit societies. To make matters worse, the credit provided by the Society was untimely and had high interest rates. With Kotak stepping in as their bank, the Jadhavs, received not only financial assistance but also guidance from Kotak to improve their farm yield. Initially, they faced a number of challenges because the 23.4 acres of land that they owned was on a rough, hilly terrain and was broken up into smaller parcels of land. Further, they also faced severe water scarcity and lack of electricity. Since agriculture was the only source of income for the family, they were determined to improve their cropping patterns and farming infrastructure within a two-year period.

When the initial loan amount was disbursed to the Jadhav family, they were cultivating a total of 8.5 acres. Within a year's time, the barren land was levelled and made cultivable due to which, 17.54 acres of land could be used to grow crops. As a result of the timely funding provided by Kotak, the family was able to produce good crop yields of pomegranate, onion and tomato. Additionally, a newly constructed water pipeline starting from the nearest dam allowed for continuous irrigation and solved the problem of water scarcity.

After farming enhancements were made, the profit incurred from the high crop yields allowed the Jadhav family to use their own money to complete their land preparation project. They did not use the remainder of the term loan provided. The family has now prepared an additional five acres of land for which Kotak has already provided an enhancement to the existing loan amount to help them add grapes to their crop yields.

Success Story: Supporting Agri Startup-Oceanus Group

Oceanus Group had developed approximately 22 ponds for the cultivation of tiger prawns to meet export demands. Kotak's Agri Business team understood the customer's business proposition to boost culture, improve yield, trade feed, seeds and medicines, and leverage technology and extended a credit line to the Group in FY 2009-10.

This enabled the Group to grow multi-fold and enter the global business of feed and medicine trading for shrimps. In addition to backward integration, the Group established a total of 400 culture ponds. Due to this, it was able to meet the international export demand and in FY 2015-16, the Group was recognised as the 'Best Corporate Shrimp Farmer' by Aqua International.









Kotak has built a strong relationship with the Oceanus Group, enabling its growth from ₹ 2 crore in 2010 to ₹ 500 crore in 2019.

a. Financial Inclusion (FI)

Kotak places great importance in linking the unorganised sectors to the formal economy by supporting various programmes and initiatives led by the Government. The Bank has put in concerted efforts towards driving these initiatives at a larger scale in order to tap the potential of the rural Indian economy.

Inclusive growth continues to be a key agenda for the Bank. Kotak's digital-first organic growth strategy-fuelled by the deeper penetration of India Stack coupled with formalisation of the Indian economy (GST) and financial savings (less-cash digital India), has contributed immensely towards its financial inclusion agenda, thus enabling the Bank to take banking to unbanked and under-banked regions.

The Bank offers tools to digitally on-board customers using the Aadhaar-based eKYC, service customer requests at branches post Aadhaar authentication under Project Velocity, and enable last-mile cash withdrawal via Aadhaar Enabled Payments Eystem (AEPS).

Highlights of the Bank's financial inclusion initiatives are mentioned below:

Pradhan Mantri Jan Dhan Yojana (PMJDY)

Balance outstanding as on 31st March, 2019 in the PMJDY accounts has increased to over ₹ 22 crore from ₹ 19.82 crore as on 31st March, 2018, and the number of zero balance PMJDY accounts has decreased to 78,795 accounts in FY 2018-19 from 81,567 in FY 2017-18.

Basic Savings Bank Deposit Account (BSBDA)/ Small Savings Account

With the help of its branch and Business Correspondents (BC) network, Kotak continues to take banking to unbanked and under banked segments of society. Currently, over 350 Customer Service Points (CSPs) offer various banking services in the rural regions. Further, Kotak's BCs service over quarter of a million accounts.

Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)

Under the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) scheme, the Bank has disbursed over ₹ 10 crore to nearly 28,500 customers in FY 2018-19, spread across three districts in Chhattisgarh.

Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) & Pradhan Mantri Suraksha Bima Yojana (PMSBY)

Kotak participates in two Jan Suraksha Schemes launched by the Union Ministry of Finance to promote social security in the country. Kotak has a tied up with the Life Insurance Corporation of India and ICICI Lombard General Insurance Co. Ltd to offer Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) and Pradhan Mantri Suraksha Bima Yojana (PMSBY).

The Bank enrolled more than four lakh customers under these two schemes, of which, over 46,000 accounts have been opened for rural customers as of 31st March, 2019. The Bank settled 77 insurance claims under PMSBY amounting to over ₹ 1.50 crore in FY 2018-19.

Pradhan Mantri MUDRA Yojana (PMMY)

The PMMY scheme was launched in 2015 to help provide loans up to ₹ 10 lakh to non-corporate start-ups, and non-farm small and micro enterprises (SMEs). As on 31st March 2019, the total amount of loan disbursed stood at about ₹ 2,300 crore as against ₹ 925 crore in FY 2018-19 (on a Y-o-Y basis this is about 150% growth), catering to over 3.46 lakh beneficiaries.

Atal Pension Yojana (APY)

The Atal Pension Yojana (APY) is a government-initiated pension scheme that aims to secure their quality of life post retirement. In order to popularise this pension scheme, Kotak has been effectively using various channels like branches and net-banking that are reinforced through customer specific campaigns. In FY 2018-19, APY subscribers were over 7,800 as opposed to 4,800 in FY 2017-18 – an increase of 63%.

Aadhaar Seva Kendras

Kotak has set up Aadhaar Seva Kendras at more than 140 branches across India enabling nearby residents to enrol and update their Aadhaar details with ease. The Bank processed more than 40,000 requests per month in FY 2018-19. Kotak's dedicated efforts have been recognised in the form of the Aadhaar Excellence Award presented by UIDAI chief for recording the highest number of Aadhaar based transactions.



The Unique Identification Authority of India (UIDAI) CEO Shri. Ajay Bhushan Pandey recognises Kotak for recording the highest number of Aadhaar based transactions.

Aadhaar Enabled Payment System (AEPS)

Launched in FY 2018-19, Kotak-led AEPS is a conscious step taken towards a cashless economy that allows online inter-operable financial transaction at PoS (Point of Sales) through the Business Correspondent (BC) network. Since its launch, the AEPS services have grown rapidly with more than 1 million successful transactions per month. Further, Kotak processed over 6.9 million approved transactions worth more than ₹ 800 crore within nine months of its launch. The success of this system will pave way for larger banking business opportunities in more than 18 states through corporate BC partnerships established across rural India.

Favourable outcomes resulted from this collaborative approach adopted by the Bank. Kotak has empanelled five corporate BCs into its agent network to offer cash withdrawal services. Additionally, the Bank has partnered with the Government of Telangana to drive AEPS services through MeeSeva outlets spread across 31 districts in Telangana.

Kotak participated in a study about operating bank account and women empowerment. The study group was led by Shagata Mukherjee, Assistant Professor, Meghnad Desai Academy of Economics, and supported by SEWA and X Billion Action Labs. This study titled 'Banking

Women in Rural India: Positive Outcomes, Barriers and The Way Forward', provides powerful insights on how actively using a bank account makes women in villages more powerful. Rural women with access to banking services get easier a access to loans, healthcare facilities, sanitary napkins, and durable goods, among other things, as compared to those who are without a bank account or have inactive bank accounts.

b. Financial Literacy

Financial literacy plays a vital role in educating and understanding various financial areas including topics related to managing personal finance and investing in society. Kotak conducted over 400 financial literacy camps in the unbanked and rural locations.



Financial Literacy initiative by Kotak at Algodu, Karnataka

c. BVV Sangha (BVVS) Kotak Mahindra Bank Rural Self Employment Training Institute (BVVS Kotak RSETI)

The Rural Self Employment Training Institute (RSETI) is a Government of India initiative that provides skill training and skill upgradation to youth falling under the Below Poverty Line (BPL) category. Dedicated training centres have been established in each district of the country. The BVVS Kotak RSETI is located in the Bagalkot district of Karnataka. The institute has been consistently rated "AA" by the National Centre of Excellence for RSETIs (NACER), a nodal agency under Ministry of Rural Development, Government of India.

The programmes aim to address the issue of unemployment by encouraging entrepreneurship in rural areas. The institute offers "no cost to candidate" courses to candidates belonging to the BPL category. In FY 2018-19, 1,376 candidates benefitted from 46 offered courses. Further details of the programmes conducted by the institute during FY 2017-18 are as under:

No of Days Training Conducted	No of Training Programs arranged during FY 2018-19	No of Youths Trained during FY 2018-19	No of Trainees Settled during FY 2018-19#	Out of total Trainees settled Female Trainees (FY 2018-19)	No of Training Programs arranged since inception (cumulative)	No of Youths Trained since inception (cumulative)	No of Trainees Settled since inception (cumulative)
6 days and above	27	760	429	121	837	29,596	21,641
3 days	19	616	461	429	201	5,598	4,034
Total	**46**	**1,376**	**890**	**550**	**1,038**	**35,194**	**25,675**

Settlement refers to candidates starting their own enterprise within two years of skill training either with their own Investment or via loans from a financial Institution. While the pan India RSETIs' settlement rate is approximately 61% and Kotak's settlement rate is 75%.

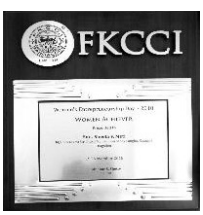
Success Story: Enabling Entrepreneurship through RSETIs

Sangappa Sankanagoud from Sirauppi Village, Jamakhandi Taluka trained at the RSETI. After his training, Sankanagoud set-up a small unit at his village which manufactures innovative solar-based farm machineries such as push-type high clearance sprayers, hydroponic units for fodder, etc. His manufacturing unit sources local raw materials and caters to a very high demand from local farmers. Sankanagoud was awarded the 'National Entrepreneurship Award Winner' for his Solar Power Agriculture Engineering Enterprise by the Ministry of Skill Development and Entrepreneurship, Government of India.



Success Story: Enabling Entrepreneurship through RSETIs





After being trained at BVVS Kotak RSETI, Sheela Meti from Katageri Village of the Badami Taluka formed a Self Help Group (SHG) to take up tailoring work in 2003. In 2008 she established a variety bag-making unit, which allowed her to employ many women in the neighbourhood. She has won many accolades across the country. She was awarded "Best Women Entrepreneurs Award – 2018" by the Federation of Karnataka Chambers of Commerce and Industry (FKCCI).

Principle 3: Employee Well-being

The Bank considers its people to be its greatest asset. It is the organisation's responsibility to enable a healthy and enriching work environment. Corporate Governance at Kotak is aimed at promoting equal opportunity for all while reinforcing a culture of 'passion to achieve' through an 'entrepreneurial approach'.

Kotak focuses on the developmental needs of its workforce. This helps in strengthening the Bank's talent pipeline and ensuring that all employees have equal access to leadership opportunities. A plethora of initiatives are implemented throughout the year focusing on areas such as talent development, health and safety, employee volunteering etc.

Employee Engagement

Kotak is committed to encourage its employees and create an ecosystem where people are professionally nurtured. As one of the most important aspects of the Bank's business strategy, Kotak has invested time and other resources to understand the needs of its employees and how to improve employee productivity and satisfaction. This has been done for employees working across all business segments.

Different channels have been established for effective communication of policies, project launches, key achievements, success stories, and execution of the Prevention of Sexual Harassment (POSH) policy. Various posters mentioning the dos and don'ts have been displayed across Kotak offices to create awareness amongst employees about working in a safe workplace. Employees have also been made aware about POSH through mailers, training programmes and e-learning modules throughout the year.

KLAPP, an application based platform has helped enhance the employee onboarding experience at Kotak. It provides a personalised onboarding experience as per the requirements of the job role. The efficiency of the application lies in its robust feedback-based decision making process and the ability to provide responses to all queries.

Kotak has been seeking feedback from its employees for the past two years through the employee Net Promotor Score (eNPS). Valuable insights gained through the eNPS have been incorporated at the organisation level and across different business segments to bring about systemic changes. In response to some of the inputs received, Kotak launched an innovative employee communication platform REDSCAPE in FY 2016-17. This is a one-stop, digital platform for employees which covers announcements, information on policies, query management etc. An important mechanism through which a 360 degree feedback can be taken from the employees has also been added to the portal.

In FY 2018-19 modifications were made to completely revamp this portal and include a 'Wellness' section. This section is linked to a mobile-based application that schedules various app-based interactions, well-being camps and contemporary fitness programs like dance and yoga centred at promoting emotional and physical health for employees.

In FY 2018-19, Kotak Mahindra Group marked the completion of 33 years, a programme "I am 33, I am Kotak" seeking its employees' experiences was launched. As a part of the programme, employees share views about their long term association with the Bank. Employees who shared the top 33 stories were shortlisted for an exclusive interaction with Kotak's leadership team.

Diversity and Inclusion

The Bank believes that diversity and inclusion are imperative in today's global market. When employees belonging to diverse skill-sets come together, they bring with them experiences on how to deal with different situations, especially challenging ones. A mixed skill set also assists in developing innovative products and services for customers and enhancing customer experience.

As on 31st March, 2019, employee count at the Bank was 41,953 of which 23% were women. Gender diversity moved from 21% women to 23% by the financial year end.

Improving diversity across middle and senior management employment levels has been recognised as a core area for the Bank. Kotak has already identified crucial roles within the leadership team for women.

Talent Development

Kotak proactively gives its employees access to the best possible opportunities and resources with respect to developing new skills. A successful career demands a curated approach in meeting requirements at each stage of an employee's career. Kotak's training sessions cover its permanent employees and contractual employees. In FY 2018-19, the Bank imparted a total of 7,73,464 hours of training to its employees. Kotak is grooming its workforce to adapt to a digitally disruptive environment through various skilling initiatives. In FY 2018-19, Kotak launched the Digital Blurr programme to upskill its middle and senior management team on how to build a resilient workforce.

Design thinking and 'digi-talk' interactions have been at the forefront of mobilising internal talent at Kotak. Cross-functional talent is nurtured by promoting internal job opportunities within the Bank.

Health and Safety

Protecting and promoting the health of Kotak's employees is included in its efforts to make the workplace more employee friendly. To achieve this, the Bank designed extensive training sessions on physical security, general fire safety security and evacuation drills. In FY 2018-19, several fire evacuation drills were conducted across Kotak's large offices. The reports documented after each evacuation includes detailed notes on the activities conducted, the overall findings of the employees' response time as well as suggestions for improving the same.



Evacuation drills for fire safety

The security personnels posted in each office building are trained to deal with various threats and risks. They are also trained to handle medical emergencies. Contact information in case of a medical emergency is communicated via proper channels to all employees.

Principle 4: Stakeholder Engagement

Communicating with stakeholders, understanding their expectations and concerns as well as taking their feedback into account is necessary to deliver business services in a successful and responsible manner. The ongoing dialogue with key stakeholder groups in particular helps the Bank identify key economic, environmental & social trends which can then be incorporated into Kotak's overall business strategy.

Key stakeholder groups identified for the Bank include: employees, customers & clients, investors & shareholders, government & various regulatory bodies, suppliers & business associates, communities & NGOs and the media.

Key stakeholders	Medium for engagement	Frequency of engagement	Topics for discussion	Relationship manager
Investors and Shareholders	Emails, Letters, Investor Grievance Cell, Media, Bank's Website	Annually, Quarterly and on a need-to-need basis i.e. during events that take place concerning shareholders e.g. Extraordinary General Meeting (EGM) etc.	Financial results, shareholder returns and dividends, issues related to shares', transfer and dividend pay-outs. Post the quarterly results, a conference call is held wherein the senior leadership team participates and the call is open to all investors and analysts. The transcript of the call is also made available on the Bank's website	Investor Relations team, Secretarial team
Customers and Clients	One-On-One Interactions, Customer Satisfaction Surveys, Customer Grievance Cell, Customer Meetings, Customer Helplines and Toll-Free Numbers, Media, Bank's Website	On-going and need based	Customer experience and service quality, investment returns, product features and benefits, technology interface for a better banking experience	Relationship Managers, Branch Staff, Customer Service, Quality team, Customer Experience Team
Employees	Induction Programme, E-Mails, Town Halls, Skip-Level Meetings, Leadership Meetings, Employee Engagement Initiatives, Rewards and Recognition Programmes, Employee Grievance Cell, Intranet, Employee Satisfaction Surveys, Employee Volunteering Initiatives	On-going and need based	Bank's policies and procedures, employee welfare issues, performance appraisal and rewards, training and career development, workplace health, safety and security, community development and employee volunteering	Human Resources Team, Corporate Social Responsibility Team
Government And Regulatory Bodies	Bank's Regulatory Filings, Compliance Statements, Meetings, Letters, Emails	As per regulatory requirements and need based	License request and renewal, compliance with regulatory requirements, participation in government financial sector plans and programmes	Cross Functional Teams

Key stakeholders	Medium for engagement	Frequency of engagement	Topics for discussion	Relationship manager
Suppliers and Business Associates	Meetings, Emails, Letters, Supplier and Business Associates Performance Reviews	On-going and need based	Product/Service/ Technology quality and support, contract commercial and technical terms and conditions, minimum wage payments, supplier and business associates' statutory compliances	Respective Departments Dealing with Suppliers and Business Associates, Commercial and Procurements team
Communities and NGOs	Community Development Initiatives, Proposals And Requests for New Initiatives and Funding, Field Visits, etc	Need based	Community needs, financial, Infrastructure, human and organisational support	Corporate Social Responsibility Team
Media	Advertising, Media Interactions, Interviews and Responses, Meetings, Emails	On-going and need based	Marketing and advertising agenda, information disclosure through media, viewpoints on industry, and other Bank related opportunities and issues	Marketing Team, Corporate Communication Team

Principle 5: Human Rights

Kotak's Fair Practices Code ensures that all its products and service offerings are made available to its customers without discrimination. The Bank safeguards the rights of all its employees, customers, and business partners, etc., upholding the dignity of every individual. Employees have the freedom to choose whether they wish to associate with Kotak or not.

The Bank does not employ child labour and the security personnel has been instructed to prevent the entrance of child workers into its premises. Kotak periodically monitors the compliance of all its contractors with regard to the terms and conditions outlined in the supplier contract.

Principle 6: Environment

Kotak is aware of its responsibilities towards environment protection and undertakes several initiatives such as optimising energy consumption, deploying initiatives to improve energy savings, reducing paper consumption and enhancing waste management practices, including monitoring food waste across its locations.

Green Data Centres

Kotak's enhanced focus on digital has resulted in investing in data management infrastructures. Data centres are one of the major sources of energy consumption at Kotak. Increasing demand for data storage has not deterred Kotak's focus on reducing energy utilisation by its data centres. The enhanced focus on virtualisation of servers has resulted in reducing the physical infrastructure footprint at the data centres. This has resulted in 50% reduced power and cooling water requirements. Data centres have been optimised for constant power use effectiveness (PUE) ratio. The PUE ratio of Kotak's data centres have been maintained at 1.70 even though the server count has gone up significantly. Further, 'Cold Aisle' containment has been continually implemented across high density and low density data centres.

Driving efficiency across data centres

Initiative: Virtualising the server, storage and the desktop infrastructure resulted in the management of higher power and cooling requirements.

Outcome: Out of 431 servers added to the data centre from December 2018 to December 2019, 313 (72.62%) were added to the virtual environment. It optimised the space required by the data centres and the respective units of electricity consumed.

Responsible Material Management

The Bank focuses on reducing material consumption across its large office locations. One of the important materials Kotak consumes is paper. Over the years, the Kotak has increasingly focused on integrating digital applications across all aspects of its business. Embracing digital technology has only helped improve efficiency in business operations and also aided in environment protection. In an effort to control the volume of paper consumed and thereby wasted, The Bank has taken various initiatives to manage the use of paper. Some of these initiatives include:

- Introductory booklets sent to all new customers have been discontinued
- PIN updates of credit and debit cards are shared digitally
- Authorised signatory booklets which were printed on a quarterly basis and sent to all branches for cross verification has also been made digital

- Approximately 95% of the Bank's customers receive e-statements and the Bank is making an effort to convert it to 100 per sent
- The default option for receiving the bank account statement has been set to e-statements for all new customers
- Digitisation of Beginning of the Day (BOD), End of Day (EOD) reports at Kotak branches.

Energy management

Kotak believes that effective management of existing resources is the foundation for sustainable business operations. It is an outcome of well-planned and executed energy management initiatives and resource consumption by all stakeholders utilizing Kotak facilities.

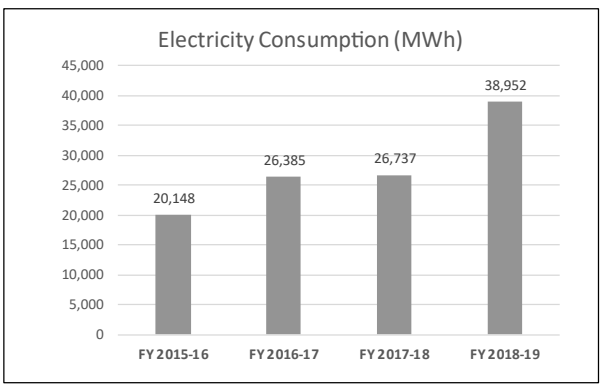
Some of the key initiatives undertaken to drive energy efficiency across some of Kotak's office locations include:

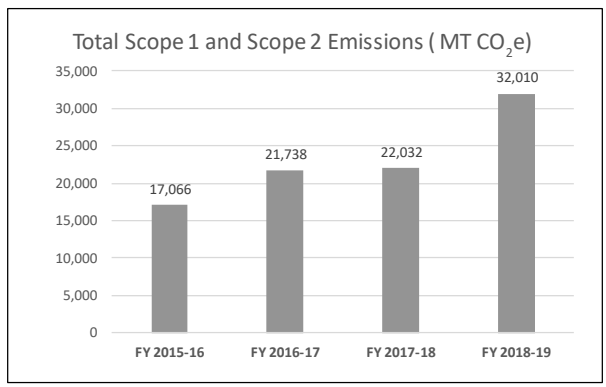
- Timely replacement of hardware with an energy efficient hardware.
- Regular monitoring of the BTU meters deployed in chilled water systems for optimum air conditioning at the large offices.
- Installation of LED lighting in several offices.
- Optimised usage of lights in office reception areas and cafeteria.
- Continuous monitoring and control of air conditioning equipment operations.
- Implementation of energy saving practices such as manual control of electrical equipment post office hours across office locations.

Highlights:

1. Through various energy conservation initiatives, 1,235.6 MWh of electricity has been prevented from being consumed in FY 2018-19
2. In the last five years, running power usage for the infrastructure only increased by 15% while the number of physical equipment housed in data centres has risen by 126%

Kotak's environmental performance for FY 2018-19[3]





Note: Emissions have been reported for Scope 1 and Scope 2.

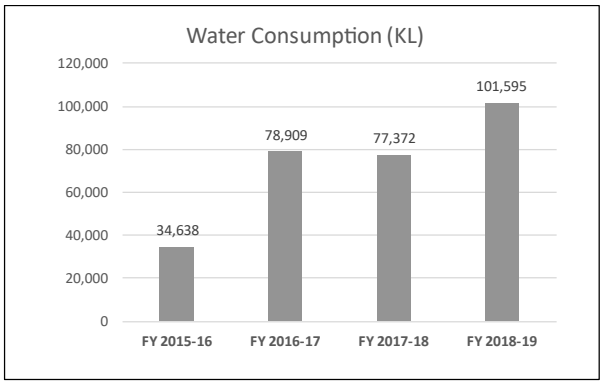
Renewable Energy interventions

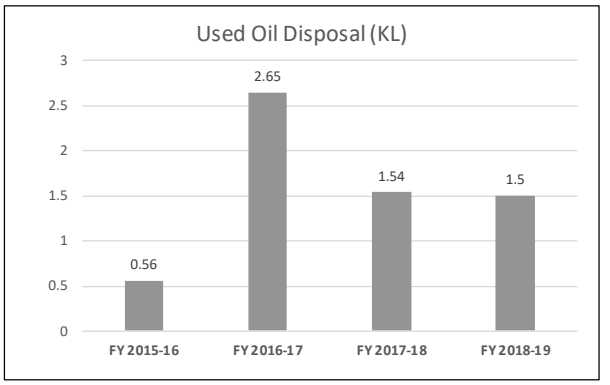
The pace of transition to renewable energy has heightened due to benefits such as reduced GHG emissions, efficiency, life span etc. In FY 2018-19, Kotak launched its initiative for installing solar powered street lights across Rajasthan as a part of its community initiatives. As of 31st March 2019, 1,333 street lights have been installed, helping avoid approximately 670 tCO_2e.

Water Management

Water stress and fresh water scarcity has become a key area of concern for India. Doing its part to effectively manage its water consumption, the Bank has undertaken various initiatives to optimise fresh water consumption at specific office locations.

[3] The environmental performance for Kotak has been reported for offices in Goregaon, Bandra Kurla Complex (BKC), Kalina, MG Road-Bengaluru, ITPL-Bengaluru, Gold Hill Square-Bengaluru, Chennai, Venus-Ahmedabad, SVC-Ahmedabad, SMC-Thane, Neptune-Thane, IBIS –Delhi, Noida and Pune. The scope of reporting has increased from six offices in FY 2017-18 to 15 offices in FY 2018-19.





Waste Disposal

Hazardous Waste

The Bank's hardware equipment is sent for recycling to the Original Equipment Manufacturers (OEM) as a part of their buyback practice. Hard disks containing sensitive customer data are disposed through authorised e-waste services professionals. It safeguards the Bank's data while recycling the e-waste reliably, a significant quantity of e-waste was disposed in FY 2018-19. Total volume of e-waste generated and disposed includes 500 old non-functional computers, approximately 250 units of other old IT equipment like printers, routers, network switches etc. Other hazardous waste material such as used oil is also disposed through authorised vendors.

Food Waste

Kotak monitors food waste across different office locations in a phased manner. The quantity of food wasted by employees every day is displayed at the office location which aids in sensitizing employees to reduce food wastage. Kotak's Goregaon office in Mumbai collaborates with an organisation who helps treat the wet waste collected at one of the MPCB approved centres and converts it into organic compost. The dry, recyclable waste is distributed to benefit poor people in the surrounding communities.

Managing PET bottles usage

Glass dispensers have replaced single-use 200 ml PET bottles across all of Kotak's large offices. Glass water jars and disposable paper cups have been deployed in all the meeting rooms saving 4.3 lakh PET bottles each year. At one of the largest Kotak offices, used and/or empty 500 ml PET bottles are sent back to the bottled mineral water provider. The Bank has been felicitated for being the highest contributor to Bisleri's 'Bottles for Change' initiative in FY 2018-19. The initiative is centred on plastic collection and recycling and reusing by the manufacturer. Kotak sent 1,547 kg of used PET bottles for recycling in FY 2018-19. Kotak plans to take this initiative at the national level during FY 2019-20.

Environmental Performance FY 2018-19

- 40.93 million A4 size sheets saved
- 3,090 trees preserved due to paper saving
- 2,736 tCO_2e (Greenhouse gases) total emissions avoided
- 104.48 lakh litres of water saved
- 68.95 tonnes of solid waste avoided

Principle 7: Public Policy Advocacy

Kotak partners with various associations to deep dive into current and emerging risks and opportunities. Kotak utilizes these platforms to devise its policies and procedures for maximising stakeholder value creation. Listed below are the associations that Kotak currently partners with:

- Association of Mutual Funds in India
- Advertising Standards Council of India
- Confederation of Indian Industry
- Council For Fair Business Practices
- Data Security Council Of India
- Financial Intermediaries Association Of India
- Institute of International Finance

- Indian Banks' Association
- Primary Dealers' Association of India
- The Institute of Internal Auditors India

Principle 8: Inclusive Growth

As one of India's premier financial institutions, the Bank has aligned itself to the country's growth requirements. Apart from taking financial services to the last mile, the Bank also carries out several CSR initiatives aimed at improving the quality of life in the marginalised sections of the society.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Bank has constituted a Board Corporate Social Responsibility Committee (CSR Committee). The CSR Committee presently consists of Prof. S. Mahendra Dev, Mr. C. Jayaram and Mr. Dipak Gupta.

Your Bank's CSR Committee drives the CSR programme of the Bank. Your Bank has a Board approved CSR policy, charting out its CSR approach. This policy articulates the Bank's aim to positively contribute towards economic, environmental and social well-being of communities through its CSR interventions. The core CSR focus areas outlined are:

- Education
- Vocational skills and livelihood
- Preventive healthcare and sanitation
- Reducing inequalities faced by socially and economically backward groups
- Sustainable development
- Relief and rehabilitation
- Clean India
- Sports

The Bank's CSR Policy is available on the Bank's website: https://www.kotak.com/en/about-us/corporate-responsibility.html

Pursuant to the provisions of Section 135, Schedule VII of the Companies Act, 2013 (the Act), read with the Companies (Corporate Social Responsibility) Rules, 2014 the report of the expenditure on CSR by the Bank is as under:

The average net profit u/s 198 of the Bank for the last three financial years preceding 31st March, 2019 is ₹4,813.64 crore.

The prescribed CSR expenditure required u/s 135, of the Act for FY 2018-19 is ₹9,627 lakh.

The CSR expenditure incurred from 1st April, 2018 to 31st March, 2019 u/s 135 of the Companies Act, 2013 amounts to ₹3,655 lakh as against ₹2,640 lakh CSR Expenditure incurred in FY 2017-18. The unspent CSR expenditure amount for FY 2018-19 is ₹ 5,972 lakh.

CSR expenditure of ₹3,655 lakh as a percentage of average net profit u/s 198 of the Bank at ₹4,813.64 crore is 0.76%.

The Bank's CSR programmes and expenditures are approved by the Board CSR Committee and the Board. The Bank's CSR programmes and expenditure are guided by the vision of creating long-term benefits for the society. The Bank has been building its CSR capabilities on a sustainable basis and is committed to gradually increasing its CSR spending in the coming year for its long-term projects. The Bank identifies suitable NGO partners for carrying out its CSR programmes. It undertakes CSR programmes that are scalable, sustainable and have the potential to be replicated across locations and create a sustainable and measurable impact in communities.

Most of the CSR programmes undertaken are in the area of education, healthcare, livelihood, vocational skill development, sports and other areas such as relief and rehabilitation and environmental sustainability etc. The Bank's CSR footprint has been consistently increasing over the years. The Bank is committed to stepping-up its CSR programmes and expenditure in the years ahead.

The Bank's CSR expenditure in FY 2018-19 of ₹3,655 lakh, is 38% higher than the previous financial year. In FY 2016-17, the Bank's CSR expenditure was ₹1,733 lakh, which increased to ₹2,640 lakh in FY 2017-18 – an increase of over 52% compared to the previous financial year.

One of the reasons for Bank CSR expenditure's underspend is the NGOs' inability to utilise large CSR expenditure allocated under the Bank's CSR Programmes.

Your Bank does not consider "administrative overheads" as part of its CSR Expenditure.

The details of CSR Programmes and Expenditure u/s 135 of the Companies Act, 2013, for FY 2018-19 are summarised below:

Details of CSR activities and expenditure u/s 135 of The Companies Act, 2013

CSR project/ activity identified	Sector in which the project is covered	Area of project implementation (Name of the District / s, State / s where project / programme was undertaken)	Programme / project wise outlay (budgeted) amount (₹ lakh)	Programme / project wise actual spend during the year – Direct expenditures (₹ lakh)	Programme / project wise actual spend during the year – Overheads (₹ lakh)	Cumulative Expenditure upto reporting period (Since FY 2014-15) (₹ lakh)	Amount spent: Direct or Through implementing agency (₹ lakh)
Promoting education	Education	Pan India	2,013.29	1,372.69	175.36	7,697.81 (Out of ₹ 2,013.29 lakh, the NGOs did not utilise ₹ 465.25 lakh. This will be utilised for meeting the requirements for FY 2019-20)	Implementing Agencies-2,013.29
Promoting livelihood	Vocational Skills and Livelihood	Pan India	338.70	177.21	13.80	493.70 (Out of ₹ 338.70 lakh, the NGOs did not utilise ₹ 147.69 lakh. This will be utilised for meeting the requirements for FY 2019-20)	Implementing Agencies-338.70
Promoting healthcare	Healthcare	Pan India	403.57	166.10	15.69	1,265.28 (Out of ₹ 403.57 lakh, the NGOs did not utilise ₹ 221.78 lakh. This will be utilised for meeting the requirements for FY 2019-20)	Implementing Agencies-403.70
Relief and Rehabilitation	Relief and Rehabilitation	Kerala	505.00	504.35	0.65	599.98	Implementing Agencies-505.00
Promoting Sports	Sports	Pan India	115.00	90.94	0.71	270.00 (Out of ₹ 115.00 lakh, the NGOs did not utilise ₹ 23.35 lakh. This will be utilised for meeting the requirements for FY 2019-20)	Implementing Agencies-115.00
Reducing Economic and Gender Inequality	Reducing Inequalities	Assam, Meghalaya, UP, Gujarat	12.00	11.34	0.66	26.25	Implementing Agency-12.00
Environment Sustainability	Sustainable Development	Pan India	267.00	243.00	NIL	483.52 (Out of ₹ 267.00 lakh the NGO did not utilise ₹ 24.00 lakh. This will be utilised towards meeting the requirements of FY 2019-20)	Implementing Agency-24.00 Direct Implementation -243.00
TOTAL CSR SPEND u/s 135 OF THE COMPANIES ACT, 2013, DURING FY 2018-19							**3,654.56**

Though the Bank is eligible to consider upto 5% of the total CSR spend as administrative expenditure towards building its CSR capacities, etc, the Bank has taken a call not to consider it as a part of its CSR spend for FY2018-19.

- **NGO Partners for Bank's CSR Programme on Education:** Kotak Education Foundation, Om Creations Trust, IT for Change, IIMPACT, DEEDS Public Charitable Trust, SOPAN, Action for Ability Development and Inclusion (AADI), VISHWAS Vision For Health Welfare and Special Needs, National Society for Clean Cities – India, Bandhan Konnagar, Haripada Ghosh Foundation, Blind Welfare Organisation Nashik, Pearl Special Needs Foundation, Dayanand Anglo Vedic College Trust And Management Society, National Centre For Performing Arts (NCPA), Sampark Foundation, Sarva Vidyalaya Kelavani Mandal, The Prabhakar Bantwal Foundation, Samarpan Foundation, Ramkrishna Sarada Mission Matri Bhavan, Dharamsinh Desai Foundation
- **NGO Partners for Bank's CSR Programme on Vocational Skills and Livelihood:** Pratham Education Foundation, Bandhan Konnagar, Youth4Jobs Foundation, Head Held High Foundation, N M Sadguru Water and Development Foundation.
- **NGO Partners for Bank's CSR Programme on Healthcare:** Lata Mangeshkar Medical Foundation, Association of Parents of Mentally Retarded Children (APMRC), KARO Trust, Vision Foundation of India, Cankid Kidscan, Tata Memorial Centre, CanSupport, OCA Foundation, Society for the Rehabilitation of Crippled Children, Dayanand Anglo Vedic College Trust And Management Society, Wockhardt Foundation, The Ganga Trust, Cancer Patients Aids Association (CPAA), The Indian Council For Mental Health (ICMH)
- **NGO Partners for Bank's CSR Programme on Sports:** Foundation of Promotion of Sports and Games (Olympic Gold Quest), JSW Foundation, Pullela Gopichand Badminton Foundation
- **NGO Partners for Bank's CSR Programme on Reducing Inequalities:** Mahila Sewa Trust
- **NGO Partners for Bank's CSR Programme on Relief and Rehabilitation:** The Ganga Trust, Chief Minister's Distress Relief Fund-Kerala
- **NGO Partners for Bank's CSR Programme on Environmental Sustainability:** Gram Gaurav Pratishthan

CSR Programme on Education with Partner NGO Kotak Education Foundation

As a part of its community development programmes,the Bank's primary endeavour is to provide accessible and affordable education to the underprivileged. Founded in FY 2006-07 the Kotak Education Foundation (KEF) provides education to empower India's next generation by charting education initiatives addressing challenges faced by children in the course of their education. In FY 2018-19, Kotak partnered with 46 schools for imparting quality education. This has impacted over 50,000 student beneficiaries and 1,400 teacher beneficiaries across these schools through its interventions as elaborated below:

UMANG

The programme aims at developing effective English communication skills for students from schools where the language of instruction is vernacular. The students gain command over the English language over a period of time, resulting in increased career development prospects. In the reporting period, the programme reached 4,755 students across 19 schools.

Key Outcomes

- The programme is designed to provide inputs during middle and high school years over a span of 2-3 years. The thrust largely remains on listening, communicating, speaking and thinking in English. KEF trains teachers to customise English language teaching as per the proficiency of the students in each of the classes. They train with a well-defined curriculum and a proven pedagogy.
- This blended learning methodology involving classroom learning with the aid of technology was introduced across seven schools. K-Yan, a solar-powered device was used for audio-visual English learning. This year, Oxford Echoes and Pratham books were also utilised.
- During the *Lal Mati Utsav* at Belapur, students participated in various performing arts events. The intervention nurtured students' public performance skills.
- A buddy mentorship programme was initiated with three private schools in FY 2018-19. It fostered peer learning and higher aspirations among students.

Success Story: Addressing Gender Discrimination

Being a girl child, Adiba faced gender discrimination at home. Her brother was enrolled in an English medium school while Adiba was enrolled in an Urdu medium school. Adiba has been enrolled in Umang's WhatsApp Homework initiative since December 2018. As a part of the initiative, Adiba converses with her family in English. The initiative uses various language tools to accelerate learning as well as command over the English language .

Adiba now fluently converses with her brother in English. This has changed in her father's opinion towards gender discrimination. Such a paradigm shift in the parent's mindset helps alleviate gender discrimination and open up a world of opportunities for girls.



Pratham Reading Session: Students demonstrating, Today a Reader, Tomorrow a Leader

LEAD

The Lead programme is designed to foster leadership skills within school leaders. As a result, they become capable of leading, creating and sustaining their academic classes while creating a dynamic ecosystem in their schools. As on 31st March 2019, 147 school leaders from 32 schools have been mentored. Collectively, school leaders have received 1,063 mentoring sessions, workshops and visits.

Key Outcomes

- The leaders were given an opportunity to attend the 10th Educarnival, organised by IIT Delhi. Amongst them, eight headmasters of the mentored schools won the 'Innovation in Education' awards at the International Education Leadership Round-table conference at Lucknow.
- This year, three school leaders of sixth grade presented a research paper in English on education at the 10th Educarnival organised by IIT Delhi.
- One of the schools, which is in the fifth year of the programme, won a project in collaboration with a school in Australia for Young Person's Plan for Planet (YPPP), an Australian University initiative based on the 17 Sustainable Development Goals (SDGs). This is the first school from India that qualified for the initiative. The school has selected 25 students, of which 13 are girls for the engagement The Australian school will collaborate with students to resolve community concerns on any of the 17 SDGs by selecting a concern across the globe.



Overnight Workshop to Silent Hill Resort, Palghar

GURU

This intervention is designed to enhance teaching skills across partner schools by regularly mentoring and training teachers. It improves the pace at which students learn.

Key Outcomes

- This year, Guru worked with 10 schools and mentored 120 teachers.
- Various sessions such as Primary Year Programme (PYP), observation and feedback for middle year teachers, English communication skills programme for teachers along with workshops on perspective building were conducted.
- During FY 2018-19 four new schools in Mumbai became part of the Guru programme. The year witnessed enhanced engagement with teachers through pilot academic workshops and well-tracked observation and feedback session, along with residential exposure visits for teachers.

Success Story: Imparting effective learning sessions

A secondary teacher at Dnyansadhna Vidyalaya, Mr. Ramdas Narsale, is associated with Kotak's Guru Programme. He faced challenges in implementing the teaching methodologies in his school due to operational and infrastructural limitations. In an effort to overcome the limitations, he participated in sessions on effective resources utilisation. It resulted in a gradual change in his teaching and learning methods and allowed him to effectively utilise available resources his lectures. By implementing his learnings, he was able to improve student participation and learning among his students.



Improving the quality of education through effective learning sessions for teachers.

PARVARISH

The programme spreads awareness among parents about the role of education in securing their children's future. In FY 2018-19, the programme scaled up its outreach by 57% and presently caters to 7,237 parents across 12 partner schools. It includes three major activities – Kilbil Parivar and Apulki, Teacher Parent Partnership (TPP) and Jagruti.

Key Outcomes

- Kilbil Parivar and Apulki, 13 workshops were completed with an average of 84% attendance by parents. Over 6,400 home visits were conducted which revealed that 86% parents were able to retrieve knowledge gained through Parvarish workshops. 54% parents engaged with their children through activities learnt during the workshops.
- Teacher Parent Partnership (TPP) trained 42 teachers from 9 schools to mentor parents on how to secure their child's future.
- Under Jagruti, two workshops were conducted for 1,281 parents across seven schools. Parents were sensitised about changes their child goes through during their adolescent phase. They adopt a progressive attitude while addressing concerns with regard to their adolescence.

Success Story: Addressing challenges responsibly

Fourteen mothers, from P. M. G. P. Colony centre, Mankhurd underwent a leadership workshop facilitated by a TISS student volunteer, in collaboration with Asmita Theatre Group. The workshop spanned over a period of 12 days and culminated with a street play performance at the "Lal Maati" Utsav on 19th January, 2019. Eight women beneficiaries participated in the street play. Through the leadership workshop, the beneficiaries had an opportunity to perform in front of a huge audience. The play was centred around challenges faced by the community on a daily basis. It also urged women to speak about their challenges, take charge of their lives and begin addressing their issues.



Our Beneficiaries Perform At The Lal Maati Utsav (Belapur)

EXCEL

Receiving financial assistance and appropriate academic support is a challenge in the underprivileged sections of the society. Excel provides this support to meritorious students from its partner schools. In FY 2018-19, a fresh batch of 169 students from 26 schools was introduced and provided with scholarships.

Key Outcomes

- Out of 115 Excel scholars, 111 students appeared for HSC exams in 2018 and passed their exams successfully. 29 of the students secured above 70%, while 24 of them scored above 80% in their HSC exam.
- 82% of Excel students were offered admissions to prominent colleges. 70% of students registered for professional and technical courses. Also, 9 Diploma students from the 2015 batch secured admissions in colleges for their degree programmes.
- Excel attained a 100% job placement record for all students of the 2012-2013 batch.

Success Story: A journey towards a brighter future

Vandana Vishnu Ardad is a student from St. Catherine's school, Andheri. Her father sells vegetables and earns approximately ₹ 8,000/- per month. She was honoured by the Kotak Education Foundation with the 'Kotak In Search of Excellence' Scholarship Award in the year 2013.





Vandana successfully cleared an interview and was selected to participate in the "Global Youth Leadership Summit (GYLS), 2013 at San Diego, USA. During the academic year 2018-19, Vandana was selected for an interview with Accenture. Prior to that, she did an internship at Siemens Industry Software India Pvt. Ltd., this year and received the Star Achiever Award.

UDAAN

Kotak Udaan is aimed at reducing the rate of drop-outs from marginalised communities. Students in these communities face several challenges in their day-to-day lives, which may become impediments to pursue education. As a consequence they are at a high risk of dropping out from the education system. The programme follows a continual and customised approach in resolving challenges faced by its beneficiaries. During FY 2018-19, 511 students between the ages of 13 and 18 received a range of benefits from the programme.





Udaan study sessions

In June 2018, out of the 274 students that appeared for the SSC exam, 234 students passed the examination. Similarly, 54 students appeared for the HSC exam out of which 40 students cleared it successfully. 9 students scored above 60% in science, commerce, arts and vocational streams.

Key Outcomes

- Due to Udaan's intervention, less than 10% of selected students dropped out of schools. Out of the 700 students who crossed the first milestone of completing the SSC exam, more than 300 students are presently in junior college while 200 students are pursuing degree courses. Nearly 5% of students have completed their vocational courses and started earning a livelihood.

Success Story: Overcoming social barriers

Noor, a HSC Commerce student, was an above average student in her academics. Just before her HSC examination, her parents got her married. Her family did not want her to continue with her education. Her husband, was persuaded to ensure that she clears her HSC exam papers. In spite of the challenges faced by Noor, she passed her HSC examination.

HEALTH

Kotak undertakes several interventions to promote healthy lifestyle in the community. These include preventive and curative measures along with diverse awareness sessions. In FY 2018-19 numerous health initiatives were undertaken:

Eye Care: Eye care screenings were conducted at 10 schools for 9,233 students. 655 students who required vision correction were provided spectacles. Shortly, a follow up session was held for 1,482 students to assess the need for any further medical assistance. As a result, five corrective surgeries were performed to provide students with better eyesight.



Eye Surgery accomplishment

Kishori Sehat Abhiyan (KSA): This initiative is aimed at treating anaemia in adolescent girls and maintaining normal haemoglobin levels. This programme catered to 16 schools with 1,516 students.

Majhi Swaccha Shala (MSS): This programme emphasises on inculcating good habits at an early age to promote a healthy and hygienic lifestyle. The programme catered to 19 schools with 7,633 students. A cleanliness drive at five partner schools. The drive created enthusiasm among students and teachers to come together and maintain better standards of hygiene in and around the school..

De-worming: Ineffective hand washing techniques are found to be a major source of worm formation. This year, awareness sessions covering efficient hand washing techniques were conducted for 8,123 students from 21 schools.

Jagruti: This initiative sensitizes children about personal space and the basic concepts of 'safe touch' and 'unsafe touch'. 3,187 students attended the awareness session.

NIRMAAN

KEF provides the necessary infrastructure assistance to schools under this programme. Various infrastructure support services provided through Nirmaan include sanitation, drinking water facilities, leak-proof roofs, ventilation and illumination facilities. In FY 2018-19, the programme impacted the lives of more than 8,720 students by arranging infrastructure-related services and drinking water facilities.

In its endeavour to offer a safe, healthy and functional learning environment, KEF provided 169 boards, 408 LED tube lights, 230 ceiling fans, 19 pedestal fans, 841 benches, 645 chairs and 84 cupboards to its partner schools in FY 2018-19.

Success Story: Providing solutions despite of structural considerations

The Al-Mahdi Urdu High School in a north-eastern suburb of Mumbai did not have proper sanitation and drinking water facilities. Nirmaan took the initiative to identify the appropriate location within the school's premises and provided drinking water facility through a water purifier.



Refurbished washrooms in Al-Mahdi Urdu High School

NOURISH

Nourish aims to provide fresh, hot, and nutritious meals to students at the KEF partner schools, located in penurious neighbourhoods of Mumbai. Nourish works closely with Annamrita Foundation, a reputed organisation meeting international standards of food quality and production. It prepares and supplies meals to KEF partner schools. The KEF field staff visit these schools on a daily basis to conduct rigorous monitoring and evaluation in order to ensure that students enjoy the meals provided to them.

The duration of the programme is tied to the academic year. This year, the programme spanned for over six months. In this period, 10,714 children were fed, while a total of 1.08 million meals provided across 24 schools. More than two million meals were provided since its inception in 2015. A 30% year-on-year increase has been observed in the number of beneficiaries. The average annual consumption of meals provided is more than 90%.

SCHOOL COORDINATION DEPARTMENT (SCD)

This department of KEF looks after expanding its partnerships to promote quality education among the underserved.

- Two schools were on-boarded as KEF partners during the year.
- Approval received for five BMC schools from the education officer.
- Approval received from MSCERT, Department of Education to join hands with KEF for future joint ventures.



Students of Dnyansampada High School

UNNATI

Unnati is a vocational skill training programme for the unemployed youth (18-25 years) who dropped out of the education system.

In FY 2018-19, KEF enrolled 1,387 aspirants across seven vocational training centres. Of these, 1,057 completed the training. 510 aspirants were placed across 54 reputed organisations. Additionally, 360 aspirants are undergoing training and will be eligible for placement after the completion of their training. Their salaries range between ₹ 10,000 to ₹ 19,000 per month.

Success Story: Looking beyond obstacles

Payal's world revolves around her mother who works as a domestic worker. She lost her father at a very young age. She has been a part of Abhyudaya since seventh grade and was referred to Kotak Unnati. She was trained in customer relations and sales. Unnati assisted her with placements with a job opportunity at Kidzania. She is currently working as a supervisor at Kidzania and earns a salary of ₹ 10,500 per month. She has expressed her gratitude to the Kotak Unnati team for helping her overcome her personal challenges and secure a job opportunity with a reputed company.

In addition to implementing the Group's CSR Education Programme through the Kotak Education Foundation (KEF), Kotak has built a movement for meaningful change by partnering with several NGOs that work in the domain of education, healthcare, sustainable livelihood, environment protection, and sports.

By forging strong, long term partnerships that are scalable, the Bank expanded its footprint in its social interventions with the help of well-planned and comprehensive projects in FY 2018-19.

CSR Programme on Education with Partner NGO Haripada Ghosh Foundation:

Kotak partnered with the **Haripada Ghosh Foundation** this year to implement its CSR Education Programme. This programme aims to provide access to quality education to underprivileged communities by constructing residential schools in West Bengal where the language of instruction is English.

CSR Programme on Education with Partner NGO IIMPACT:

With combined efforts of the Bank and IIMPACT, we've mobilised communities for girls' education in India's rural and educationally backward areas. The programme successfully operates via 18 learning centres in Jharkhand. Additionally, in FY 2018-19, Kotak extended its support to 200 learning centres in Rajasthan, Haryana, Uttar Pradesh, Jharkhand, Bihar, Uttarakhand, West Bengal, Orissa, Madhya Pradesh, and Chhattisgarh making primary education accessible to 6,000 girls between the ages of 6 and 14.

CSR Programme on Education with Partner NGO SOPAN:

The Society of Parents of Children with Autistic Disorder (SOPAN) has been Kotak's NGO partner for over a decade through its employee Payroll Giving Programme. In FY 2018-19, the Bank established a CSR programme by setting up "SHANAY Autism Resource Centre (ARC)" in New Panvel and Navi Mumbai. The beneficiaries belong from the underprivileged segments of society. The completion of the centre will facilitate services to over 1,000 children with disabilities, including the spectrum of disorders related to autism.

CSR Programme on Education with Partner NGO Sarva Vidyalaya Kevlani Mandal:

The Bank partnered with **Sarva Vidyalaya Kevalani Mandal** to provide access to students with basic educational facilities by constructing an Engineering College in the Sarva Vidhyalaya campus under the Kotak-(Sarva Vidhyalaya Kelvani Mandal's) Education Programme in Kadi, District Mehsana (Gujarat). The infrastructure will accommodate students from every strata of the society, including the marginalised segment.

CSR Programme on Education with Partner NGO Bandhan Konnagar:

The Bank sought to collaborate with **Bandhan-Konnagar** to implement its CSR Programme for Education. Under this programme, non-formal education centres are set up where vulnerable children, who have very little access or no access to education, are mapped and enrolled into formal schools in age-appropriate classes. The idea is to groom these children and help them take the leap to formal schooling. This programme has been implemented across 15 gram panchayats across districts of two Indian states namely Assam and Jharkhand.

CSR Programme on Education with Partner NGO IT For Change (ITfC)

Kotak partnered with **IT For Change (ITfC)** in FY 2017-18 for a five-and-a-half year programme to revamp and enhance the quality of education in government schools in four Indian states viz; Telangana, Andhra Pradesh, Rajasthan and Karnataka. The NGO promotes technology integrated learning where teachers use Information and Communications Technology (ICT) tools in their teaching. It enables students to acquire digital literacy and vocational skills and improve their subject learning.

In FY 2018-19, over 1,000 teachers from government schools were trained. This programme aims to train over 5,000 teachers from government schools in ICT over a period of five-and-a-half years.

CSR Programme on Education with Partner NGO National Centre for Performing Arts (NCPA):

Kotak on-boarded the **National Centre for Performing Arts (NCPA)** for a period of three years beginning FY 2017-18. The programme extends training in folk dance and music to 900 students from six schools. These students usually belong from a lower socio-economic strata and receive formal training in the arts. During FY 2018-19, a total of 150 students across three municipal schools were enrolled under this programme.

CSR Programme on Education with Partner NGO DEEDS Charitable Trust:

Kotak partnered with **DEEDS** – an NGO working for the hearing impaired students' College Preparatory Programme. This programme helps the hearing impaired acquire language, learn to talk, and become part of mainstream society by creating an inclusive environment with students who can hear normally. In FY 2018-19 the programme benefitted 75 hearing impaired college aspirants.

CSR Programme on Education with Partner NGO Blind Welfare Organisation Nashik:

Kotak has been partnering with the Blind Welfare Organisation of Nashik for various education-related projects for the visually challenged. In FY 2018-19, Kotak provided 7,000 digests to 10th grade students (State Board) printed in Braille. These digests were provided to 40 aided government schools catering to the visually challenged. Additionally, in January 2019, Kotak supported the National Blind Cricket Tournament which is conducted annually with the objective of promoting the sport among the visually challenged in association with the NGO. Players from eight state teams– Gujarat, Haryana, Jammu and Kashmir, Madhya Pradesh, Maharashtra, Punjab, Rajasthan and West Bengal – participated in the tournament.

Vocational Skills and Livelihood:

Kotak's vocational and livelihood programmes align with the Government of India's "Skill India" programme with a mission to enhance employability of the youth and alleviate poverty in the communities it works with.

CSR Programme on Vocational Skills and Livelihood with Partner NGO Head Held High:

Kotak partnered with **Head Held High –** an NGO that focuses on eradicating poverty and improving the standard of living for the underprivileged youth. The 'Kotak-Head Held High Make India Capable' Programme makes the youth in rural areas more self-reliant by getting them to participate in uniquely designed life-skills training programmes that are scalable and sustainable. The programme will be implemented across the states of Uttar Pradesh, Bihar, Maharashtra and Karnataka. Spanning over a period of four years, this programme will benefit and uplift 900 such individuals.

CSR Programme on Vocational Skills and Livelihood with Partner NGO Pratham Education Foundation:

In FY 2018-19, Kotak partnered with **Pratham Education Foundation** to launch its four year 'Vocational Skills and Livelihood' programme. The 'Kotak-Pratham Women Employment and Hospitality Programme' trains women from impoverished backgrounds in the field of Beauty, Healthcare and Hospitality. The programme aims at providing employment and entrepreneurship opportunities to over 12,000 youngsters over a period of four years. It will be implemented in Maharashtra, Rajasthan, Uttar Pradesh, Madhya Pradesh, Chhattisgarh, Odisha, Jharkhand Andhra Pradesh and Telangana.

CSR Programme on Vocational Skills and Livelihood with Partner NGO Bandhan Konnagar:

Kotak partnered with **Bandhan Konnagar** to empower the youth from poverty-stricken areas of West Bengal. The CSR programme has helped 720 individuals by imparting technical education to prepare them to work in trade, craft, or a profession. The main objective is to empower the disadvantaged youth of low income households by training them in vocational and soft skills and helping them gain employment, thus enabling them to create sustainable livelihoods for themselves and their families.

CSR Programme on Vocational Skills and Livelihood with Partner NGO N. M. Water and Development Foundation:

Kotak along with **N. M. Sadguru Water and Development Foundation'** aims to address issues affecting small and marginal tribal farmers to improve their agriculture yield. The programme was initiated in FY 2015-16. The first phase consisting of three years successfully created sustainable livelihoods and development of water resources across Gujarat, Rajasthan and Madhya Pradesh. Over 9,000 small and marginal farmers have benefited under this programme so far. This programme was further extended by five years during FY 2018-19. It is expected to reach more than 5,000 households in 115 villages in the states of Gujarat, Rajasthan, and Madhya Pradesh. These states are expected to reap benefits during its first year of implementation.

CSR Programme on Vocational Skills and Livelihood with Partner NGO Om Creations Trust:

Kotak's CSR programme with Om Creations Trust offers a holistic rehabilitation programme for mentally-challenged individuals between the ages of 20 and 60. The Bank extends its support for the construction of infrastructure where Culinary, and Baking Skills workshops are held. In FY 2018-19, a significant part of the workshop construction has been completed. Once completed the culinary and baking skills workshop will cater to 320 mentally-challenged adults residing at the Om Abode.

CSR Programme on Vocational Skills and Livelihood with Partner NGO The Ganga Trust:

Kotak in association with The Ganga Trust undertook a project to ensure quality rehabilitation and enable independent living for individuals suffering with spinal cord injury, a life-altering condition imposing multiple disabilities. Under this programme, the Bank provides wheelchairs to individuals who can't afford quality wheelchairs. Further, the Bank also supported #KotakWheelchairMarathon-a unique marathon race organised by The Spinal Foundation to empower persons with disability to live life to the fullest and highest potential.

CSR Programme on Healthcare in Partnership with Vision Foundation of India

The Bank partnered with the **Vision Foundation of India,** for a year, to drive the NGO's Rashtriya Netra Yagna Programme. This programme aims to treat curable blindness through different corrective eye surgeries such as Cataract, Glaucoma surgery, Retinal surgery, Childhood surgery etc., free-of-cost for the underprivileged. The programme aims at treating over 4,300 patients with eye ailments in 13 states.

CSR Programme on Healthcare in Partnership with CanSupport

Cancer treatment and care is emotionally challenging and financially taxing. Through its CSR programme on healthcare, Kotak undertook several programmes with its implementing partners. With its partner NGO, **CanSupport,** Kotak supports India's largest free home-based palliative care programme since FY 2014-15. During FY 2018-19, Kotak's project benefitted 161 patients with free-of-cost home-based palliative care with over 869 home visits.

CSR Programme on Healthcare in Partnership with KARO Trust

Kotak partnered with **KARO Trust** for a two-year programme to provide treatment and care to patients suffering from Ewing's Sarcoma in FY 2017-18. Ewing's Sarcoma is bone and soft tissue cancer. Treatment is often extremely expensive. During FY 2018-19 through this programme, over 153 patients suffering from the disease, from low income groups were treated.

CSR Programme on Healthcare in Partnership with CanKids…KidsCan

With **CanKids...KidsCan,** Kotak is supporting a centre "Home Away From Home" in Delhi for children undergoing cancer treatment. Childhood cancer patients are observed to have increased rates of morbidity and mortality due to exposure to infections, unhygienic conditions and malnutrition while undergoing cancer treatment. The "Home Away From Home" provides a low cost shelter to childhood cancer patients and their families for accommodation and nutrition aspects during and after cancer treatment. During FY 2018-19, over 1,200 children affected with cancer were supported at the Delhi centre.

CSR Programme on Healthcare in Partnership with OCA Foundation:

In FY 2017-18, Kotak partnered with the **OCA Foundation** to provide treatment and care to patients, especially children suffering from cancer who are unable to afford it. In FY 2018-19, the Bank extended this programme for a period of three years to increase its outreach and help patients suffering from cancer.

CSR Programme on Healthcare in Partnership with Wockhardt Foundation:

There is a scarcity in of primary health care facilities for the rural poor. Mobile Health Units are the best solution to this challenge as recommended by the National Rural Health Mission. Kotak partnered with the **Wockhardt Foundation** to provide basic healthcare facilities through Medical Mobile Vans (MMVs). Under this programme, six MMVs are deployed on the outskirts of Hyderabad, Telangana. MMVs provide various healthcare services which include: free doctor's consultation, free distribution of medicines, basic diagnostic tests, referral to other healthcare facilities, health education and awareness. During FY 2018-19, over 98,000 patients who do not have access to affordable healthcare were treated under this programme.

CSR Programme on Sports in partnership with Pullela Gopichand Badminton Foundation:

In FY 2018-19, the Bank partnered with legendary badminton player P. Gopichand through his academy, the **Pullela Gopichand Badminton Foundation,** for a period of three years. This programme entails: (a) Expansion of the Academy with the construction of an Annexe which will house six air-conditioned badminton courts in the existing premises. (b) Setting up a Sports Science Centre in the Academy (c) Launching a Coach Certification Programme and (d) Starting a Fellowship programme for Coaches and Players.

CSR Programme on Sports in partnership with Foundation For Promotion of Sports and Games:

Foundation for Promotion of Sports and Games' Olympic Gold Quest (OGQ) programme aims at increasing India's gold medal tally at the Olympics and various other international sports events. The Bank partnered with the foundation in FY 2016-17 for a five year programme. During FY 2018-19, the programme extended training, nutrition and sports science support to 31 athletes across five Olympic sports, namely Archery, Badminton, Boxing, Shooting and Wresting.

CSR Programme on Sports in partnership with JSW Foundation

Kotak partnered with **JSW Foundation** to promote and foster participation of athletes across regional, state, national, international sports competitions in the disciplines of Wrestling, Boxing, Judo, Athletics and Swimming. Athletes are trained at the state-of-the-art sports facility at the Inspire Institute of Sports.

The Institute currently trains 120 deserving athletes that have been selected from 16 states and 79 villages in India. 90% of our athletes come from rural backgrounds and 10% belong to urban backgrounds. The programme identifies talent at a young age and trains them to be athletes and represent India at the Olympics.

CSR Programme on Sustainable Development:

The Bank aims to conduct all of its operations with respect to the environment. By reducing waste whilst using raw materials, water and energy efficiently, the Bank aims to reduce its carbon footprint in a sustainable manner. Among various initiatives to lower its environmental footprint (please refer to Principle 6), the Bank undertook community programmes focusing on protecting the environment. These programmes were implemented directly by the Bank with the help of its vendors and employees.

Installation of Solar Street Lights

The Bank implemented its CSR Programme on sustainable development by installing solar-powered LED street lights in various villages and hamlets of the state of Rajasthan with the assistance of a vendor. A total of 1,333 solar-powered LED street lights were installed in FY 2018-19, reducing over 670 tCO_2e .

Distribution of Cloth Bags

On the occasion of World Environment Day on 5th June, 2018, the Bank rolled out its CSR Programme on 'Environment and Sustainability' and distributed over 1.25 lakh eco-friendly cloth bags (procured directly from local vendors) over a period of two months in over 900 locations pan-India. This drive intends to encourage consumers to use reusable bags and eliminate the use of plastic bags.

Driving Employee Volunteering at Kotak

Blood Donation Drive

During FY 2018-19, Kotak organized a blood donation drive across 21 office locations in 11 cities – Ahmedabad, Bangalore, Chennai, Coimbatore, Hyderabad, Kochi, Mumbai, New Delhi, Pune, Surat and Vadodara. The drive was organised from 20th to 30th November 2018 alongside Kotak's Group Day which was celebrated on 21st November 2018. Employee participation was observed in large numbers due to which a total of 1,244 bottles of blood were donated with a pledge to save lives of the underprivileged.

Kotak Group Payroll Giving Programmes

Kotak has always supported the culture of sharing within its workforce and drives it through the payroll giving programme. By donating a portion of their salaries, employees have facilitated enhanced community growth through the Akanksha Foundation, Cancer Patients Aid Association (CPAA), National Association for the Blind (NAB), Dignity Foundation, Make-A-Wish Foundation of India and SOPAN (Society of Parents of Children with Autistic Disorders). In FY 2018-19, more than 2,400 employees across the Kotak Group contributed to community development through this programme and donated over ₹ 86 lakh to these NGOs from their monthly salaries.





Blood donation drive organised across 11 cities

'You CAN SERVE'-Newspaper Collection Drive

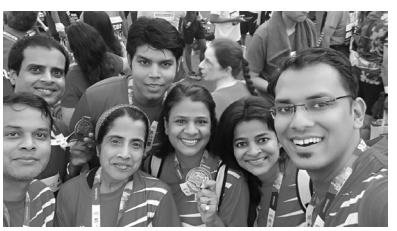
Kotak partnered with Dhanwantari Medical Trust (DMT), an NGO that works towards the treatment and support of children diagnosed with cancer as well as their families. Under this initiative, old newspapers, magazines and cartons are collected from Kotak offices in Mumbai and handed over to DMT. DMT raises funds by selling discarded articles to provide 'Monthly Grains Support' (MGS) to patients. In FY 2018-19, funds over ₹ 1 lakh were raised by selling 5,414 kg of newspapers and 10,730 kg of cartons.

Running for a Cause: Tata Mumbai Marathon 2019

The Bank sponsored 90 employees across the Kotak Group to run in the Tata Mumbai Marathon 2019. Continuing the trend from last year, Kotak employees raised pledges for the Kotak Education Foundation, Cancer Patients Aid Association (CPAA), Indian Council for Mental Health (ICMH) and SOPAN. As a result ₹ 3 crore was raised by the participating employees for these NGOs. The Bank's contribution was ₹ 18 lakh.



Kotak Recognised as "Highest Fund Raising Corporate" at Tata Mumbai Marathon 2019



Kotak Mahindra Group Employees at Tata Mumbai Marathon 2019

Kotak Mahindra Bank was recognised as the "Highest Fund Raising Corporate" at the Tata Mumbai Marathon 2019.

Running for a Cause: Airtel Delhi Half Marathon 2018



The Bank sponsored 50 employees to run the Airtel Delhi Half Marathon in FY 2018-19. Employees ran and raised pledges for two NGOs: Action for Ability Development and Inclusion and Vishwas – Vision for Health Welfare and Special Needs. These NGOs empower differently abled children by educating them. Kotak's employees raised a sum of ₹ 4 lakh through this marathon.

Running for a Cause: Pinkathon

Kotak ensured its participation at the women-led marathon spreading awareness on breast cancer-Pinkathon for FY 2018 like it has in the previous years. The Bank sponsored the participation of its women employees at the Pinkathon event conducted across various cities. 198 women were sponsored for the marathon held in Mumbai, 50 women for the marathon in New Delhi, 32 women in Hyderabad and 24 women in Bengaluru.

Kerala Flood Relief-Employee Contribution

Kerala suffered from heavy rains in August 2018 which resulted in unprecedented floods across the state. To help those affected, Kotak employees voluntarily contributed one day's worth of their respective salary to the relief fund. Over ₹ 63 lakh was contributed by employees towards accelerating relief operations in Kerala. Their donations were handed over to organizations working actively for the rehabilitation of flood survivors in Kerala.

Principle 9: Customer Value

Kotak's success as a bank and its long term business continuity is dependent entirely on its customers and the Bank's relationship with them. In FY 2017-18 and FY 2016-17, the Bank created a separate business function called 'Customer Experience' to ensure that Kotak was able to understand the needs of its customers and meet their expectations without compromise. The customer experience team liaises with all the business functions to ensure that products and services offered are integrated and meet the end objective of enhancing customer satisfaction. Developing new innovative products and services as well as ensuring data security and customer privacy continued to be the key focus areas of the Bank during the reporting period.

Ensuring Data Security and Customer Privacy

Kotak acknowledges that the business of providing Banking services is built on trust and hence gives utmost importance to customer privacy and data security. Kotak understands the need to be constantly vigilant against threats to its cyber security and has therefore implemented numerous security solutions for detecting and responding to cyber-attacks. Some of these include:

1. Taking advanced, persistent threat detection measures
2. Establishing the next generation security operations centre
3. Installing cutting-edge deception technologies
4. Implementing data leakage monitoring systems
5. Installing vulnerability assessment and remediation programs
6. Installing ATM terminal security

At Kotak, data security is ensured at all levels and for all business data. Hence, there is immense emphasis on awareness about data security amongst all employees. There is a group-wide IT security programme (ARISTI) which ensures complete data security and integrity. Kotak periodically organises various sessions and email communications on to help ensure data security and customer privacy from their end. A few highlights of these training programmes are mentioned below:

1. Conducting phishing drills across office locations.
2. Upgrading e-learning security awareness module to include current trends in cyber security.
3. Enhancing active hunting capabilities to detect cyber-attacks.
4. Conducting cyber drills to assess the effectiveness of preventive and detective controls in the data security space.
5. Conducting security road shows.
6. Educating customers about measures to be undertaken in order to maintain data privacy and protect personal data.

Digital Banking to Enhance Customer Value

Kotak has embraced various strategic projects to enhance customer satisfaction. To be able to improve the delivery of quality products and services to its customers, the Bank identified drivers that impact their relationship. To identify areas of improvement across all customer segments, Kotak conducted a survey which was then linked to an e-Net Promotor Score (e-NPS). After the analysis of NPS, the Bank implemented several initiatives during the reporting period which are aimed to enhance customer delight. Some of the key initiatives implemented have been highlighted below:

1. Kotak enabled online investment account opening on channels like net banking and mobile banking. This allows new customers to open investment accounts and undertake online investments in less than two minutes. This feature has been seamlessly integrated with backend applications to ensure quick and faster account opening.
2. Kotak operationalised phase two of the KEYA voicebot through which customers enjoy a conversational experience. During the reporting period, KEYA was enabled for all 811 customers. Previously, these customers were directly transferred to the customer relationship officer- which was an additional cost for the Bank.

   Keya, the chatbot, is a conversational banking initiative aimed at an integrated digital customer experience. It allows customers to complete banking activities in their language and instantly resolves any queries and issues they may have. So far 3,72,178 FAQs have been embedded within the chatbot. During FY 2018-19, a total of 1,06,200 queries and service requests were recorded and resolved through KEYA.
3. Kotak has developed a complaint management system using a live Help Centre. In FY 2018-19, Kotak also launched an application named 'QRU3' which channelises service requests resulting in faster consumer complaint resolution. The complaint management system will be further integrated with other sections of the business to reduce the turnaround time (TAT).
4. The Bank enabled Whatsapp Banking, a contemporary self-service platform which allows customers to avail banking services anytime, anywhere and permits Kotak to send multi-media push notifications to the customers.
5. Kotak introduced customer satisfaction surveys in vernacular languages for some of the key customer segments. This helped connect better with its customers, thereby contributing to an enhanced NPS.
6. A customer retention cell has been established to understand and resolve the concerns of customers who wish to close their accounts with the Bank.
7. Installation of a deliverable management system that predicts, tracks and offers to reschedule the customer's shipment. This brings convenience to customers who are working and find it difficult to receive their mails at their home address during weekdays.

The Bank is proactively planning to overcome technological barriers affecting its digital acceleration. In this regard, Kotak has identified some internal and external challenges and is working meticulously to turn them into opportunities instead. Some of the steps taken include:

1. Changing the technology stack incorporated by the Bank
2. Rapidly advancing in technology to create a plethora of options and indentifying the right technology stack
3. Frequently identifying security vulnerability and privacy issues
4. Understanding the resistance to adopting digitization by certain customer segments and providing viable alternatives
5. Adapting to the fast-paced digital evolution India

Grievance Redressal Mechanism

Kotak values and incorporates the feedback received from its internal and external stakeholders into its overall decision making process. Kotak's grievance redressal mechanism is communicated across its branches, website and other media platforms. A customer can put forth their grievances through various channels like email, letter, phone, fax or branch visits. A 24*7 customer support centre is operational for customers to raise their grievances.

The Bank resolves customer complaints proactively through its service request number. The grievance redresssal mechanism has well-defined timelines for resolving concerns as prioritised.

Section A: General Information about the Company

1	Corporate Identity Number (CIN) of the Company	L65110MH1985PLC038137
2	Name of the Company	Kotak Mahindra Bank Limited
3	Registered address	27BKC, C-27, G-Block, Bandra Kurla Complex, Bandra East, Mumbai 400051
4	Website	www.kotak.com
5	Email id	csr@kotak.com
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Code: 64191 – Kotak Mahindra Bank Limited is a banking company governed by the Banking Regulation Act, 1949
8	Three key products/services of the Company (as in balance sheet)	Deposits, Advances and Investment Advisory.
9	(i) Number of international locations	None
9	(ii) Number of national locations	As on 31st March, 2019 the Bank has a network of 1,500 full-fledged branches and 2,352 ATMs.
10	Markets served by the Company – Local/State/National/International	India

Section B: Financial Details of the Company

1	Paid up capital (₹)	₹ 1,454.38 crore
2	Total turnover (₹)	₹ 28,547.23 crore (Bank standalone)
3	Total profit after taxes (₹)	₹ 4,865 crore (Bank standalone)
4	CSR spend as percentage of profit after tax (%)	0.75 %
5	List of CSR activities	Refer 'Inclusive growth' section of 'Business Responsibility Report'
6	Financial year reported	2018-19

Section C: Other Details

1	Company subsidiaries / joint-ventures	Refer to Related Party Disclosures of the Annual Report
2	Subsidiaries participating in Company's BR initiatives	Nil
3	Other entities (e.g. suppliers, distributors etc.) participating in Company's BR initiatives	Nil

Section D: Business Responsibility (BR) Information

1.a	Director responsible for implementation of BR policies (DIN)	00012214
	Director responsible for implementation of BR policies (Name)	Mr. C. Jayaram
	Director responsible for implementation of BR policies (Designation)	Non-Executive Non-Independent Director and Member of CSR Committee
1.b	BR Head (DIN, if applicable)	N.A.
	BR Head (Name)	Mr. Rohit Rao
	BR Head (Designation)	Chief Communication Officer and Head-Corporate Responsibility & CSR, Kotak Mahindra Group
	BR Head (Telephone number)	+91-22-6166 6001
	BR Head (Email id)	rohit.rao@kotak.com

Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1.	Policy/policies for...	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Policy being formulated in consultation with the relevant stakeholders...	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Policy conforming to national/international standards...	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.	Policy approved by the Board and signed by MD/CEO/appropriate Director...	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Committee of the Board/Director/Official to oversee the implementation of the policy...	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Link for the policy to be viewed online . . .	All policies are available on the Bank's Intranet.								
7.	Policy formally communicated to all relevant internal and external stakeholders . . .	Yes. Policies have been communicated to all key internal stakeholders of the Bank. The communication on policies covering all internal and external stakeholders is an on-going process.								
8.	In-house structure to implement the policy/ policies . . .	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies . . .	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Independent audit/evaluation of the working of this policy by an internal or external agency	Evaluation done through internal audit mechanisms								

2a. If the answer to S. No. 1 against any principle is 'No', please explain why – Not Applicable

Section D: BR Governance

1.a	Frequency of Board of Directors, Committee of the Board or CEO review of BR Performance	The Board CSR committee held three meetings on 19th March 2019 at Mumbai, 4th February 2019 at Hyderabad, and 17th December 2018 at Mumbai. All directors were present for all committee meetings except Mr. Jayaram, he was not present for the committee meeting held on 19th March 2019.
1.b	BR report or sustainability (frequency and hyperlink)	BR Report Frequency: Annual Hyperlink: www.kotak.com

Section E: Principle wise Performance

Principle 1		
1	Policy relating to ethics, bribery and corruption covering the Company and Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others	Refer 'Policy framework' section of 'Business Responsibility Report'
2	Stakeholder complaints received in FY 2018-19	11
3	Percentage of stakeholder complaints resolved	63.6%*
Principle 2		
1	Products and services designed with social or environmental concerns, risks and/or opportunities incorporate	1. Basic Savings Bank, Deposits Accounts 2. Agri business banking products 3. Tractor financing Additionally refer 'Financial Inclusion' section of the 'Business Responsibility Report'
2	i. Reduction with respect to resource use (energy, water, raw material etc.) per unit of product during sourcing / production / distribution achieved since the previous year throughout the value chain (optional) ii. Reduction during usage by customers (energy, water) has been achieved since the previous year (optional)	N.A.

*No. of complaints resolved as on 31st March 2019, all the pending investor complaints have been resolved as on date.

3	Procedures for sustainable sourcing (including transportation)	N.A.
4	Procurement of goods and services from local and small producers, including local communities	The Bank does not procure any goods for processing. The manpower services for offices and branches are generally hired from local agencies, Bank website, job-portals, internal movements, walk-ins, or through references.
5	Mechanism to recycle products and waste	Refer 'Environment' section of the 'Business Responsibility Report'
Principle 3		
1	Total number of employees (as at 31.03.2019)	41,953
2	Total number of employees hired on temporary/contractual/casual basis (as at 31.03.2019)	3,767
3	Total number of permanent women employees (as at 31.03.2019)	9,729
4	Total number of permanent employees with disabilities (as at 31.03.2019)	N.A.
5	Employee association recognised by management	2,353 (Unionised) A section of officers comprising of about 673 on IBA cadre are members of the Bank Officers' Association. In the case of non-officers category, about 1,680 employees are members of the All India Kotak Mahindra Bank Employees' Union which is recognised by the management. Apart from this, through employee engagement mechanism, the Bank directly engages with all its employees. For more details, please refer the employee well-being section of the 'Business Responsibility Report.'
6	Percentage of permanent employees part of employee association	5.5%
7.1	Child labour/forced labour/involuntary labour complaints filed	Nil
7.2	Sexual harassments complaints filed	No. of cases reported – 27 No. of cases disposed – 26
7.3	Discriminatory employment complaints filed	Nil
8.1	Percentage of employees covered with safety and skill upgradation training (permanent employees)	63.45%
8.2	Percentage of employees covered with safety and skill upgradation training (permanent women employees)	65.14%
8.3	Percentage of employees covered with safety and skill upgradation training (Casual/Temporary/Contractual)	5.6%
8.4	Percentage of employees covered with safety and skill upgradation training (Employees with disabilities)	NA
Principle 4		
1	Mapping of internal and external stakeholders	Refer 'Stakeholder Engagement' section of 'Business Responsibility Report'
2	Identification of the disadvantaged, vulnerable and marginalised stakeholders	Refer 'Stakeholder Engagement' section of 'Business Responsibility Report'
3	Special initiatives to engage disadvantaged, vulnerable and marginalised stakeholders	Refer 'Financial inclusion' section of 'Business Responsibility Report'

Principle 5		
1	Policy relating to Human Rights covering the Company and Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others	Refer 'Policy framework' section of 'Business Responsibility Report'
2	Stakeholder complaints on human rights received (percentage resolved)	Nil
Principle 6		
1	Policy relating to environment covering the Company and Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others	Refer 'Policy framework' section of 'Business Responsibility Report'
2	To address global environmental issues such as climate change, global warming, etc.	Refer 'Environment' section of 'Business Responsibility Report'
3	Identification and assessment of potential environmental risks	Refer 'Environment' section of 'Business Responsibility Report'
4	Projects related to Clean Development Mechanism	None
5	Initiatives on clean technology, energy efficiency, renewable energy, etc.	Refer 'Environment' section of 'Business Responsibility Report'
6	Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB	Yes
7	Number of show cause/ legal notices received from CPCB/SPCB which are pending	Nil
Principle 7		
1	Trade or chamber association memberships	Refer 'Policy advocacy' section of 'Business Responsibility Report'
2	Advocacy through above associations for the advancement or improvement of public good	Refer 'Policy advocacy' section of 'Business Responsibility Report'
Principle 8		
1	Programmes/ initiatives/ projects related to inclusive growth	Refer 'Inclusive growth' section of 'Business Responsibility Report'
2	Programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organisation	Refer 'Inclusive growth' section of 'Business Responsibility Report'
3	Impact assessment of initiatives	Refer 'Inclusive growth' section of 'Business Responsibility Report'
4	Direct contribution to community development projects-Amount in ₹ and the details of the projects undertaken	₹ 36.55 crore Refer 'Inclusive growth' section of 'Business Responsibility Report'
5	Successful adoption of community initiatives by communities	Refer 'Inclusive growth' section of 'Business Responsibility Report'
Principle 9		
1	Percentage of customer complaints/consumer cases are pending	0.65%
2	Product information display on the product label, over and above what is mandated as per local laws	Refer 'Customer value and service' section of 'Business Responsibility Report'
3	Cases filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years	1
4	Consumer survey/ consumer satisfaction trends	Refer 'Customer value and service' section of 'Business Responsibility Report'