

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Kotak Mahindra Group ('the Group' or 'We') is one of India's leading diversified and integrated financial services conglomerates, providing a wide span of solutions across banking (consumer, commercial, corporate), credit and financing, asset management, life and general insurance, stock broking, investment banking, private banking, microfinance and asset reconstruction, encompassing all customer and geographic segments within India. With greater focus on technology, talent and customers, the Group is emerging through a transition to achieve a business transformation.

The holding company, Kotak Mahindra Bank Ltd. ('KMBL' /'The Bank') commenced its operations in February 2003 when Kotak Mahindra Finance Ltd. (KMFL), the Group's flagship company, received its banking license from the Reserve Bank of India (RBI). KMFL (now Kotak Mahindra Bank Ltd) was India's first non-banking finance company to be converted into a bank. As of 31st March 2022, the Bank has 1,700 operational branches and 2705 ATMs across 812 pan-India operating locations with two branches operating out of GIFT (Gujarat International Finance Tec) City and DIFC (Dubai International Finance Centre), Dubai. The Group has 4,052 branches across India. The Bank's reach has extended much beyond its physical network with the help of its digital solutions. It is at a point where anyone in India can open a bank account from the safety and convenience of their home.

The Group's consolidated asset base was at Rs. 5.5 trillion while the market capitalisation stood at Rs 3.5 trillion (as on 31st March 2022). Financial inclusion and empowerment lie at the core of the Group's mission. It is accelerating its digital capabilities to further this goal. The push for digitisation by the Group has enabled it to provide financial services and products to customers in marginalised or otherwise unbanked geographies and at the same time reduce its operational carbon footprint through environment-friendly modalities.

The Group's environmental management practices are focused on reducing its operational footprint, which helps reduce impacts such as Greenhouse Gas (GHG) emissions, resource consumption and waste generation. Besides its digitisation efforts, the Bank also focuses on building energy efficiency, data centre efficiency and resource optimisation. Climate risk is an important part of the Group's risk management protocols and processes. The Bank is in the process of conducting a forward-looking, scenario-based climate risk and opportunity assessment that is in alignment with the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations. The Group limits its exposure to environmental (including climate) risks by integrating ESG factors in its credit appraisal and investment due diligence processes.

For more information please visit <https://www.kotak.com/en.html>

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	April 1 2021	March 31 2022	Yes	3 years

C0.3

(C0.3) Select the countries/areas in which you operate.

- India
- Mauritius
- Singapore
- United Arab Emirates
- United Kingdom of Great Britain and Northern Ireland
- United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

INR

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Financial control

C-FS0.7

(C-FS0.7) Which activities does your organization undertake, and which industry sectors does your organization lend to, invest in, and/or insure?

	Does your organization undertake this activity?	Insurance types underwritten	Industry sectors your organization lends to, invests in, and/or insures
Banking (Bank)	Yes	<Not Applicable>	Exposed to all broad market sectors
Investing (Asset manager)	Yes	<Not Applicable>	Exposed to all broad market sectors
Investing (Asset owner)	No	<Not Applicable>	<Not Applicable>
Insurance underwriting (Insurance company)	Yes	General (non-life) Life and/or Health	Exposed to all broad market sectors

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, an ISIN code	INE237A01028

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board-level committee	<p>In FY 2021-22, the Bank renamed its erstwhile Committee of the Board on Corporate Social Responsibility (CSR) to reflect its widened scope with respect to ESG performance and strategy. This Committee is now called the CSR and ESG committee and it consists of three members - Independent Non-Executive Chairman, a Non-Executive Director, and the Joint Managing Director, with all three members forming the quorum.</p> <p>The Committee was instrumental in defining the strategic objectives and focus areas of the ESG policy framework, which has been instituted in FY 2021-22. It reviews and monitors ESG (including climate) impact, risks, opportunities, and performance annually. This Committee is also responsible for reviewing and approving the ESG disclosures. The Committee provides strategic direction on climate-related issues. For instance, during FY 2021-22 it guided the Bank's Risk and ESG team to undertake an organisation-wide operational and portfolio climate risk assessment, to enable the Bank to be ready to mitigate and manage any adverse impacts arising from climate change.</p>

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – some meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies	Climate-related risks and opportunities to our own operations Climate-related risks and opportunities to our banking activities The impact of our own operations on the climate	<p>The Bank's Board CSR and ESG Committee reviews the ESG disclosures and presents the Company's annual integrated report which also includes the Bank's disclosures on climate change related information to the Board.</p> <p>Alongside the CSR & ESG committee of the Board, the Bank constituted a Credit Risk Management Committee (CRMC) in FY 2020-21 for enhancing the credit risk governance structure at a management level. The CRMC reviews ESG risks (including climate) in the Bank's credit assessment. An ESG Management Systems Plan has been introduced with effect from February 2021 to formalize the ESG risk screening procedures in the Bank's credit practices.</p> <p>These specific committees form part of the overall Enterprise wide Risk Management (ERM) framework, which is designed to align risk and capital management to business strategy. The ERM is designed to identify potential events that may expose the bank to risk, manage risks to be within its risk appetite and to create sustainable stakeholder value. ERM comprises of sound management of a broad range of inter-related risks, including climate change and business continuity management</p> <p>The ERM framework is supported by the Risk Management Committee that consists of the Chairman, Chief Executive Officer (CEO) and the Group Chief Risk Officer (CRO). The committee ensures implementation of risk management and risk culture across the organization. The risk management process is the responsibility of the Board of Directors which approves risk policies and the delegation matrix.</p> <p>A Group Risk Management Committee (GRMC) has been constituted to ensure a holistic view of risks at the Group level. While the GRMC has oversight of risks in the subsidiaries, the respective CEOs, management and Board govern the subsidiaries.</p>

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1	Yes	One of the Board Members has prior experience leading an organization which has developed ESG related rating solutions.	<Not Applicable>	<Not Applicable>

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
President	CEO reporting line	Both assessing and managing climate-related risks and opportunities	Risks and opportunities related to our banking Risks and opportunities related to our own operations	Annually

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	No, and we do not plan to introduce them in the next two years	We are deliberating this internally to identify the appropriate framework for target setting and incentives.

C-FS1.4

(C-FS1.4) Does your organization offer its employees an employment-based retirement scheme that incorporates ESG criteria, including climate change?

	Employment-based retirement scheme that incorporates ESG criteria, including climate change	Describe how funds within the retirement scheme are selected and how your organization ensures that ESG criteria are incorporated	Provide reasons for not incorporating ESG criteria into your organization's employment-based retirement scheme and your plans for the future
Row 1	No, due to a compulsory national scheme	<Not Applicable>	<Not Applicable>

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	5	The time horizons are aligned with national climate action commitments, global climate goals and industry standards
Medium-term	5	13	The time horizons are aligned with national climate action commitments, global climate goals and industry standards
Long-term	13	28	The time horizons are aligned with national climate action commitments, global climate goals and industry standards

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

Every year, the Group undertakes the Internal Capital Adequacy Assessment Process ('ICAAP'), which provides management with a view of overall risks, assessment and capital allocated to cover the risks. The ICAAP is linked to overall business planning and establishes a strategy for maintaining appropriate capital levels. Stress testing is a key element of the ICAAP and an integral tool in the Risk Management framework. Stress testing is integral to strengthening the predictive approach to risk management and supplements other risk management tools by providing an estimate of tail risks.

Definition and Indicators: The overall risk appetite is set by the Board periodically. It is a comprehensive top-down process consisting of **specific quantitative and qualitative factors and provides an enforceable risk statement on the amount of risk the Group is willing to accept in support of its financial and strategic objectives. Any risk beyond this threshold is considered to have a substantive financial or strategic impact on the business.** The risk appetite statements set the "Tone from the Top" and cover **all key risk factors (credit, interest rate, market risk, liquidity, operational risk including climate risks)** and clearly define the boundaries of risk-taking. **Certain indicators used to evaluate financial impact include Net Interest Margin, Probability of Default, potential Loss Given Default, Provisioning Coverage ratio, Capital Adequacy, Liquidity Coverage Ratio, Credit/Deposit Ratio and Operational Loss.** Risk Appetite forms a key input to the business and capital planning process by linking risk strategy to the business strategy, through a set of comprehensive indicators. The Risk appetite statements are reviewed by senior management who recommend it to the Board for approval. Annual financial plans are tested against key risk appetite measures to ensure alignment. Regular monitoring of risk exposures is carried out to ensure that risk-taking activity remains within risk appetite. Performance against approved risk appetite is measured every quarter and reviewed by the Senior Management, Risk Management Committee and Board.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

Annually

Time horizon(s) covered

Short-term

Medium-term

Long-term

Description of process

The Group manages Risk under an Enterprise wide Risk Management (ERM) framework that aligns risk and capital management to business strategy, protects its financial strength, reputation, and ensures support to business activities for adding value to customers while creating sustainable shareholder value. The ERM policy sets the approach for Risk Management and is adopted by legal entities in the group, with suitable modifications, as appropriate for their individual businesses. The policy guides the organization of the risk management function and the identification, measurement, management and reporting of risks. The ERM policy is complemented by policies that are aligned to individual risks.

Business Impact Analysis (BIA) is carried out to identify the impact of risks inter-alia related to climate change on our facilities/ activities. Business Continuity Plans (BCP) have been developed for inherent risks arising out of these natural disasters and calamities, with the intent of ensuring continuity of operations and minimal disruption to customer services. These plans are periodically tested and reviewed to ensure their effectiveness. Risk transfer via insurance is a key strategy to mitigate operational risk exposure at the Bank. The Operational Risk team reviews and provides inputs on key insurance coverage basis trends and triggers emerging from unusual events or changes in risk profile basis introduction of new products or developments in the external environment.

We are employing a two-pronged approach to understand the potential of climate-linked risks impacting our operations and portfolio. A physical risk assessment based on Intergovernmental Panel on Climate Change (IPCC) - Representative Concentration Pathways (RCP) scenarios 4.5 and 8.5 has been initiated. Projected changes in various climatic parameters such as temperature and precipitation are being studied under each scenario to identify risks such as health impacts on employees, increase in operating costs, infrastructure damage and/or service disruption. In addition to assessing climate risks on our operations, we have also initiated an assessment of climate risks on select sectors in our corporate lending portfolio. For this, we are basing our analysis on Paris Agreement Capital Transition Assessment (PACTA) tool for Banks

developed by 2^o Investing Initiative. We intend to undertake the analysis in a phase-wise manner in select sectors from the select high emission sectors such as power, oil and gas and coal. In addition, we also plan to utilise the scenarios provided by the Network for Greening the Financial System (NGFS) to assess the Probability of Default (PD) and Expected Credit Loss (ECL) due to climate risks and vulnerabilities in our portfolio. While these are the tools and methods being adopted for the current assessment, we would modify and adapt the framework for climate risk assessment based on publicly available information and advancement in measurement techniques from time to time. The outputs from these assessments are expected to provide insights to inform our future decision-making and financial planning with regards to our operations as well as our corporate lending portfolio. For more details please refer to page 48 and 49 of our Annual Integrated Report - Kotak Mahindra Bank Limited

Downstream

In order to identify and manage the impact of climate risk in its lending activities, the Bank uses a credit rating model for rating each corporate borrower. The Bank has a section in the Credit Assessment that needs to be completed for all credit proposals, which has specific questions that the credit analyst fills in on environmental and social assessment, hazardous materials, pollution prevention & waste management.

During FY 20-21, the Bank introduced a formal Environmental, Social & Governance (ESG) Management Systems Plan. The Plan or EMSP has been designed taking into consideration IFC guidance on the topic and other ESG standards. As per the guidelines a thorough review of prospective borrowers' Pollution Control Board clearances, factory licenses, carbon emissions, water consumption, consumption of energy & other resources is undertaken. This evaluation provides a score, which is adjusted downwards for borrowers from sectors that have an adverse environmental or social impact. Final scores are included in the Credit Assessment Note. Further, the EMSP defines an exclusionary list which prescribes thresholds/ ceilings on exposure limits for certain industries and activities. We, at the Bank, are also in the process of integrating external ESG ratings of companies in our evaluation of ESG performance. Proposals with scores below 'Satisfactory' will be monitored closely or are likely to be rejected.

The Group's asset management arm KMAMC has instituted an ESG framework and responsible investment policy that governs its investment activities. It has embedded ESG into its valuation and investment philosophy using third-party ESG scores and ratings. It has adopted a materiality-based approach to ESG Investing that considers ESG factors such as (but not limited to) climate change. The Group's private equity arm, KIAL is in its initial stages of adoption and incorporation of environmental risks into its investments. It has developed an ESG Policy Framework and is in the process of establishing an environmental and social management system (ESMS) for its funds.

Value chain stage(s) covered

Direct operations

Risk management process

A specific climate-related risk management process

Frequency of assessment

Not defined

Time horizon(s) covered

Short-term

Medium-term

Long-term

Description of process

The approach and methodology being used for the assessment of physical and transition climate risks on KMBL's operations are as follows:

Analysis of physical risks on the bank's operations has been initiated at the state level (or district level, as applicable) using defined climate change scenarios, timeframe and risk assessment framework. The framework is based on two parameters, Probability of occurrence and Expected Impact. Risk levels (high, medium or low risk) for each risk type have been identified based on the thresholds defined for both probability of occurrence and expected impact. For states (or districts, as applicable) where expected impact cannot be assessed (due to lack of information on resilience of operations to physical risks), the final risk level is assigned based on the probability of occurrence of the risk.

Physical Risks:

Climate Change Scenarios

The assessment of physical risks which has been initiated is being carried out using the Representative Concentration Pathway (RCP) scenarios defined by the Intergovernmental Panel on Climate Change (IPCC). The two scenarios utilized are as follows:

- Business-as-usual scenario (RCP8.5)
- Optimistic scenario (RCP4.5)

Timeframe

Future projections for climatic parameters are assessed for the timeframe 2022-2050, categorized into following time horizons:

- Short term: 2022-2027
- Medium term: 2027-2035
- Long term: 2035-2050

Transition Risks:

Climate Change Scenarios

The assessment of transition risks which has been initiated is being carried out using the Net zero emissions (NZE) scenario by International Energy Agency (IEA)The two scenarios utilized are as follows:

- Business-as-usual Scenario (Stated Policies Scenario (STEPS))
- Optimistic Scenario (Sustainable Development Scenario)

Timeframe for transition risk assessment is considered to be 2022-2050, categorized into three time horizons:

- Short term: 2022-2027
- Medium term: 2027-2035
- Long term: 2035-2050

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & Inclusion	Please explain
Current regulation	Relevant, always included	The Group closely monitors the changing domestic and international regulatory landscape with respect to climate action. The Group moulds its risk assessment processes per the current regulatory guidance on such issues. For instance, India's commitment to the growth of renewable energy as well as achieving emission reduction targets adopted by the country at COP26 could create transition risks to various sectors where the Group may have exposure. The Group has been monitoring such portfolios closely and has recently revised its credit risk assessment procedures to address these risks.
Emerging regulation	Relevant, always included	<p>Risk: Carbon pricing - Increased cost of carbon emissions</p> <p>Under Optimistic Scenario: With an aim of achieving emission reduction targets adopted by the country at COP26 (i.e., achieving net-zero emissions), the government might impose a carbon price on businesses operating in the country.</p> <p>Under Business-as-Usual Scenario: With an aim of achieving emission reduction targets adopted by the country at COP26 (i.e., achieving net-zero emissions), the government might also impose a carbon price on businesses operating in the country</p> <p>The Bank could get impacted by such a price on its carbon emissions in terms of investments required to decarbonize and/or purchase offsets to neutralize its emissions for meeting its emission reduction targets.</p> <p>Risk: Increasing Water Prices (supply-side restrictions on water)</p> <p>Several regions in India are already facing severe water shortages and this problem is likely to get exacerbated under this scenario, due to rising temperature and erratic rainfall patterns. This is likely to increase pressure on water resources.</p> <p>With an increasing demand for water (due to the rise in population) coupled with increasing water stress, the price per unit of water is expected to increase. Moreover, commercial businesses (like that of KMBL) are likely to get exposed to water allocation regimes and witness a decline in the supply of water from government sources. Since the bank's operations are not heavily dependent on water, the risk of witnessing financial impact because of water supply-related policies is likely to be low in the short term. However, in the medium to long term, as the water allocation regimes or water supply-related policies become more stringent (at a faster pace) in the optimistic scenario, KMBL is likely to witness an increase in operational costs.</p>
Technology	Relevant, always included	<p>With new and advanced low carbon technologies impacting the overall cost of production and competitiveness in various sectors, exposure to companies that are unable to transition could result in increased credit losses.</p> <p>Further, the Group recognises the climate impact of emissions from old legacy systems and has been actively investing in cutting-edge technology for both, infrastructure and applications. The Group also recognizes the importance of building technology capabilities focused on providing improved customer experience, increasing employee productivity, improving operational performance, capabilities for superior regulatory compliance and proactive risk management. To reduce the carbon footprint of its business operations, the Group is heading towards a 'Digital Everything' experience and plans on continuing to invest in the delivery of multiple products and services through an integrated value proposition across acquiring, lending and transactions.</p> <p>In addition, over the years the Group has been investing in technology for monitoring and managing its energy consumption.</p>
Legal	Relevant, always included	<p>With rising awareness of climate change issues, The Bank's borrowers might be exposed to increased climate change litigation, translating into increased credit risk for the Bank.</p> <p>In the current Indian Banking industry, though there are no direct regulatory obligations pertaining to climate change, SEBI has mandated Business Responsibility and Sustainability Reporting (BRSR) disclosure requirements for the top 1000 companies. Consequently, there is no imminent material risk of litigation related to climate change while there is a foreseeable heightened focus on enabling climate action.</p>
Market	Relevant, always included	Market risks relating to climate-related factors are relevant for us. Climate Change and its impacts can trigger market risk factors such as fluctuations in interest rates, foreign exchange rates, credit spreads, commodity and equity prices and implied volatilities.
Reputation	Relevant, always included	<p>Enhancing sustainability performance and climate action</p> <p>Due to increasing awareness regarding climate change amongst investors and customers, businesses are under increased pressure to undertake enhanced climate action and continuously improve their climate change performance. Given this scenario, the climate related performance of the Bank on various disclosure platforms is likely to have an impact on the reputational stand of the Bank amongst investors and other stakeholders. In addition to climate related performance, continued lending to borrowers in carbon-intensive sectors or lending to activities that lead to environmental degradation may pose significant reputational risks to the bank. Being one of the largest banks operating in India, not demonstrating enhanced climate action (both for its operations and lending portfolio) and/or disclosing relevant climate change information may have an adverse impact on the reputational stand of the bank.</p> <p>KMBL is taking active measures in improving its sustainability and climate change performance. It is also transparently reporting material climate change information on various disclosure platforms such as CDP, Integrated Annual report, Business Responsibility Report (BRR) and BRSR (starting FY 2021-22) on an annual basis. Additionally, the Bank is currently implementing climate risk assessment to further improve its performance and to transition towards green and climate-resilient operations., and is likely to be at low risk of witnessing reputational damage in this scenario.</p>
Acute physical	Relevant, always included	<p>Extreme rainfall and flooding: Extreme rainfall and flooding events can cause damage to physical infrastructure and may also lead to rise in capital expenditure required to restore the damaged infrastructure. Additionally, extreme rainfall may impact urban services such as power outages and transportation services thereby, resulting in operational disruptions and/or operational shutdowns.</p> <p>Cyclones: Onset of cyclones can have severe implications in terms of damage to physical infrastructure, disruption of urban services (such as power outages, inaccessibility of transportation services) and operational shutdown.</p>
Chronic physical	Relevant, always included	<p>Negative health impacts due to heat stress: Exposure to excessive heat restricts physical capability, work capacity and productivity of workers. Regular exposure to heat stress above this threshold can lead to heatstroke (sometimes even with fatal outcomes). Increasing ambient temperature can create thermally stressful environments and can increase risk of heat-related illness amongst employees (particularly, while travelling for work or performing outdoor activities).</p> <p>Increase in energy consumption: A high increase in temperature is likely to result in an increase in the demand of energy required for cooling to maintain adequate working conditions within the offices/branches. This can translate into additional operating costs (from increased energy consumption) as well as capital costs for implementing measures focused on improving the energy efficiency of cooling devices (such as HVAC systems).</p> <p>Water unavailability due to water stress situation: Exposure to water unavailability impacts the operations of the Bank's operations and branches. This might lead to an increased dependency on third-party sources for water supply and will also restrict the supply of safe and clean drinking water for its employees.</p> <p>Sea level rise: Rising sea level can potentially result in financial losses due to inundation of land area and assets and disruption of operations located close to the coastline.</p>

C-FS2.2b

(C-FS2.2b) Do you assess your portfolio's exposure to climate-related risks and opportunities?

	We assess the portfolio's exposure	Explain why your portfolio's exposure is not assessed and your plans to address this in the future
Banking (Bank)	No, but we plan to in the next two years	The Bank is in the process of estimating its portfolio emissions and conducting a portfolio climate risk assessment for select sectors. For this, we are basing our analysis on Paris Agreement Capital Transition Assessment (PACTA) tool for Banks developed by 2° Investing Initiative. We intend to undertake the analysis in a phase-wise manner in select sectors from the select high emission sectors such as power, oil and gas and coal. In addition, we also plan to utilise the scenarios provided by the Network for Greening the Financial System (NGFS) to assess the Probability of Default (PD) and Expected Credit Loss (ECL) due to climate risks and vulnerabilities in our portfolio. While these are the tools and methods being adopted for the current assessment, we would modify and adapt the framework for climate risk assessment based on publicly available information and advancement in measurement techniques from time to time. The assessment will enable the Bank to measure the alignment of its corporate lending portfolio with climate scenarios across a set of key climate-relevant sectors and technologies.
Investing (Asset manager)	No, and we do not plan to in the next two years	We hope to assess the portfolio's exposure in the future as more data becomes available
Investing (Asset owner)	<Not Applicable>	<Not Applicable>
Insurance underwriting (Insurance company)	No, and we do not plan to in the next two years	In the context of General Insurance segment, currently, most of the businesses (or lines of businesses) that we underwrite don't have a direct or first order impact from climate-related risks and opportunities. However, there is a second order impact that comes at the time of seeking reinsurance protection for accumulation of risk and large risk. In such cases, the pricing of reinsurance would have some assessment built in based on the catastrophe exposure modelling and the reinsurer's assessment of climate risk. In the context of Life Insurance subsidiary, the portfolio's exposure is not assessed currently as it is not a regulatory requirement. However, the promoter company i.e. Kotak Mahindra Bank Limited has commenced its work on climate risk assessment using the TCFD framework, and the life insurance subsidiary is expected to adopt a suitable climate risk management framework in due course.

C-FS2.2d

(C-FS2.2d) Does your organization consider climate-related information about your clients/investees as part of your due diligence and/or risk assessment process?

	We consider climate-related information	Explain why you do not consider climate-related information and your plans to address this in the future
Banking (Bank)	Yes	<Not Applicable>
Investing (Asset manager)	Yes	<Not Applicable>
Investing (Asset owner)	<Not Applicable>	<Not Applicable>
Insurance underwriting (Insurance company)	No, and we do not plan to in the next two years	In the context of the General Insurance business, our Current Investment strategy is heavily regulated and most of the investment is in Government Securities. We currently don't have any direct exposure to equity market which is going to continue for the next few years, and climate risk assessment may not be relevant for this investment strategy. In the context of Life Insurance subsidiary, the climate-related information is not considered as it is not a regulatory requirement. However, the promoter company i.e. Kotak Mahindra Bank Limited has commenced its work on climate risk assessment using the TCFD framework, and the life insurance subsidiary is expected to adopt a suitable climate risk management framework in due course.

C-FS2.2e

(C-FS2.2e) Indicate the climate-related information your organization considers about clients/investees as part of your due diligence and/or risk assessment process, and how this influences decision-making.

Portfolio

Investing (asset manager)

Type of climate-related information considered

Emissions data
Energy usage data
Emissions reduction targets
Climate transition plans

Process through which information is obtained

Directly from the client/investee
Data provider
Public data sources

Industry sector(s) covered by due diligence and/or risk assessment process

Energy
Materials
Capital Goods
Commercial & Professional Services
Transportation
Automobiles & Components
Consumer Durables & Apparel
Consumer Services
Retailing
Food & Staples Retailing

Food, Beverage & Tobacco
Household & Personal Products
Health Care Equipment & Services
Pharmaceuticals, Biotechnology & Life Sciences
Software & Services
Technology Hardware & Equipment
Semiconductors & Semiconductor Equipment
Telecommunication Services
Media & Entertainment
Utilities
Real Estate

State how this climate-related information influences your decision-making

Kotak Group's Asset Management arm, KMAMC takes into account the principles of Environmental, Social and Governance (ESG) factors and Responsible Investing (RI) in its overall investment process. KMAMC is a signatory to United Nations Principles of Responsible Investing (UNPRI) and is the first Indian asset management company to do so. KMAMC is also a signatory to Climate Action 100+.

We believe climate-related information can positively or negatively influence risk and returns, especially in the long term. We are aware that climate change and transition to a low carbon economy would present risks and opportunities for investments. The impact of such transition would vary across sectors and industries and would occur over a period of time. Some of the key things we monitor include:

- Carbon emission and their environmental impact
- Energy consumption and focus on resource efficiency
- Usage of alternate energy sources

Climate-related information used in Fixed Income Assets

For the environment aspect, we look at how their operations have an impact on the environment. We look to check if their emissions are in line with all applicable laws and in line with major globally accepted norms. We also look at what steps the company is taking towards being carbon neutral. Our broad objective in analyzing companies for the Environment factor is to see what could be the potential challenges the company could face due to its environmental activities. We try to assess any negative impact on the operations, perceived credit worthiness and financial impact of their environmental actions and how these could impact the spread of their fixed income securities.

Portfolio

Banking (Bank)

Type of climate-related information considered

Emissions data
Energy usage data

Process through which information is obtained

Directly from the client/investee
Data provider
Public data sources

Industry sector(s) covered by due diligence and/or risk assessment process

Energy
Materials
Capital Goods
Commercial & Professional Services
Transportation
Automobiles & Components
Consumer Durables & Apparel
Consumer Services
Retailing
Food & Staples Retailing
Food, Beverage & Tobacco
Household & Personal Products
Health Care Equipment & Services
Pharmaceuticals, Biotechnology & Life Sciences
Software & Services
Technology Hardware & Equipment
Semiconductors & Semiconductor Equipment
Telecommunication Services
Media & Entertainment
Utilities
Real Estate

State how this climate-related information influences your decision-making

The Bank limits its exposure to environmental (including climate) risks by integrating ESG factors in its credit appraisal processes. It has instituted an ESG Systems Management Plan (EMSP) to identify, review and manage the ESG risks in our credit portfolio.

The EMSP sets out the criteria for due diligence and evaluation of borrowers from an ESG perspective. These borrowers are categorised based on their activities and their social and environmental impact. Based on the category, evaluation is undertaken for capital expenditure and working capital loans above a certain size and tenure, against ESG criteria. This evaluation provides a score which is adjusted downwards for borrowers from sectors that have an adverse environmental or social impact. Final scores are included in the Credit Assessment Note. Further, the EMSP defines an exclusionary list which prescribes thresholds/ ceilings on exposure limits for certain industries and activities. The Bank is also in the process of integrating external ESG ratings of companies in the evaluation of ESG performance.

The EMSP includes guidelines for periodic supervision and monitoring of the financed projects on an ongoing basis. The administration and oversight of this plan rest with the Credit administration team, while the ESG function is responsible for facilitating training to the staff accountable for the implementation of the EMSP. It is reviewed periodically to determine its alignment with any new and modified regulations or guidance. During FY 2021-22, we, at the Bank reviewed over 1500 lending proposals that included ESG evaluation as per the ESMP. The Bank will strive to enhance the integration of sustainable finance principles while making financing decisions, to contribute to the Sustainable Development Goals (SDGs), and relevant national and international frameworks.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Banking portfolio

Risk type & Primary climate-related risk driver

Emerging regulation	Carbon pricing mechanisms
---------------------	---------------------------

Primary potential financial impact

Decreased asset value or asset useful life leading to write-offs, asset impairment or early retirement of existing assets

Climate risk type mapped to traditional financial services industry risk classification

Policy and legal risk

Company-specific description

Given that India has adopted a target of achieving net-zero emissions by 2070, Kotak Mahindra Bank's operations could be increasingly exposed to stringent climate policies and regulations focused on achieving this target. Moreover, exposure of borrowers and counterparties to these rapidly changing climate policy regimes (such as strengthening of energy efficiency schemes, Renewable Purchase Obligation (RPO), and introduction of carbon price) can act as a driver for increasing credit risk for Kotak Mahindra Bank.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Potential impact on revenues associated with carbon pricing that may be introduced due to change in policy.

Cost of response to risk

0

Description of response and explanation of cost calculation

We have not estimated the cost of response.

Comment

The Bank would consider implementing appropriate mitigation measures basis results of assessment

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Banking portfolio

Risk type & Primary climate-related risk driver

Technology	Substitution of existing products and services with lower emissions options
------------	---

Primary potential financial impact

Devaluation of collateral and potential for stranded, illiquid assets

Climate risk type mapped to traditional financial services industry risk classification

Credit risk

Company-specific description

With new and advanced low carbon technologies impacting the overall cost of production and competitiveness in various sectors, exposure to companies that are unable to

transition could result in increased credit losses.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Increased credit losses due to stranded assets

Cost of response to risk

0

Description of response and explanation of cost calculation

We have not estimated the cost of response .

Comment

The Bank is keeping pace with the emerging technologies especially in carbon intensive sectors to identify potential risks and opportunities.

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Other parts of the value chain

Risk type & Primary climate-related risk driver

Market	Inability to attract co-financiers and/or investors due to uncertain risks related to the climate
--------	---

Primary potential financial impact

Decreased access to capital

Climate risk type mapped to traditional financial services industry risk classification

Market risk

Company-specific description

There a growing trend of investors closely monitoring the use of their funds from the perspective of their climate related impacts. A larger carbon footprint via our portfolio or operations may limit our ability to attract funds from institutional investors which are sensitive towards climate change. The Bank is in the process of conducting a climate risk assessment. During FY 2021-22, the Bank initiated climate risk assessment both for its portfolio (using international sector-specific tools) and its operations.

Time horizon

Medium-term

Likelihood

About as likely as not

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

We have not estimated the impact as yet.

Cost of response to risk

0

Description of response and explanation of cost calculation

We have not estimated the cost of response.

Comment

Over the years the Group has been strengthening its ESG disclosures and the Bank has proactively begun to assess the impact of climate risks.

Identifier

Risk 4

Where in the value chain does the risk driver occur?

Banking portfolio

Risk type & Primary climate-related risk driver

Chronic physical	Changing precipitation patterns and types (rain, hail, snow/ice)
------------------	--

Primary potential financial impact

Devaluation of collateral and potential for stranded, illiquid assets

Climate risk type mapped to traditional financial services industry risk classification

Credit risk

Company-specific description

Climate change leads to extreme weather events like extreme precipitation and droughts which have an adverse effect on sectors like agriculture. This in turn poses credit risks for banks and other financial institutions.

The Bank has a large Agribusiness division which is divided into three main verticals which is subject to increased credit risk due to extreme weather events. A significant credit exposure to Agriculture sector is also mandated by the RBI, the central bank in India.

- Small scale credit line is made available for crop cultivation and tractor financing
- Medium-scale credit line is made available to individuals, partnerships and propriety customers who focus on advanced agricultural activities
- Large scale credit line is made available to organisations that focus on primary and secondary agro-processing under Agri Corporate.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Potential of increase in delinquency ratio of the agriculture and its allied sector book due to losses faced by clients in these sectors.

Cost of response to risk

0

Description of response and explanation of cost calculation

We have not estimated the cost of response .

Comment

The Bank plans to undertake a study to understand the impact of chronic physical risks on its agriculture portfolio and would consider developing mechanisms to address this risk.

Identifier

Risk 5

Where in the value chain does the risk driver occur?

Banking portfolio

Risk type & Primary climate-related risk driver

Acute physical	Cyclone, hurricane, typhoon
----------------	-----------------------------

Primary potential financial impact

Decreased asset value or asset useful life leading to write-offs, asset impairment or early retirement of existing assets

Climate risk type mapped to traditional financial services industry risk classification

Credit risk

Company-specific description

Onset of cyclones can have severe implications in terms of damage to both rural and urban infrastructure and housing, which would indirectly affect the prices of real-estate, and affect portfolios such as mortgages

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Potential reduction in the value of assets hypothecated to the Bank

Cost of response to risk

0

Description of response and explanation of cost calculation

The Bank plans to undertake a study to understand the impact of physical risks on its mortgage portfolio and would consider developing mechanisms to address this risk.

Comment

The Bank would consider implementing appropriate mitigation measures basis the results of assessment

Identifier

Risk 6

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical	Cyclone, hurricane, typhoon
----------------	-----------------------------

Primary potential financial impact

Other, please specify (Increased operational costs and potential productivity losses)

Climate risk type mapped to traditional financial services industry risk classification

Operational risk

Company-specific description

Onset of cyclones can have severe implications in terms of damage to physical infrastructure, disruption of services (such as power outages, inaccessibility of transportation services) and operational shutdown.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Infrastructure damage recovery costs and losses due to potential operational shutdown

Cost of response to risk

0

Description of response and explanation of cost calculation

We have not estimated the cost of response. The risk assessment has not been concluded yet.

Comment

The Bank is in process of estimating the impact and identifying mitigation measures which it would consider implementing in the coming years.

Identifier

Risk 7

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical	Heavy precipitation (rain, hail, snow/ice)
----------------	--

Primary potential financial impact

Other, please specify (Increased operational costs and potential productivity losses)

Climate risk type mapped to traditional financial services industry risk classification

Operational risk

Company-specific description

Climate change leads to extreme weather events like extreme precipitation and droughts which may have an adverse effect on operations, leading to office shutdown and productivity losses.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Infrastructure damage recovery costs and losses due to potential operational shutdown

Cost of response to risk

0

Description of response and explanation of cost calculation

We have not estimated the cost of response. The risk assessment has not been concluded yet.

Comment

The Bank is in process of estimating impact and identifying mitigation measures which it would consider implementing in the coming years.

Identifier

Risk 8

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Chronic physical	Heat stress
------------------	-------------

Primary potential financial impact

Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification

Operational risk

Company-specific description

Negative health impacts due to heat stress: Exposure to excessive heat restricts physical capability, work capacity and productivity of workers. The increasing ambient temperature can create thermally stressful environments and can increase the risk of heat-related illness amongst employees (particularly, while travelling for work or performing outdoor activities).

Increase in energy consumption: A high increase in temperature is likely to result in an increase in demand for energy required for cooling to maintain adequate working conditions within the offices/branches. This can translate into additional operating costs (from increased energy consumption) as well as capital cost for implementing measures focused on improving energy efficiency of cooling devices (such as HVAC systems).

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Potential increase in costs due to increase in purchased electricity for cooling.

Cost of response to risk

0

Description of response and explanation of cost calculation

We have not estimated the cost of response. The risk assessment has not been concluded yet.

Comment

The Bank is in process of estimating impact and identifying mitigation measures which it would consider implementing in the coming years.

Identifier

Risk 9

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Chronic physical	Water scarcity
------------------	----------------

Primary potential financial impact

Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification

Operational risk

Company-specific description

Exposure to water unavailability impacts the operations of bank's offices and branches . This might lead to an increased dependency on third party sources for water supply and may also hamper supply of safe and clean drinking water for its employees.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Potential increase in costs for sourcing water for use in offices and branches

Cost of response to risk

0

Description of response and explanation of cost calculation

We have not estimated the cost of response. The risk assessment has not been concluded yet.

Comment

The Bank is in process of estimating impact and identifying mitigation measures which it would consider implementing in the coming years.

Identifier

Risk 10

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Chronic physical	Sea level rise
------------------	----------------

Primary potential financial impact

Other, please specify (Increased operational costs and potential productivity losses)

Climate risk type mapped to traditional financial services industry risk classification

Operational risk

Company-specific description

Rising sea level can potentially result in financial losses due to inundation of land area and assets and disruption of operations located close to the coastline.

Time horizon

Long-term

Likelihood

Likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Infrastructure damage recovery costs and losses due to potential operational shutdown

Cost of response to risk

0

Description of response and explanation of cost calculation

We have not estimated the cost of response. The risk assessment has not been concluded yet.

Comment

The Bank is in process of estimating impact and identifying mitigation measures which it would consider implementing in the coming years.

Identifier

Risk 11

Where in the value chain does the risk driver occur?

Banking portfolio

Risk type & Primary climate-related risk driver

Chronic physical	Sea level rise
------------------	----------------

Primary potential financial impact

Decreased asset value or asset useful life leading to write-offs, asset impairment or early retirement of existing assets

Climate risk type mapped to traditional financial services industry risk classification

Credit risk

Company-specific description

Sea level rise may indirectly affect the prices of real-estate in coastal areas, and affect portfolios such as mortgages

Time horizon

Long-term

Likelihood

Likely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Potential reduction in the value of assets hypothecated to the Bank

Cost of response to risk

0

Description of response and explanation of cost calculation

We have not estimated the cost of response. The risk assessment has not been concluded yet.

Comment

The Bank is in process of estimating impact and identifying mitigation measures which it would consider implementing in the coming years.

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Banking portfolio

Opportunity type

Products and services

Primary climate-related opportunity driver

Ability to diversify business activities

Primary potential financial impact

Increased revenues through access to new and emerging markets

Company-specific description

While there are risks, there are also new business opportunities arising from climate change. New product efficiency regulations and standards may require companies to adopt new technologies and implement new projects. This will create a demand for financing emerging technologies and infrastructure like renewable energy, green buildings, electric cars, new battery technologies, flood defences.

Time horizon

Short-term

Likelihood

More likely than not

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The financial implications would be related to increased lending portfolio and resultant business opportunities to lend to clients in adopting emerging technologies.

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

The Bank is keeping pace with the emerging technologies especially in carbon intensive sectors to identify potential risks and opportunities.

Comment

The Bank would conduct capacity building initiatives amongst its relationship managers to identify opportunities.

Identifier

Opp2

Where in the value chain does the opportunity occur?

Other parts of the value chain

Opportunity type

Markets

Primary climate-related opportunity driver

Improved ratings by sustainability/ESG indexes

Primary potential financial impact

Increased access to capital

Company-specific description

Communicating an intention of transitioning to a low carbon portfolio, participating in climate change advocacy and enhancing climate-related financial disclosures could potentially lead to increased and continued interest from investors and depositors

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Potential increase in access to climate themed capital

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

The Bank is keeping pace with the emerging technologies to identify opportunities towards transitioning to a low carbon portfolio

Comment

The potential cost to realize the opportunity has not been evaluated yet

C3. Business Strategy

C3.1

(C3.1) Does your organization’s strategy include a transition plan that aligns with a 1.5°C world?

Row 1

Transition plan

No, but our strategy has been influenced by climate-related risks and opportunities, and we are developing a transition plan within two years

Publicly available transition plan

<Not Applicable>

Mechanism by which feedback is collected from shareholders on your transition plan

<Not Applicable>

Description of feedback mechanism

<Not Applicable>

Frequency of feedback collection

<Not Applicable>

Attach any relevant documents which detail your transition plan (optional)

<Not Applicable>

Explain why your organization does not have a transition plan that aligns with a 1.5°C world and any plans to develop one in the future

We are in the process of developing a low carbon transition plan which could be aligned with the methodology defined by the SBTi and the goal set by the country.

Explain why climate-related risks and opportunities have not influenced your strategy

<Not Applicable>

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	Yes, qualitative, but we plan to add quantitative in the next two years	<Not Applicable>	<Not Applicable>

C3.2a

(C3.2a) Provide details of your organization’s use of climate-related scenario analysis.

Climate-related scenario		Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Physical climate scenarios	RCP 4.5	Company-wide	<Not Applicable>	Our climate scenario evaluation which has been initiated considers the Optimistic scenario as consistent with the IPCC RCP4.5 – intermediate emissions scenario. In this scenario, the global mean temperature is expected to rise by 1.8°C (1.1-2.6°C) by 2100. The final scenarios that would be chosen for the analysis would be subject to appropriate internal approvals.
Physical climate scenarios	RCP 8.5	Company-wide	<Not Applicable>	Our climate scenario evaluation which has been initiated considers the Business-as-usual scenario as consistent with the IPCC RCP8.5 – very high GHG emissions scenario. In this scenario, the global mean temperature is expected to rise by 3.7°C (2.6-4.8°C) by 2100. The final scenarios that would be chosen for the analysis would be subject to appropriate internal approvals.
Transition scenarios	IEA SDS	Company-wide	<Not Applicable>	Our climate scenario evaluation which has been initiated considers the Sustainable Development Scenario (SDS) which provides an energy sector pathway with the aim of achieving global net-zero CO2 emissions from the energy system as a whole by around 2070. The final scenarios that would be chosen for the analysis would be subject to appropriate internal approvals.
Transition scenarios	IEA NZE 2050	Company-wide	<Not Applicable>	Our climate scenario evaluation which has been initiated considers the Net-zero emissions (NZE) scenario by International Energy Agency (IEA) for the assessment of climate risks. It sets out a narrow but achievable pathway for the global energy sector to achieve net-zero CO2 emissions by 2050. The scenario is consistent with limiting the global temperature rise to 1.5°C. The final scenarios that would be chosen for the analysis would be subject to appropriate internal approvals.

C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions

What will be the impacts of climate change on the following:

- 1 - Probability of default by borrowers
- 2 - Cost of operations
- 3- Corporate Lending portfolio
- 4 -Revenue and cash flow

Results of the climate-related scenario analysis with respect to the focal questions

We are in the process of conducting climate-related scenario analysis. The outputs from this assessment is expected to provide insights to inform our future decision-making and financial planning with regard to our operations as well as our corporate lending portfolio. Details of the same are provided on Page 48-49 of the Integrated Annual Report for FY 2021-22 - <https://www.kotak.com/content/dam/Kotak/investor-relation/Financial-Result/Annual-Reports/FY-2022/kotak-mahindra-bank-21/Kotak-Mahindra-Bank-Limited.pdf>

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	<p>1. ESG Integration in financing and investment decisions</p> <p>The Kotak Group is cognisant of the impact created on the natural environment through both its own operations as well as lending and investment activities. It acknowledges the role of financial institutions in anchoring the transition to a sustainable future, given our contribution to the growth of every sector in the economy. The Group has been integrating an ESG lens in financing and investment decisions across the Bank and several of its subsidiaries. Further details are available in the ESG overview section of the Integrated Annual Report https://www.kotak.com/content/dam/Kotak/investor-relation/Financial-Result/Annual-Reports/FY-2022/kotak-mahindra-bank-21/Kotak-Mahindra-Bank-Limited.pdf</p> <p>2. Deployment of digital products and solutions to reduce overall operational carbon footprint</p> <p>Digital transformation has been one of the key areas of focus for the Group. This is embedded in the Group's core business strategy. The Group aims to head towards a 'Digital Everything' experience. Its digital ecosystem complements our physical infrastructure and enables our customers access round-the-clock financial services from anywhere. The Group's services are available on a wide range of digital channels such as WhatsApp, missed call, chatbot, voicebot, mobile app and kiosk. To provide ease of access, information and short videos are made available in English, Hindi and other vernacular languages. Bots are deployed to automate services, go paperless and deliver faster.</p> <p>The Group's digital-strategy and initiatives is centered around customers across acquisition, engagement and service and across its value proposition of saving, lending, payment, investment protection, powered by artificial intelligence & machine learning. These initiatives have not only helped save paper but also reduced the Group's customers' carbon footprint by avoiding physical visits to physical branches. Customers are encouraged to opt for e-statements for their periodic account statements. This reduces paper waste, ensures data security, and provides customers with the ability to store and retrieve statements electronically, at their convenience.</p>
Supply chain and/or value chain	Yes	<p>Educating Customers to leverage digital solutions to reduce carbon footprint (through a reduction in travelling and paper saving)</p> <p>The Bank and its subsidiaries have been encouraging and educating its customers to use digital channels for their banking needs to avoid physical branch visits (thereby reducing carbon footprint). As mentioned, above customers are also encouraged to switch to e-statements. This has helped save large amounts of paper across offices.</p> <p>The Bank has received a good response on these initiatives from its customers. This has also helped the Group in enabling last-mile financial access to people who found it difficult to visit physical branches/ offices.</p> <p>Supply Chain</p> <p>We have introduced a Supplier Code of Conduct as part of our Supplier/ Vendor agreements basis which suppliers are expected to monitor, measure and report on its energy consumption and greenhouse gas emissions (direct and indirect) as well as undertake resource efficiency measures</p>
Investment in R&D	Yes	The Kotak Innovation Lab based out of Bangalore continues to contribute to unique digital solutions that in turn contributes to reducing its operational carbon footprint. has The Innovation Lab was awarded Best Innovation Centre by The Asian Banker in FY 2019-20.
Operations	Yes	<p>The Group's efforts to minimise our operational carbon footprint is focused on digitalization of products and services, procurement of renewable energy, responsible utilisation of resources and waste recycling, among others.</p> <p>The key initiatives undertaken for energy efficiency across some of the Group's offices in FY 2021-22 include:</p> <ul style="list-style-type: none"> - Installation of LED glow sign boards at key branches - Installation of occupancy sensor-based lighting across offices - Optimization of natural light usage by design in buildings <p>The Group is also exploring opportunities for IoT based monitoring system for energy consumption and resource optimisation. As a pilot project, an IoT based energy saving model has been installed across 85 branches for the air-conditioning systems</p> <p>In FY 2020-21, several initiatives were undertaken to actively reduce energy consumption and manage e-waste at several offices. For instance, the Group installed green data centres which have been optimised for power use through the implementation of 'cold aisle' containment across high-density and low-density data centres. This initiative has helped the Group significantly reduce power consumption over the past few years. In addition, the Group has nine LEED-certified offices across six cities and installed carbon-neutral floors installed at multiple office locations. Each of the LEED-certified offices meets the requirements of the green building rating system certification established by the U.S. Green Building Council and has best-in-class resource-efficient installations. These installations not only help monitor and control energy consumption but also help manage waste disposal processes and water consumption. The Group is in the process of getting more of its large offices' LEED certified.</p>

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Direct costs Indirect costs Capital expenditures Capital allocation Access to capital	<p>Capital Expenditure and Indirect costs: The Group considers climate-related issues while monitoring its carbon footprint and in its credit appraisal for term loans. As part of being energy efficient, The Group allocates a portion of its annual budget towards investment in energy-efficient infrastructure and increasing the use of green technology. Accordingly, capital expenditure is impacted. KMBL is also focused on reducing emissions through energy savings and reduced paper consumption. Over the past few years, The Group has invested in LEED certification of its buildings, installation of carbon-neutral floors, sensor-based lighting across its offices and a digital platform for monitoring generators. These initiatives helped decrease indirect operational costs.</p> <p>Direct Costs: The Group engaged an external consultant to conduct a detailed GHG inventory calculation exercise, decarbonisation strategy formulation and climate risk assessment (both physical and transition risks for the Bank), during FY 2021-22. This exercise is still underway and the Bank could formulate a low carbon transition plan basis the results of the exercise. In addition, climate risks and opportunities are proposed to be integrated into the enterprise risk management framework and business strategy.</p> <p>Access to Capital: The Bank goes beyond statutory reporting compliance to improve the transparency of its environmental footprint. It has also integrated responsible investment processes across its asset management business verticals in line with investor demands. The banking vertical has implemented a detailed ESG Management systems plan in line with the climate risk management-related requirements of select investors</p> <p>With the institution of the ESG Management Systems Plan, the access to capital and loans could increase for the borrowers who have sound sustainability and ESG practices in place</p>

C-FS3.6

(C-FS3.6) Does the policy framework for your portfolio activities include climate-related requirements for clients/investees, and/or exclusion policies?

Yes, our framework includes both policies with client/investee requirements and exclusion policies

C-FS3.6a

(C-FS3.6a) Provide details of the policies which include climate-related requirements that clients/investees need to meet.

Portfolio

Investing (Asset manager)

Type of policy

Sustainable/Responsible Investment Policy

Proxy voting

Other, please specify (Stewardship Policy)

Portfolio coverage of policy

100

Policy availability

Publicly available

Attach documents relevant to your policy

Stewardship Policy_KMAMC.pdf

OurESGPolicy-FixedIncome.pdf

OurESGPolicy-Equity (1).pdf

KotakMutualFundVotingPolicy-l6tkj.pdf

Criteria required of clients/investees

Disclosure of Scope 1 emissions

Disclosure of Scope 2 emissions

Disclosure of Scope 3 emissions

Value chain stages of client/investee covered by criteria

Direct operations only

Timeframe for compliance with policy criteria

No timeframe

Industry sectors covered by the policy

Energy

Materials

Capital Goods

Commercial & Professional Services

Transportation

Automobiles & Components

Consumer Durables & Apparel

Consumer Services

Retailing

Food & Staples Retailing

Food, Beverage & Tobacco

Household & Personal Products

Health Care Equipment & Services

Pharmaceuticals, Biotechnology & Life Sciences

Software & Services

Technology Hardware & Equipment

Semiconductors & Semiconductor Equipment

Telecommunication Services

Media & Entertainment

Utilities

Real Estate

Exceptions to policy based on

<Not Applicable>

Explain how criteria coverage and/or exceptions have been determined

All our portfolio companies are covered under our policies.

Portfolio

Banking (Bank)

Type of policy

Credit/lending policy

Portfolio coverage of policy

Policy availability

Not publicly available

Attach documents relevant to your policy

Criteria required of clients/investees

Disclosure of Scope 1 emissions
Disclosure of Scope 2 emissions
Disclosure of Scope 3 emissions

Value chain stages of client/investee covered by criteria

Direct operations only

Timeframe for compliance with policy criteria

No timeframe

Industry sectors covered by the policy

Energy
Materials
Capital Goods
Commercial & Professional Services
Transportation
Automobiles & Components
Consumer Durables & Apparel
Consumer Services
Retailing
Food & Staples Retailing
Food, Beverage & Tobacco
Household & Personal Products
Health Care Equipment & Services
Pharmaceuticals, Biotechnology & Life Sciences
Software & Services
Technology Hardware & Equipment
Semiconductors & Semiconductor Equipment
Telecommunication Services
Media & Entertainment
Utilities
Real Estate

Exceptions to policy based on

<Not Applicable>

Explain how criteria coverage and/or exceptions have been determined

The EMSP sets out the criteria for due diligence and evaluation of borrowers from an ESG perspective. These borrowers are categorised based on their activities and their social and environmental impact. Based on the category, evaluation is undertaken for capital expenditure and working capital loans above a certain size and tenure, against ESG criteria. Final scores are included in the Credit Assessment Note. Further, our EMSP defines an exclusionary list which prescribes thresholds/ ceilings on exposure limits for certain industries and activities.

The EMSP includes guidelines for periodic supervision and monitoring for the financed projects on an ongoing basis.

C-FS3.6b

(C-FS3.6b) Provide details of your exclusion policies related to industries and/or activities exposed or contributing to climate-related risks.

Portfolio

Banking (Bank)

Type of exclusion policy

Other, please specify (Our exclusion list covers activities is derived from the IFC guidance and the exclusion list includes activities that are considered detrimental for the environment.)

Year of exclusion implementation

2009

Timeframe for complete phase-out

Other, please explain (Aligned to domestic phase out requirements)

Application

New business/investment for new projects

Country/Region the exclusion policy applies to

India

Description

We limit our exposure to environmental (including climate), social and governance-related risks by integrating environment factors in our credit appraisal processes. We have instituted an ESG Management Systems Plan (EMSP) based on IFC guidance and other ESG evaluation frameworks to identify, review and manage the environment risks in our credit portfolio.

Portfolio

Investing (Asset manager)

Type of exclusion policy

Other, please specify (Exclusion policy is only fund/mandate specific.)

Year of exclusion implementation

2018

Timeframe for complete phase-out

Other, please explain (Aligned to domestic phase out requirements)

Application

New business/investment for new projects

Country/Region the exclusion policy applies to

India

Description

The exclusion policy is fund/mandate specific.

C-FS3.7

(C-FS3.7) Does your organization include climate-related requirements in your selection process and engagement with external asset managers?

	Climate-related requirements included in selection process and engagement with external asset managers	Primary reason for not including climate-related requirements in selection process and engagement with external asset managers	Explain why climate-related requirements are not included in selection process and engagement with external asset managers and your plans for the future
Row 1	Not applicable, because we do not have externally managed assets	Other, please specify (We do not have any externally managed assets.)	We do not have any externally managed assets.

C-FS3.8

(C-FS3.8) Does your organization include covenants in financing agreements to reflect and enforce your climate-related policies?

	Climate-related covenants in financing agreements	Primary reason for not including climate-related covenants in financing agreements	Explain why your organization does not include climate-related covenants in financing agreements and your plans for the future
Row 1	No, and we do not plan to include climate-related covenants in the next two years	Important but not an immediate priority	While our ESG evaluation (for select transactions as defined by our ESG Management Systems Plan) assesses climate information, inclusion of covenants may be considered in transactions involving clients from select sectors.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

No target

C4.1c

(C4.1c) Explain why you did not have an emissions target, and forecast how your emissions will change over the next five years.

	Primary reason	Five-year forecast	Please explain
Row 1	We are planning to introduce a target in the next two years	We have undertaken an extensive GHG emission estimation exercise during FY 2021-22. We are in the process of evaluating emission reduction opportunities and would develop a low-carbon transition plan.	We are in the process of developing a low-carbon transition plan and a decarbonization strategy aligned with SBTi methodology and the country goals.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

No other climate-related targets

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	0	0
To be implemented*	0	0
Implementation commenced*	0	0
Implemented*	3	121
Not to be implemented	0	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Low-carbon energy consumption	Wind
-------------------------------	------

Estimated annual CO2e savings (metric tonnes CO2e)

0

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

0

Payback period

No payback

Estimated lifetime of the initiative

Ongoing

Comment

Kotak Mahindra Bank procured 12,994 GJ of electricity generated from wind energy through open access arrangements.

Initiative category & Initiative type

Waste reduction and material circularity	Other, please specify (Paper saving)
--	--------------------------------------

Estimated annual CO2e savings (metric tonnes CO2e)

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 3 category 1: Purchased goods & services

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

Investment required (unit currency – as specified in C0.4)

Payback period

<1 year

Estimated lifetime of the initiative

Ongoing

Comment

A total of ~292,000 reams of paper was saved due to our digitalisation efforts to reduce paper consumption .

Initiative category & Initiative type

Other, please specify	Other, please specify (Installation of carbon neutral floors)
-----------------------	---

Estimated annual CO2e savings (metric tonnes CO2e)

121

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

Investment required (unit currency – as specified in C0.4)

Payback period

Please select

Estimated lifetime of the initiative

Ongoing

Comment

We have installed 11,920 square metres of carbon-neutral floors across three offices. The Carbon Neutral Floors will help Kotak avoid 121 tCO2 annually.

Initiative category & Initiative type

Energy efficiency in buildings	Other, please specify (LEED certified buildings)
--------------------------------	--

Estimated annual CO2e savings (metric tonnes CO2e)

121

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

Investment required (unit currency – as specified in C0.4)

Payback period

Please select

Estimated lifetime of the initiative

Ongoing

Comment

We have nine LEED-certified buildings (large offices) across six cities. Each of the LEED-certified offices meet the requirements of the green building rating system certification established by the U.S. Green Building Council and have best-in-class resource-efficient installations. We are in the process of getting more of our large offices LEED-certified.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Financial optimization calculations	The processes implemented and activities conducted towards energy savings helps reduce Kotak's operational costs.

C-FS4.5

(C-FS4.5) Do any of your existing products and services enable clients to mitigate and/or adapt to the effects of climate change?

No

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

No

Name of organization(s) acquired, divested from, or merged with

<Not Applicable>

Details of structural change(s), including completion dates

<Not Applicable>

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	Yes, a change in methodology Yes, a change in boundary	Change in Methodology - This is attributable to updation of the latest year's emission factors for purchased electricity from 0.83 tCO ₂ e/MWh to 0.79 tCO ₂ e/MWh. Change in Boundary - Kotak has changed its approach for consolidating its GHG inventory from operational control to financial control. This has resulted in inclusion of inventory of its subsidiaries in the overall inventory and reporting. The reporting boundary has also extended to cover the Group's pan-India operations. In addition, new emission sources under Scope 1 and Scope 3 were identified and included in the inventory, this year. Certain office locations of the Bank which were excluded from the inventory till last financial year have been included too. Monitoring systems were strengthened during the year and such offices have been added to improve overall coverage of GHG accounting.

C5.1c

(C5.1c) Have your organization's base year emissions been recalculated as result of the changes or errors reported in C5.1a and C5.1b?

	Base year recalculation	Base year emissions recalculation policy, including significance threshold
Row 1	No, because we have not evaluated whether the changes should trigger a base year recalculation	It would not be possible to get the data for the extended boundary, for the previous years (earlier CDP response mentions 2013-14 as the base year). We have changed the base year to 2021-22 in this year's CDP response as we have significantly expanded our coverage this year and have more reliable data.

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

April 1 2021

Base year end

March 31 2022

Base year emissions (metric tons CO2e)

7820

Comment

The Base year dates have been updated to the Financial year 2021-22 since GHG inventory coverage and scope has been significantly enhanced and improved this year. More accurate and reliable data is available.

Refrigerants: For refrigerants, data is collected for quantity and type of refrigerant used for refilling the air conditioner systems and is recorded for each maintenance cycle. This data is currently only monitored for select offices (large offices).

Fire suppression systems: Data is collected for refilling/replacement of fire extinguishers at Kotak's large offices. The amount of fire extinguishing material refilled along with the type of extinguisher used for refilling (CO2, foam type, etc.) is monitored.

For estimating emissions from refrigerants and fire suppression systems, we have adopted a sales based approach.

Diesel: The emissions from diesel consumption in diesel generators is also included in the scope 1 inventory. However, this data is only being monitored for limited number of large offices and branches and the coverage will be expanded going forward.

Scope 2 (location-based)

Base year start

April 1 2021

Base year end

March 31 2022

Base year emissions (metric tons CO2e)

76064

Comment

The Base year dates have been updated to the Financial year 2021-22 since GHG inventory coverage and scope has been significantly improved this year. More reliable data is available. Central Electricity Authority, India supplied emission factors used to compute emissions from purchased electricity

Scope 2 (market-based)

Base year start

April 1 2021

Base year end

March 31 2022

Base year emissions (metric tons CO2e)

76064

Comment

Location-based result has been used as a proxy since a market-based figure cannot be calculated

Scope 3 category 1: Purchased goods and services

Base year start

April 1 2021

Base year end

March 31 2022

Base year emissions (metric tons CO2e)

630.97

Comment

Data for paper consumption has been included.

Scope 3 category 2: Capital goods

Base year start

April 1 2021

Base year end

March 31 2022

Base year emissions (metric tons CO2e)

28046.52

Comment

Categories of capital goods included in the calculation are ATMs, computers, furniture & fixtures, upgrade to premises, office equipment and vehicles, beyond what has been reported in FY 2020-21 (which was limited to IT hardware for select large offices)

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

April 1 2021

Base year end

March 31 2022

Base year emissions (metric tons CO2e)

19937.29

Comment

- Fuel consumed in DG sets accounts for Well-to-tank (WTT) (extraction, refining and transportation) emissions prior to their combustion at Kotak's operations. The fuel data has been multiplied with the emission factor of the reporting to estimate CO2 emissions for that particular year.
- For purchased electricity, a summation of the generation and Transmission and distribution (T&D) factors is used to report the emissions associated with grid losses (the energy loss that occurs in getting the electricity from the power plant to the Bank offices). The electricity consumption data has been multiplied with the emission factor to estimate CO2 emissions for that particular year. The emission factor has been taken from DEFRA, 2021.

Scope 3 category 4: Upstream transportation and distribution

Base year start**Base year end****Base year emissions (metric tons CO2e)**

0

Comment

Given the fact that the Kotak Group is a provider of financial services and not in the manufacturing sector, upstream transportation and distribution is not material for the distribution of its services.

Scope 3 category 5: Waste generated in operations

Base year start

April 1 2021

Base year end

March 31 2022

Base year emissions (metric tons CO2e)

4.41

Comment

The team collected information for various types of waste generated at select large offices in different units (kg or nos.), which is then converted into a standard measuring unit- in kg (i.e., the activity data) . Each type of waste generated is multiplied by the respective emission factor selected based on the disposal method. In this case, it is assumed that all waste that is collected by a third-party vendor is either recycled or combusted. The emission factor has been taken from DEFRA 2021.

Scope 3 category 6: Business travel

Base year start

April 1 2021

Base year end

March 31 2022

Base year emissions (metric tons CO2e)

772.83

Comment

Coverage of Business Travel in FY 2021-22 has been expanded to include train travel. Overall emissions from this category in the prior reporting period were relatively lower because business travel was restricted during the COVID-19 pandemic.

Air Travel: Activity Data regarding the number of trips between origin and destination for each flight, is collected. Data is collected separately for domestic and international travel. The distance is calculated for each trip in kilometre (km). GHG emissions for air travel are calculated by multiplying the total distance travelled with the emission factor. The emission factor has been taken from DEFRA 2021.

Rail Travel: Activity Data regarding the number of trips between two cities (origin and destination) is collected. GHG emissions for rail travel are calculated by multiplying the total distance travelled in km with the emission factor taken from indiaghg.org.

Scope 3 category 7: Employee commuting

Base year start

April 1 2021

Base year end

March 31 2022

Base year emissions (metric tons CO2e)

42.47

Comment

Activity data on 'distance travelled for each trip' by all company-controlled buses in a month is calculated. The team then aggregates the total distance travelled (kilometre) by the buses and uses it to calculate the CO2 emissions per kilometre per passenger. The emission factor has been taken from India GHG Program - Road Transport, 2015

Scope 3 category 8: Upstream leased assets

Base year start

April 1 2021

Base year end

March 31 2022

Base year emissions (metric tons CO2e)

6061.72

Comment

Fuel consumed in leased DG sets and electricity consumed at leased sites (that house offsite ATMs) included. The emission factor has been taken from IPCC,2006 and CEA, 2021

Scope 3 category 9: Downstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

0

Comment

Given the fact that the Kotak Group is a provider of financial services and not in the manufacturing sector, downstream transportation and distribution is not material for the distribution of its services

Scope 3 category 10: Processing of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

0

Comment

Given the fact that Kotak Group is a financial services provider and not in the manufacturing sector, products sold are intangible products - therefore not a material source of emission.

Scope 3 category 11: Use of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

0

Comment

Given the fact that Kotak Group is a financial services provider and not in the manufacturing sector - therefore not a material source of emission.

Scope 3 category 12: End of life treatment of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

0

Comment

Not Applicable

Scope 3 category 13: Downstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

0

Comment

Not Applicable

Scope 3 category 14: Franchises

Base year start

Base year end

Base year emissions (metric tons CO2e)

0

Comment

Not Applicable

Scope 3 category 15: Investments

Base year start

Base year end

Base year emissions (metric tons CO2e)

0

Comment

The Bank has initiated sectoral carbon footprint assessment to estimate scope 3 emissions for investments

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

0

Comment

The Group is yet to conduct a comprehensive carbon footprint to assess scope 3 emissions for other (upstream) emission sources

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

0

Comment

Not Applicable

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

India GHG Inventory Programme

IPCC Guidelines for National Greenhouse Gas Inventories, 2006

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

Other, please specify (DEFRA 2020, DEFRA 2021)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

7820.33

Start date

April 1 2021

End date

March 31 2022

Comment

The boundary of reporting has been substantially widened during FY 2021-22. Emissions from fire extinguishers have been added as a new source of emission and the reporting is now done as per the Financial Control approach to consolidation. As a result, multiple subsidiaries have been included within the ambit of reporting. Details of the boundary are available in our Annual Integrated Report. - <https://www.kotak.com/content/dam/Kotak/investor-relation/Financial-Result/Annual-Reports/FY-2022/kotak-mahindra-bank-21/Kotak-Mahindra-Bank-Limited.pdf>

Refrigerants: For refrigerants, data is collected for quantity and type of refrigerant used for refilling the air conditioner systems and is recorded for each maintenance cycle. This data is currently only monitored for select offices (large offices).

Fire suppression systems: Data is collected for refilling/replacement of fire extinguishers at Kotak's large offices. The amount of fire extinguishing material refilled along with the type of extinguisher used for refilling (CO2, foam type, etc.) is monitored.

For estimating emissions from refrigerants and fire suppression systems, we have adopted a sales based approach.

Diesel: The emissions from diesel consumption in diesel generators is also included in the scope 1 inventory, with data being monitored at most of the large and small offices and bank branches and the coverage will be expanded going forward.

Past year 1

Gross global Scope 1 emissions (metric tons CO2e)

1214

Start date

April 1 2020

End date

March 31 2021

Comment

The number is higher as compared to Past year 2 since a new emission source (refrigerants have been included in scope)

Past year 2

Gross global Scope 1 emissions (metric tons CO2e)

90.78

Start date

April 1 2019

End date

March 31 2020

Comment

Scope 1 emissions

Past year 3

Gross global Scope 1 emissions (metric tons CO2e)

70.19

Start date

April 1 2018

End date

March 31 2019

Comment

Scope 1 emissions

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We have no operations where we are able to access electricity supplier emission factors or residual emissions factors and are unable to report a Scope 2, market-based figure

Comment

Electricity purchased for our locations is primarily sourced through the national grid.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

76064.28

Scope 2, market-based (if applicable)

<Not Applicable>

Start date

April 1 2021

End date

March 31 2022

Comment

The boundary of reporting has been substantially widened during FY 2021-22. The reporting is now done as per the financial control approach to consolidation of GHG inventory. As a result, multiple subsidiaries have been included within the ambit of reporting. Details of the boundary are available in our Annual Integrated Report.

Past year 1

Scope 2, location-based

57484

Scope 2, market-based (if applicable)

<Not Applicable>

Start date

April 1 2020

End date

March 31 2021

Comment

KMBL procured 3,337 MWh of electricity generated from wind energy through open access arrangements. However, due to the unavailability of specific emission factors, the grid emission factor is used to calculate Scope 2 emissions even for that part of the electricity procurement.

Past year 2

Scope 2, location-based

69780

Scope 2, market-based (if applicable)

<Not Applicable>

Start date

April 1 2019

End date

March 31 2020

Comment

Purchased electricity included under Scope 2

Past year 3

Scope 2, location-based

77750.41

Scope 2, market-based (if applicable)

<Not Applicable>

Start date

April 1 2018

End date

March 31 2019

Comment

Purchased electricity included under Scope 2

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source

Diesel consumed in DG sets in select offices.

Relevance of Scope 1 emissions from this source

Emissions are relevant but not yet calculated

Relevance of location-based Scope 2 emissions from this source

No emissions excluded

Relevance of market-based Scope 2 emissions from this source (if applicable)

No emissions excluded

Explain why this source is excluded

The emissions from diesel consumption in diesel generators is also included in the scope 1 inventory, with data being monitored at most of the large and small offices and bank branches and the coverage will be expanded going forward.

Estimated percentage of total Scope 1+2 emissions this excluded source represents

Explain how you estimated the percentage of emissions this excluded source represents

We have not estimated these emissions.

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

630.97

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Data for paper consumption has been included. The data is collected on a centralized platform for the number of papers consumed in terms of reams of paper. This information is used for deriving the weight of paper. This is done by multiplying the weight of each type of paper with the total number of papers.

- Total weight of different types of paper is then calculated by estimating the weight of each ream of paper (1 ream = 500 sheets of A4 size paper).
- This segregated information is then multiplied with the respective emission factor to get the CO2 emissions

Capital goods

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

28046.52

Emissions calculation methodology

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

The data is collected on a centralized platform for the expense of capital goods purchased during the year. The value is converted from INR to USD, using the conversion rate from a reliable website (like Exchange Rates). The expense is multiplied by the respective emission factor to calculate GHG emissions.

Categories of capital goods included in the calculation are ATMs, computers, furniture & fixtures, upgrade to premises, office equipment and vehicles, beyond what has been reported in FY 2020-21 (which was limited to IT hardware for select large offices).

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

19937.29

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

- Fuel consumed in DG sets accounts for Well-to-tank (WTT) (extraction, refining and transportation) emissions prior to their combustion at Kotak's operations. The fuel data has been multiplied with the emission factor of the reporting to estimate CO2 emissions for that particular year.
- For purchased electricity, a summation of the generation and Transmission and distribution (T&D) factors is used to report the emissions associated with grid losses (the energy loss that occurs in getting the electricity from the power plant to the Bank offices. The electricity consumption data has been multiplied with the emission factor of the reporting to estimate CO2 emissions for that particular year.
- The expansion of coverage of Scope 1 and Scope 2 emissions has a proportionate impact on this emission value.

Upstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Given the fact that the Kotak Group is a provider of financial services and not in the manufacturing sector, upstream transportation and distribution is not material for the distribution of its services.

Waste generated in operations

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

4.41

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

The team collected information for various types of waste generated at select large offices in different units (kg or nos.), which is then converted into the activity data (in kg). Each type of waste generated is multiplied by the respective emission factor selected based on the disposal method. In this case, it is assumed that all waste that is collected by a third-party vendor is either recycled or combusted.

Business travel

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

772.83

Emissions calculation methodology

Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Coverage of Business Travel in FY 2021-22 has been expanded to include train travel. Overall emissions from this category in the prior reporting period were relatively lower because business travel was restricted during the COVID-19 pandemic

Air Travel: Activity Data regarding the number of trips between origin and destination for each flight, is collected. Data is collected separately for domestic and international travel. The distance is calculated for each trip in kilometre (km). GHG emissions for air travel are calculated by multiplying the total distance travelled with the emission factor.

Rail Travel: Activity Data regarding the number of trips between two cities (origin and destination) is collected. GHG emissions for rail travel are calculated by multiplying the total distance travelled in km with the emission factor

Employee commuting

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

42.47

Emissions calculation methodology

Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Activity data on 'distance travelled for each trip' by all company-controlled buses in a month is calculated. The team then aggregates the total distance travelled (kilometre) by the buses and uses it to calculate the CO2 emissions per kilometre per passenger.

Upstream leased assets

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

6061.72

Emissions calculation methodology

Asset-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Fuel consumed in leased DG sets and electricity consumed at leased sites (that house offsite ATMs) included.

Downstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Given the fact that the Kotak Group is a provider of financial services and not in the manufacturing sector, downstream transportation and distribution is not material for the distribution of its services

Processing of sold products

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Given the fact that Kotak Group is a financial services provider and not in the manufacturing sector, products sold are intangible products - therefore not a material source of emission.

Use of sold products

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Given the fact that Kotak Group is a financial services provider and not in the manufacturing sector - therefore not a material source of emission.

End of life treatment of sold products

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Not Applicable

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

The Group is yet to conduct a comprehensive carbon inventory exercise to assess scope 3 emissions for its downstream leased assets

Franchises

Evaluation status

Not evaluated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Not Applicable

Other (upstream)

Evaluation status

Not evaluated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

The Group is yet to conduct a comprehensive carbon footprint to assess scope 3 emissions for other (upstream) emission sources

Other (downstream)

Evaluation status

Not evaluated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

The Group is yet to conduct a comprehensive carbon footprint to assess scope 3 emissions for other (downstream) emission sources

C6.5a

(C6.5a) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

Start date

April 1 2020

End date

March 31 2021

Scope 3: Purchased goods and services (metric tons CO2e)

0

Scope 3: Capital goods (metric tons CO2e)

3.43

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

0

Scope 3: Upstream transportation and distribution (metric tons CO2e)

0

Scope 3: Waste generated in operations (metric tons CO2e)

0

Scope 3: Business travel (metric tons CO2e)

185.9

Scope 3: Employee commuting (metric tons CO2e)

34.86

Scope 3: Upstream leased assets (metric tons CO2e)

0

Scope 3: Downstream transportation and distribution (metric tons CO2e)

0

Scope 3: Processing of sold products (metric tons CO2e)

0

Scope 3: Use of sold products (metric tons CO2e)

0

Scope 3: End of life treatment of sold products (metric tons CO2e)

0

Scope 3: Downstream leased assets (metric tons CO2e)

0

Scope 3: Franchises (metric tons CO2e)

0

Scope 3: Investments (metric tons CO2e)

<Not Applicable>

Scope 3: Other (upstream) (metric tons CO2e)

0

Scope 3: Other (downstream) (metric tons CO2e)

0

Comment

Scope 3 emissions estimated for capital goods, business travel and employee commute

Past year 2

Start date

April 1 2019

End date

March 31 2020

Scope 3: Purchased goods and services (metric tons CO2e)

0

Scope 3: Capital goods (metric tons CO2e)

39.56

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

0

Scope 3: Upstream transportation and distribution (metric tons CO2e)

0

Scope 3: Waste generated in operations (metric tons CO2e)

0

Scope 3: Business travel (metric tons CO2e)

4203.79

Scope 3: Employee commuting (metric tons CO2e)

46.83

Scope 3: Upstream leased assets (metric tons CO2e)

0

Scope 3: Downstream transportation and distribution (metric tons CO2e)

0

Scope 3: Processing of sold products (metric tons CO2e)

0

Scope 3: Use of sold products (metric tons CO2e)

0

Scope 3: End of life treatment of sold products (metric tons CO2e)

0

Scope 3: Downstream leased assets (metric tons CO2e)

0

Scope 3: Franchises (metric tons CO2e)

0

Scope 3: Investments (metric tons CO2e)

<Not Applicable>

Scope 3: Other (upstream) (metric tons CO2e)

0

Scope 3: Other (downstream) (metric tons CO2e)

0

Comment

Scope 3 emissions estimated for capital goods, business travel and employee commute

Past year 3

Start date

April 1 2018

End date

March 31 2019

Scope 3: Purchased goods and services (metric tons CO2e)

0

Scope 3: Capital goods (metric tons CO2e)

4931

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

0

Scope 3: Upstream transportation and distribution (metric tons CO2e)

0

Scope 3: Waste generated in operations (metric tons CO2e)

0

Scope 3: Business travel (metric tons CO2e)

4402.05

Scope 3: Employee commuting (metric tons CO2e)

83.15

Scope 3: Upstream leased assets (metric tons CO2e)

0

Scope 3: Downstream transportation and distribution (metric tons CO2e)

0

Scope 3: Processing of sold products (metric tons CO2e)

0

Scope 3: Use of sold products (metric tons CO2e)

0

Scope 3: End of life treatment of sold products (metric tons CO2e)

0

Scope 3: Downstream leased assets (metric tons CO2e)

0

Scope 3: Franchises (metric tons CO2e)

0

Scope 3: Investments (metric tons CO2e)

<Not Applicable>

Scope 3: Other (upstream) (metric tons CO2e)

0

Scope 3: Other (downstream) (metric tons CO2e)

0

Comment

Scope 3 emissions estimated for capital goods, business travel and employee commute

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.93

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

83884.5

Metric denominator

full time equivalent (FTE) employee

Metric denominator: Unit total

90618

Scope 2 figure used

Location-based

% change from previous year

17.69

Direction of change

Decreased

Reason for change

The emission figures for FY 2021-22 and FY 2020-21 are not comparable, due to expanded coverage and change in consolidation method to financial control from operational control. We included a comparable intensity figure in the Annual Integrated Report FY 2021-22. Please note the % change from the previous year has been calculated against last year's intensity (1.13).

Intensity figure

1.42e-7

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

83884.5

Metric denominator

unit total revenue

Metric denominator: Unit total

590510054000

Scope 2 figure used

Location-based

% change from previous year

22

Direction of change

Decreased

Reason for change

The emission figures for FY 2021-22 and FY 2020-21 may not be comparable, due to expanded coverage and change in consolidation method to financial control from operational control. We included a comparable intensity figure in the Annual Integrated Report. Please note the % change from the previous year has been calculated against last year's intensity (0.000000182).

C7. Emissions breakdowns

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Increased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	0	No change	0	Not Applicable
Other emissions reduction activities	0	No change	0	Not Applicable
Divestment	0	No change	0	Not Applicable
Acquisitions	0	No change	0	Not Applicable
Mergers	0	No change	0	Not Applicable
Change in output	2909	Increased	5	Overall, Kotak's business volume expanded in FY 2021-22. Increase in business activities and gradual transition to normalcy pursuant to the COVID 19 pandemic resulted in increase in emissions.
Change in methodology	2857	Decreased	5	The change in emission factor (used to compute emissions from purchased electricity under Scope 2 category) due to revision made by Central Electricity Authority, India accounts for the change due to methodology.
Change in boundary	25135	Increased	43	This is primarily on account of the change in inventory consolidation method from the Operational Control Method to the Financial Control method. As a result group subsidiaries of Kotak Mahindra Bank have been included in the boundary. In addition, 123 small offices and 10 new large offices of the Bank have been added in this year's GHG inventory
Change in physical operating conditions	0	No change	0	Not Applicable
Unidentified	0	No change	0	Not Applicable
Other	0	No change	0	Not Applicable

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	No

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)	0	3035.78	3035.78
Consumption of purchased or acquired electricity	<Not Applicable>	3609.5	112308.8	115918.3
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Total energy consumption	<Not Applicable>	3609.5	115344.58	118954.08

C8.2g

(C8.2g) Provide a breakdown of your non-fuel energy consumption by country.

Country/area

India

Consumption of electricity (MWh)

115918.3

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

115918.3

Is this consumption excluded from your RE100 commitment?

<Not Applicable>

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description

Waste

Metric value

104.75

Metric numerator

Tons

Metric denominator (intensity metric only)

-

% change from previous year

24.71

Direction of change

Increased

Please explain

The waste includes construction and demolition waste, scrap, paper and other miscellaneous waste. Since offices remained partially shut because of the COVID-19 pandemic, overall waste generation in offices was low during FY 2020-21 but increased during FY 2021-22 as normal operations resumed. Waste has been reported only for the Bank's large offices. However, the boundary has changed as more number of large offices have been included this year.

Description

Waste

Metric value

2.42

Metric numerator

KL

Metric denominator (intensity metric only)

-

% change from previous year

203.5

Direction of change

Increased

Please explain

KMBL measures and monitors the used oil generated from the DG sets at large offices and disposes them to an authorized vendor. The used oil disposal data disclosed above represents waste generation due to scheduled and breakdown maintenance activities. Waste has been reported only for the Bank's large offices. However, the boundary has changed as more number of large offices have been included this year.

Description

Other, please specify (Water)

Metric value

352902

Metric numerator

KL

Metric denominator (intensity metric only)

-

% change from previous year

399

Direction of change

Increased

Please explain

Water is not a direct input for KMBL's business operations. However, it is required for employee and customer consumption, cleaning operations and toilet use. Since offices remained partially shut because of the COVID-19 pandemic, overall water consumption in offices was low during FY 2020-21. Normal operations resumed during FY 2021-22 leading to an increase in overall water consumption. The boundary has also significantly increased and consumption of drinking water, groundwater, tanker water, municipality water has been reported to include 13 large offices, 123 small offices and 1648 branches vis-à-vis only 14 large offices included last year.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Assurance statement on GHG emissions.pdf

Page/ section reference

Please refer to Page Number 4 for the assured Scope 1 numbers.

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Assurance statement on GHG emissions.pdf

Page/ section reference

Please refer to Page Number 4 for the assured Scope 2 numbers.

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category

- Scope 3: Purchased goods and services
- Scope 3: Capital goods
- Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)
- Scope 3: Waste generated in operations
- Scope 3: Business travel
- Scope 3: Employee commuting
- Scope 3: Upstream leased assets

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Assurance statement on GHG emissions.pdf

Page/section reference

Please refer to Page Number 4 for the assured Scope 3 numbers.

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C9. Additional metrics	Other, please specify (Water)	ISAE 3000	Our total water consumption has been assured by a third party. Assurance statement FY 21-22.pdf

C11. Carbon pricing

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

- Yes, our suppliers
- Yes, our customers/clients
- Yes, our investees

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Other, please specify (Our Supplier Code of Conduct has been put in place in FY 21-22 and is expected to form a part of the supplier agreements going forward, and we encourage them to establish systems to monitor, measure and report on energy consumption and GHG emissions.)

Details of engagement

Other, please specify (Inclusion of climate-related expectations in all new supplier agreements)

We have not estimated the percentage of supplier-related scope 3 emissions.

% of suppliers by number

0

% total procurement spend (direct and indirect)

0

% of supplier-related Scope 3 emissions as reported in C6.5

0

Rationale for the coverage of your engagement

We have introduced a Supplier Code of Conduct during FY 2021-22 and would start implementing it in FY 2022-23, by making it a part of formal agreements with suppliers. The Code of Conduct encourages the suppliers/ service providers to monitor, measure and report on its energy consumption and greenhouse gas emissions (direct and indirect) as well as undertake resource efficiency measures.

Impact of engagement, including measures of success

The process of inclusion of climate-related expectations in supplier agreements was initiated during FY 2021-22 and the impact of engagement will be determined after commencement of implementation in FY 2022-23.

Comment

We will enhance and strengthen our engagement activities in the future

C-FS12.1b

(C-FS12.1b) Give details of your climate-related engagement strategy with your clients.

Type of clients

Customers/clients of Banks

Type of engagement

Other, please specify (Periodic supervision and monitoring)

Details of engagement

Collect climate change and carbon information at least annually from long-term clients
Encourage better climate-related disclosure practices

% client-related Scope 3 emissions as reported in C-FS14.1a

0

Portfolio coverage (total or outstanding)

0

Rationale for the coverage of your engagement

Engagement targeted at clients with increased climate-related risks

Impact of engagement, including measures of success

Not evaluated yet

Type of clients

Clients of Asset Managers (Asset owners)

Type of engagement

Collaboration & innovation

Details of engagement

Collect climate change and carbon information at least annually from long-term clients
Encourage better climate-related disclosure practices

% client-related Scope 3 emissions as reported in C-FS14.1a

0

Portfolio coverage (total or outstanding)

100

Rationale for the coverage of your engagement

Engagement targeted at clients with increased climate-related risks

Impact of engagement, including measures of success

Not evaluated yet

C-FS12.1c

(C-FS12.1c) Give details of your climate-related engagement strategy with your investees.

Type of engagement

Other, please specify (Active engagement)

Details of engagement

Other, please specify (a.) Exercise active ownership b.) Support climate-related issues in proxy voting c.) As part of our stewardship policy we engage on ESG issues with all our investee companies.)

% scope 3 emissions as reported in C-FS14.1a/C-FS14.1b

0

Investing (Asset managers) portfolio coverage

0

Investing (Asset owners) portfolio coverage

<Not Applicable>

Rationale for the coverage of your engagement

Engagement targeted at investees with the highest potential impact on the climate

Impact of engagement, including measures of success

In line with our Climate Action 100+ membership, we endeavor to encourage the Indian corporate sector to individually and collectively, take action to reduce greenhouse gas emissions consistent with the Paris Agreement's goals.

C-FS12.2

(C-FS12.2) Does your organization exercise voting rights as a shareholder on climate-related issues?

	Exercise voting rights as a shareholder on climate-related issues	Primary reason for not exercising voting rights as a shareholder on climate-related issues	Explain why you do not exercise voting rights on climate-related issues
Row 1	Yes	<Not Applicable>	<Not Applicable>

C-FS12.2a

(C-FS12.2a) Provide details of your shareholder voting record on climate-related issues.

Method used to exercise your voting rights as a shareholder

Exercise voting rights directly

How do you ensure your shareholder voting rights are exercised in line with your overall climate strategy?

<Not Applicable>

Percentage of voting disclosed across portfolio

100

Climate-related issues supported in shareholder resolutions

Other, please specify (We have not witnessed any climate-related issues in the voting resolutions)

Do you publicly disclose the rationale behind your voting on climate-related issues?

Yes, for all

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

Direct or indirect engagement that could influence policy, law, or regulation that may impact the climate

Yes, we engage indirectly through trade associations

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

No, and we do not plan to have one in the next two years

Attach commitment or position statement(s)

<Not Applicable>

Describe the process(es) your organization has in place to ensure that your engagement activities are consistent with your overall climate change strategy

The Bank's ESG Policy Framework governs the Bank and its subsidiaries' environment related strategy and initiatives. In line with the commitments articulated in the ESG Policy Framework, the Bank gives inputs on surveys and consultations by regulatory bodies on ESG and climate action, and has in the past year provided inputs to RBI, SEBI and IFSCA among others. Whilst engaging with industry trade associations, Kotak supports industry level initiatives towards mitigating the negative effects of Climate change in addition to the occasional thought leaderships published by its Institutional equities research arm. Further, on an ongoing basis the Bank also engages with clients and investors on relevant climate related issues.

Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

C12.3b

(C12.3b) Provide details of the trade associations your organization engages with which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association

Federation of Indian Chambers of Commerce & Industry (FICCI)

Is your organization's position on climate change consistent with theirs?

Consistent

Has your organization influenced, or is your organization attempting to influence their position?

We are not attempting to influence their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

FICCI has been playing a proactive role in climate change related policy advocacy, outreach, thought leadership and representation in international platforms as a voice of business and industry in India for more than a decade. This role has been deepened by the FICCI Climate Change Task Force (CCTF) since 2007. The Task Force, rechristened as FICCI Climate Change Committee in 2018 to take forward FICCI's engagement in this space to a higher level and to ensure India's leading position on its nationally-determined targets under Paris Agreement with proactive actions on all fronts and not just emission reductions. FICCI's climate work further emphasises on international collaboration and developing consensus on policy and fiscal measures to bring forth a good degree of balance on all pillars as per the rulebook of the Paris Agreement, starting from mitigation, to adaptation and finance.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

Describe the aim of your organization's funding

<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

No, we have not evaluated

Trade association

Confederation of Indian Industries (CII)

Is your organization's position on climate change consistent with theirs?

Consistent

Has your organization influenced, or is your organization attempting to influence their position?

We are not attempting to influence their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

CII through its Centres of Excellence works with clients as business enablers helping them to address Climate Change risks and identify opportunities through capacity building and advisory services. CII-ITC Centre of Excellence for Sustainable Development provides advisory services in the field of Carbon Neutrality, GHG emission Inventory and also trainings on ISO 14064. The CII – Sohrabji Godrej Green Business Centre works on promoting energy efficiency initiatives in various sectors such as cement, pulp & paper, power and sugar. CII – Sohrabji Godrej Green Business Centre along with WRI and TERI had launched India GHG program that aims to build comprehensive measurement & management strategies that will reduce GHG emissions and drive more profitable, competitive and sustainable business models in the country. CII – Sohrabji Godrej Green Business Centre through Indian Green Building Council (IGBC) has launched several IGBC Green Building Rating Systems. IGBC works very closely working with several Central and State Government agencies to promote the green building movement in the country. Some of the Central and State Government agencies have given recognition to IGBCs' Green Rating Systems such as Ministry of Environment, Forests and Climate Change offers fast track environmental clearance for green building projects which are Pre certified/ Provisionally Certified by IGBC. CII – Sohrabji Godrej Green Business Centre has developed the 'Greenco rating' system for evaluating the 'greenness of companies'. The rating system is the "first of its kind in the world" to assess and analyze the environmental impact of the company's activities or operations. The rating will also help in defining the path forward to ecologically sustainable business growth.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

Describe the aim of your organization's funding

<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

No, we have not evaluated

C12.4

(C12.4) Have you published information about your organization’s response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports, incorporating the TCFD recommendations

Status

Complete

Attach the document

Kotak-Mahindra-Bank-Limited_IR 2021-22.pdf

Page/Section reference

380

Content elements

- Governance
- Strategy
- Risks & opportunities
- Emissions figures
- Other metrics

Comment

The TCFD recommendations were incorporated for our climate reporting in Annual Integrated Report 2021-22.

C-FS12.5

(C-FS12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.

	Environmental collaborative framework, initiative and/or commitment	Describe your organization’s role within each framework, initiative and/or commitment
Row 1	Climate Action 100+ Principle for Responsible Investment (PRI) Other, please specify (Climate Finance Leadership Initiative)	<p>PRI: Kotak Mahindra is the first Indian asset management group committing to make its investment decisions in a more responsible and sustainable manner using the PRI's voluntary framework.</p> <p>Climate Action 100+: Kotak Mahindra Asset Management has signed up for climate action 100+ :as part of our sustainability strategy to increase engagement and disclosures on climate risks and opportunities with focus companies.</p> <p>Climate Finance Leadership Initiative: CFLI India seeks to mobilize investment into India and begin a long-term effort with public, private, and multilateral initiatives to strengthen local enabling environments and facilitate private capital at scale. By helping to drive more private investment to clean energy sustainable infrastructure projects in India, this effort can set an example for what's possible in countries around the world. Kotak Mahindra Bank is among the nine founding members of Climate Finance Leadership Initiative (CFLI) India.</p>

C14. Portfolio Impact

C-FS14.0

(C-FS14.0) For each portfolio activity, state the value of your financing and insurance of carbon-related assets in the reporting year.

Lending to all carbon-related assets

Are you able to report a value for the carbon-related assets?

No, and we do not plan to assess our portfolio’s exposure in the next two years

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)

<Not Applicable>

New loans advanced in reporting year (unit currency – as specified in C0.4)

<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)

<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year

<Not Applicable>

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets

Other, please specify (The Bank is in the process of estimating its portfolio emissions for select sectors and would consider disclosing the same in the near future)

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future

The Bank is in the process of estimating its portfolio emissions for select sectors and would consider disclosing the same in the near future

Lending to coal

Are you able to report a value for the carbon-related assets?

No, but we plan to assess our portfolio's exposure in the next two years

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)

<Not Applicable>

New loans advanced in reporting year (unit currency – as specified in C0.4)

<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)

<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year

<Not Applicable>

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets

Other, please specify (The Bank is in the process of estimating its portfolio emissions for select sectors and would consider disclosing the same in the near future)

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future

The Bank is in the process of estimating its portfolio emissions for select sectors and would consider disclosing the same in the near future

Lending to oil and gas

Are you able to report a value for the carbon-related assets?

No, and we do not plan to assess our portfolio's exposure in the next two years

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)

<Not Applicable>

New loans advanced in reporting year (unit currency – as specified in C0.4)

<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)

<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year

<Not Applicable>

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets

Other, please specify (The Bank is in the process of estimating its portfolio emissions for select sectors and would consider disclosing the same in the near future)

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future

The Bank is in the process of estimating its portfolio emissions for select sectors and would consider disclosing the same in the near future

Investing in all carbon-related assets (Asset manager)

Are you able to report a value for the carbon-related assets?

No, and we do not plan to assess our portfolio's exposure in the next two years

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)

<Not Applicable>

New loans advanced in reporting year (unit currency – as specified in C0.4)

<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)

<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year

<Not Applicable>

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets

Other, please specify (Data provided by our investee companies is insufficient to measure the value of financing)

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future

Data provided by our investee companies is insufficient to measure the value of financing

Investing in coal (Asset manager)

Are you able to report a value for the carbon-related assets?

No, and we do not plan to assess our portfolio's exposure in the next two years

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)

<Not Applicable>

New loans advanced in reporting year (unit currency – as specified in C0.4)

<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)

<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year

<Not Applicable>

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets

Other, please specify (Lack of data disclosures)

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future

Lack of data disclosures

Investing in oil and gas (Asset manager)

Are you able to report a value for the carbon-related assets?

No, but we plan to assess our portfolio's exposure in the next two years

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)

<Not Applicable>

New loans advanced in reporting year (unit currency – as specified in C0.4)

<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)

<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year

<Not Applicable>

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets

Other, please specify (Lack of data disclosures)

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future

Lack of data disclosures

Insuring all carbon-related assets

Are you able to report a value for the carbon-related assets?

No, and we do not plan to assess our portfolio's exposure in the next two years

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)

<Not Applicable>

New loans advanced in reporting year (unit currency – as specified in C0.4)

<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)

<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year

<Not Applicable>

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets

Important, but not immediate priority

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future

Our Group comprises of two insurance businesses, life insurance and general insurance. The life insurance business is significantly larger and does not insure any carbon-related assets. The response provided above pertains to our general insurance business.

Insuring coal

Are you able to report a value for the carbon-related assets?

No, and we do not plan to assess our portfolio's exposure in the next two years

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)

<Not Applicable>

New loans advanced in reporting year (unit currency – as specified in C0.4)

<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)

<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year

<Not Applicable>

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets

Important, but not immediate priority

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future

Our Group comprises of two insurance businesses, life insurance and general insurance. The life insurance business is significantly larger and does not insure any carbon-related assets. The response provided above pertains to our general insurance business.

Insuring oil and gas

Are you able to report a value for the carbon-related assets?

No, and we do not plan to assess our portfolio's exposure in the next two years

Value of the carbon-related assets in your portfolio (unit currency – as specified in C0.4)

<Not Applicable>

New loans advanced in reporting year (unit currency – as specified in C0.4)

<Not Applicable>

Total premium written in reporting year (unit currency – as specified in C0.4)

<Not Applicable>

Percentage of portfolio value comprised of carbon-related assets in reporting year

<Not Applicable>

Primary reason for not providing a value for the financing and/or insurance to carbon-related assets

Important, but not immediate priority

Please explain why you are not providing a value for the financing and/or insurance to carbon-related assets and your plans for the future

Our Group comprises of two insurance businesses, life insurance and general insurance. The life insurance business is significantly larger and does not insure any carbon-related assets. The response provided above pertains to our general insurance business.

C-FS14.1

(C-FS14.1) Does your organization measure its portfolio impact on the climate?

	We conduct analysis on our portfolio's impact on the climate	Disclosure metric	Please explain why you do not measure the impact of your portfolio on the climate
Banking (Bank)	No, and we do not plan to do so in the next two years	<Not Applicable>	We are in the process of doing a sectoral assessment of our portfolio and we will deliberate on the timeframe on completion of the exercise
Investing (Asset manager)	No, and we do not plan to do so in the next two years	<Not Applicable>	Data provided by the companies is insufficient.
Investing (Asset owner)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Insurance underwriting (Insurance company)	No, and we do not plan to do so in the next two years	<Not Applicable>	Our Life Insurance business expects to adopt a suitable climate risk management framework in due course and accordingly would deliberate on the timeframe.

C-FS14.3

(C-FS14.3) Did your organization take any actions in the reporting year to align your portfolio with a 1.5°C world?

	Actions taken to align our portfolio with a 1.5°C world	Please explain why you have not taken any action to align your portfolio with a 1.5°C world
Banking (Bank)	No, and we do not plan to in the next two years	We are in the process of doing a sectoral assessment of our portfolio and we will deliberate on the timeframe on completion of the exercise
Investing (Asset manager)	No, and we do not plan to in the next two years	Data provided by the companies is insufficient.
Investing (Asset owner)	<Not Applicable>	<Not Applicable>
Insurance underwriting (Insurance company)	No, and we do not plan to in the next two years	Our Life Insurance business expects to adopt a suitable climate risk management framework in due course and accordingly would deliberate on the timeframe.

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
Row 1	No, and we do not plan to have both within the next two years	<Not Applicable>	<Not Applicable>

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	Yes, we have endorsed initiatives only	<Not Applicable>	SDG

C15.3

(C15.3) Does your organization assess the impact of its value chain on biodiversity?

	Does your organization assess the impact of its value chain on biodiversity?	Portfolio
Row 1	No, and we do not plan to assess biodiversity-related impacts within the next two years	<Not Applicable>

C15.4

(C15.4) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity-related commitments
Row 1	Please select	<Not Applicable>

C15.5

(C15.5) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No	Please select

C15.6

(C15.6) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
In mainstream financial reports	Other, please specify (We have partnered with Nature Forever Society to develop a Nectar and Biodiversity Park at Sanjay Gandhi National Park in Mumbai. Details available in the Annual Integrated Report.)	Refer to Page 77 of the Annual Integrated Report Kotak-Mahindra-Bank-Limited_IR 2021-22.pdf

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	President & Head- Priority Sector, Financial Inclusion, CSR & ESG	President

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
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SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

FW-FS Forests and Water Security (FS only)

FW-FS1.1

(FW-FS1.1) Is there board-level oversight of forests- and/or water-related issues within your organization?

	Board-level oversight of this issue area	Explain why your organization does not have board-level oversight of this issue area and any plans to address this in the future
Forests	No, and we do not plan to in the next two years	This is not a material risk for the Bank and its subsidiaries and may not necessitate Board level oversight. We will review our position if required.
Water	No, and we do not plan to in the next two years	Water unavailability is identified as a potential operational risk and is being evaluated as part of the current climate risk assessment.

FW-FS1.1c

(FW-FS1.1c) Does your organization have at least one board member with competence on forests- and/or water-related issues?

Forests

Board member(s) have competence on this issue area

Not assessed

Criteria used to assess competence of board member(s) on this issue area

<Not Applicable>

Primary reason for no board-level competence on this issue area

Important but not an immediate priority

Explain why your organization does not have at least one board member with competence on this issue area and any plans to address this in the future

This is not a material risk for the Bank and its subsidiaries and may not necessitate Board level oversight. We will review our position if required.

One of the Board Members has prior experience leading an organization which has developed ESG related rating solutions.

Water

Board member(s) have competence on this issue area

Not assessed

Criteria used to assess competence of board member(s) on this issue area

<Not Applicable>

Primary reason for no board-level competence on this issue area

Important but not an immediate priority

Explain why your organization does not have at least one board member with competence on this issue area and any plans to address this in the future

Water unavailability is identified as a potential operational risk and is being evaluated as part of the current climate risk assessment.

One of the Board Members has prior experience leading an organization which has developed ESG related rating solutions.

FW-FS1.2

(FW-FS1.2) Provide the highest management-level position(s) or committee(s) with responsibility for forests- and/or water-related issues.

FW-FS2.1

(FW-FS2.1) Do you assess your portfolio's exposure to forests- and/or water-related risks and opportunities?

	We assess our portfolio's exposure to this issue area	Explain why your portfolio's exposure is not assessed for this issue area and any plans to address this in the future
Banking - Forests exposure	No, and we do not plan to in the next two years	Transactions involving forestry operations above a certain threshold as defined in our EMSP require a full environmental impact assessment as they are likely to have adverse environmental impacts.
Banking – Water exposure	No, and we do not plan to in the next two years	Transactions above a certain threshold having significant adverse impact on water resources are required to undergo a comprehensive assessment in line with the criteria as defined in the EMSP.
Investing (Asset manager) – Forests exposure	No, and we do not plan to in the next two years	Data provided by the investee companies is insufficient.
Investing (Asset manager) – Water exposure	No, and we do not plan to in the next two years	Data provided by the investee companies is insufficient.
Investing (Asset owner) – Forests exposure	<Not Applicable>	<Not Applicable>
Investing (Asset owner) – Water exposure	<Not Applicable>	<Not Applicable>
Insurance underwriting – Forests exposure	No, and we do not plan to in the next two years	Our Life Insurance business expects to adopt a suitable climate risk management framework in due course and accordingly would deliberate on the timeframe.
Insurance underwriting – Water exposure	No, and we do not plan to in the next two years	Our Life Insurance business expects to adopt a suitable climate risk management framework in due course and accordingly would deliberate on the timeframe.

FW-FS2.2

(FW-FS2.2) Does your organization consider forests- and/or water-related information about clients/investees as part of its due diligence and/or risk assessment process?

	We consider forests- and/or water-related information	Explain why information related to this issue area is not considered and any plans to address this in the future
Banking – Forests-related information	No, and we do not plan to in the next two years	We currently do not monitor this.
Banking – Water-related information	No, and we do not plan to in the next two years	We currently do not monitor this.
Investing (Asset manager) – Forests-related information	No, and we do not plan to in the next two years	Data provided by the investee companies is insufficient.
Investing (Asset manager) – Water-related information	No, and we do not plan to in the next two years	Data provided by the investee companies is insufficient.
Investing (Asset owner) – Forests-related information	<Not Applicable>	<Not Applicable>
Investing (Asset owner) – Water-related information	<Not Applicable>	<Not Applicable>
Insurance underwriting – Forests-related information	No, and we do not plan to in the next two years	Our Life Insurance business expects to adopt a suitable climate risk management framework in due course and accordingly would deliberate on the timeframe.
Insurance underwriting – Water-related information	No, and we do not plan to in the next two years	Our Life Insurance business expects to adopt a suitable climate risk management framework in due course and accordingly would deliberate on the timeframe.

FW-FS2.3

(FW-FS2.3) Have you identified any inherent forests- and/or water-related risks in your portfolio with the potential to have a substantive financial or strategic impact on your business?

	Risks identified for this issue area	Primary reason why your organization has not identified any substantive risks for this issue area	Explain why your organization has not identified any substantive risks for this issue area
Forests	No	Not yet evaluated	Not yet evaluated.
Water	No	Not yet evaluated	Not yet evaluated.

FW-FS2.4

(FW-FS2.4) Have you identified any inherent forests- and/or water-related opportunities in your portfolio with the potential to have a substantive financial or strategic impact on your business?

	Opportunities identified for this issue area	Primary reason why your organization has not identified any substantive opportunities for this issue area	Explain why your organization has not identified any substantive opportunities for this issue area
Forests	No	Not yet evaluated	Not yet evaluated
Water	No	Not yet evaluated	Not yet evaluated

FW-FS3.1

(FW-FS3.1) Do you take forests- and/or water-related risks and opportunities into consideration in your organization's strategy and/or financial planning?

Forests

Risks and opportunities related to this issue area taken into consideration in strategy and/or financial planning

No, we do not take risks and opportunities into consideration

Description of influence on organization's strategy including own commitments

<Not Applicable>

Financial planning elements that have been influenced

<Not Applicable>

Description of influence on financial planning

<Not Applicable>

Explain why forests- and/or water-related risks and opportunities have not influenced your strategy and/or financial planning

Not a material risk for us.

Water

Risks and opportunities related to this issue area taken into consideration in strategy and/or financial planning

Yes, we take these risks and opportunities into consideration in the organization's strategy and financial planning

Description of influence on organization's strategy including own commitments

We consider water related risks in operational risk management.

Financial planning elements that have been influenced

Revenues

Assets

Description of influence on financial planning

Impact on Advances and portfolio composition

Explain why forests- and/or water-related risks and opportunities have not influenced your strategy and/or financial planning

<Not Applicable>

FW-FS3.2

(FW-FS3.2) Has your organization conducted any scenario analysis to identify forests- and/or water-related outcomes?

Forests

Scenario analysis conducted to identify outcomes for this issue area

No, we have not conducted any scenario analysis to identify outcomes for this issue area, and we don't plan to in the next two years

Type of scenario analysis used

<Not Applicable>

Parameters, assumptions, analytical choices

<Not Applicable>

Description of outcomes for this issue area

<Not Applicable>

Explain how the outcomes identified using scenario analysis have influenced your strategy

<Not Applicable>

Explain why your organization has not conducted scenario analysis for this issue area and any plans to address this in the future

We have initiated an operational climate risk scenario analysis but did not find forest-related risks to be material for the Group.

Water

Scenario analysis conducted to identify outcomes for this issue area

Yes, we have conducted scenario analysis and we have identified outcomes for this issue area

Type of scenario analysis used

Climate-related

Parameters, assumptions, analytical choices

Water stress: Ratio of total water withdrawals to available renewable surface and groundwater supplies in the region. Water withdrawals include domestic, industrial, irrigation, and livestock consumptive as well as non-consumptive uses

Description of outcomes for this issue area

Under the optimistic scenario, the bank's offices and branches could be exposed to water shortages in short to long term.

The exposure of bank's offices/ branches to high-risk level is constant in the short and medium time frame, while it is increases by 2% in the long term.

Even though the bank's operations are not heavily dependent on water, however, since the majority of the offices and the branches are exposed to high probability of occurrence, it is likely to witness financial losses in terms of increased expenditures of procuring water or capital expenditure for implementing water harvesting or recycling initiatives

Business-as-usual scenario

The preliminary results show that the Bank's services and branches could be exposed to water unavailability in the business as usual scenario.

Even though the bank's operations are not heavily dependent on water, however, since the majority of the offices and the branches are exposed to high probability of occurrence, it is likely to witness financial losses in terms of increased expenditures of procuring water or capital expenditure for implementing water harvesting or recycling initiatives

Explain how the outcomes identified using scenario analysis have influenced your strategy

We are under the process of evaluating the outcomes. We are also in the process of undertaking a portfolio risk analysis wherein water related risk analysis will be conducted

Explain why your organization has not conducted scenario analysis for this issue area and any plans to address this in the future

<Not Applicable>

FW-FS3.3

(FW-FS3.3) Do any of your existing products and services enable clients to mitigate deforestation and/or water insecurity?

	Existing products and services that enable clients to mitigate deforestation and/or water insecurity	Explain why your organization does not offer products and services which enable clients to mitigate deforestation and/or water insecurity and any plans to address this in the future
Forests	No, and we do not plan to address this in the next two years	Our banking arm is focused on retail banking and this is not a material issue for us. We are evaluating social projects through our CSR program for both water availability as well as forests
Water	No, and we do not plan to address this in the next two years	Our banking arm is focused on retail banking and this is not a material issue for us. We are evaluating social projects through our CSR program for both water availability as well as forests

FW-FS3.4

(FW-FS3.4) Does the policy framework for the portfolio activities of your organization include forests- and/or water-related requirements that clients/investees need to meet?

	Policy framework includes this issue area	Explain why your organization does not include this issue area in the policy framework and any plans to address this in the future
Forests	No, and we do not plan to include this issue area in the next two years	Not a material issue for us
Water	No, and we do not plan to include this issue area in the next two years	Not a material issue for us

FW-FS3.5

(FW-FS3.5) Does your organization include covenants in financing agreements to reflect and enforce your forests- and/or water-related policies?

	Covenants included in financing agreements to reflect and enforce policies for this issue area	Explain how the covenants included in financing agreements relate to your policies for this issue area	Explain why your organization does not include covenants for this issue area in financing agreements and any plans to address this in the future
Forests	No, and we do not plan to in the next two years	<Not Applicable>	
Water	No, and we do not plan to in the next two years	<Not Applicable>	

FW-FS4.1

(FW-FS4.1) Do you engage with your clients/investees on forests- and/or water-related issues?

	We engage with clients/investees on this issue area	Explain why you do not engage with your clients/investees on the issue area and any plans to address this in the future
Clients – Forests	No, and we do not plan to in the next two years	
Clients – Water	No, and we do not plan to in the next two years	
Investees – Forests	No, and we do not plan to in the next two years	Data provided by the investee companies is insufficient.
Investees – Water	No, and we do not plan to in the next two years	Data provided by the investee companies is insufficient.

FW-FS4.2

(FW-FS4.2) Does your organization exercise its voting rights as a shareholder on forests- and/or water-related issues?

	We exercise voting rights as a shareholder on this issue area	Issues supported in shareholder resolutions	Give details of the impact your voting has had on this issue area	Explain why your organization does not exercise voting rights on this issue area and any plans to address this in the future
Forests	Yes	Other, please specify (Currently in India climate-related issues are not included in the voting resolutions.)	This response pertains to our asset management business only -Currently in India climate-related issues have not been included in the voting resolutions. As part of our stewardship policy we engage on Environmental Social and Governance issues with all our investee companies.	<Not Applicable>
Water	Yes	Other, please specify (Currently in India climate-related issues are not included in the voting resolutions.)	This response pertains to our asset management business only -Currently in India climate-related issues are not included in the voting resolutions. As part of our stewardship policy we engage on Environmental Social and Governance issues with all our investee companies.	<Not Applicable>

FW-FS4.3

(FW-FS4.3) Does your organization provide financing and/or insurance to smallholders in the agricultural commodity supply chain?

	Provide financing and/or insurance to smallholders in the agricultural commodity supply chain	Agricultural commodity	Primary reason for not providing finance and/or insurance to smallholders	Explain why your organization does not provide finance/insurance to smallholders and any plans to change this in the future
Row 1	Yes	Please select	<Not Applicable>	<Not Applicable>

FW-FS4.4

(FW-FS4.4) Does your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may impact forests and/or water security?

	Direct or indirect engagement that could influence policy, law, or regulation that may impact this issue area	Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact this issue area	Explain why you do not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact this issue area
Forests	No, and we do not plan to in the next two years	Other, please specify (Not a material issue for us)	Our banking arm is focused on retail banking and this is not a material issue for us. We are evaluating social projects through our CSR program for both water availability as well as forests
Water	No, and we do not plan to in the next two years	Other, please specify (Not a material issue for us)	Our banking arm is focused on retail banking and this is not a material issue for us. We are evaluating social projects through our CSR program for both water availability as well as forests

FW-FS5.1

(FW-FS5.1) Does your organization measure its portfolio impact on forests and/or water security?

	We measure our portfolio impact on this issue area	Explain how your organization measures its portfolio impact on this issue area, including any metrics used to quantify impact	Primary reason for not measuring portfolio impact on this issue area	Explain why your organization does not measure its portfolio impact on this issue area and any plans to change this in the future
Banking – Impact on Forests	No, and we don't plan to in the next two years	<Not Applicable>	Other, please specify (Not an immediate priority)	Not an immediate priority
Banking – Impact on Water	No, and we don't plan to in the next two years	<Not Applicable>	Other, please specify (Not an immediate priority)	Not an immediate priority
Investing (Asset manager) – Impact on Forests	No, and we don't plan to in the next two years	<Not Applicable>	Important but not an immediate priority	Not an immediate priority
Investing (Asset manager) – Impact on Water	No, and we don't plan to in the next two years	<Not Applicable>	Important but not an immediate priority	Not an immediate priority
Investing (Asset owner) – Impact on Forests	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (Asset owner) – Impact on Water	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Insurance underwriting – Impact on Forests	No, and we don't plan to in the next two years	<Not Applicable>	Important but not an immediate priority	Not an immediate priority
Insurance underwriting – Impact on Water	No, and we don't plan to in the next two years	<Not Applicable>	Important but not an immediate priority	Not an immediate priority

FW-FS5.2

(FW-FS5.2) Does your organization provide finance or insurance to companies operating in any stages of the following forest risk commodity supply chains, and are you able to report on the amount of finance/insurance provided?

	Finance or insurance provided to companies operating in the supply chain for this commodity	Amount of finance/insurance provided will be reported	Explain why your organization is unable to report on the amount of finance/insurance provided for this commodity
Lending to companies operating in the timber products supply chain	Please select	<Not Applicable>	<Not Applicable>
Lending to companies operating in the palm oil products supply chain	Please select	<Not Applicable>	<Not Applicable>
Lending to companies operating in the cattle products supply chain	Please select	<Not Applicable>	<Not Applicable>
Lending to companies operating in the soy supply chain	Please select	<Not Applicable>	<Not Applicable>
Lending to companies operating in the rubber supply chain	Please select	<Not Applicable>	<Not Applicable>
Lending to companies operating in the cocoa supply chain	Please select	<Not Applicable>	<Not Applicable>
Lending to companies operating in the coffee supply chain	Please select	<Not Applicable>	<Not Applicable>
Investing (asset manager) to companies operating in the timber products supply chain	Please select	<Not Applicable>	<Not Applicable>
Investing (asset manager) to companies operating in the palm oil products supply chain	Please select	<Not Applicable>	<Not Applicable>
Investing (asset manager) to companies operating in the cattle products supply chain	Please select	<Not Applicable>	<Not Applicable>
Investing (asset manager) to companies operating in the soy supply chain	Please select	<Not Applicable>	<Not Applicable>
Investing (asset manager) to companies operating in the rubber supply chain	Please select	<Not Applicable>	<Not Applicable>
Investing (asset manager) to companies operating in the cocoa supply chain	Please select	<Not Applicable>	<Not Applicable>
Investing (asset manager) to companies operating in the coffee supply chain	Please select	<Not Applicable>	<Not Applicable>
Investing (asset owner) to companies operating in the timber products supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (asset owner) to companies operating in the palm oil products supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (asset owner) to companies operating in the cattle products supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (asset owner) to companies operating in the soy supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (asset owner) to companies operating in the rubber supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (asset owner) to companies operating in the cocoa supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Investing (asset owner) to companies operating in the coffee supply chain	<Not Applicable>	<Not Applicable>	<Not Applicable>
Insuring companies operating in the timber products supply chain	Please select	<Not Applicable>	<Not Applicable>
Insuring companies operating in the palm oil products supply chain	Please select	<Not Applicable>	<Not Applicable>
Insuring companies operating in the cattle products supply chain	Please select	<Not Applicable>	<Not Applicable>
Insuring companies operating in the soy supply chain	Please select	<Not Applicable>	<Not Applicable>
Insuring companies operating in the rubber supply chain	Please select	<Not Applicable>	<Not Applicable>
Insuring companies operating in the cocoa supply chain	Please select	<Not Applicable>	<Not Applicable>
Insuring companies operating in the coffee supply chain	Please select	<Not Applicable>	<Not Applicable>

FW-FS6.1

(FW-FS6.1) Have you published information about your organization's response to forests- and/or water-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

No publications

Status

<Not Applicable>

Attach the document

<Not Applicable>

Page/Section reference

<Not Applicable>

Content elements

<Not Applicable>

Comment

<Not Applicable>

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms