

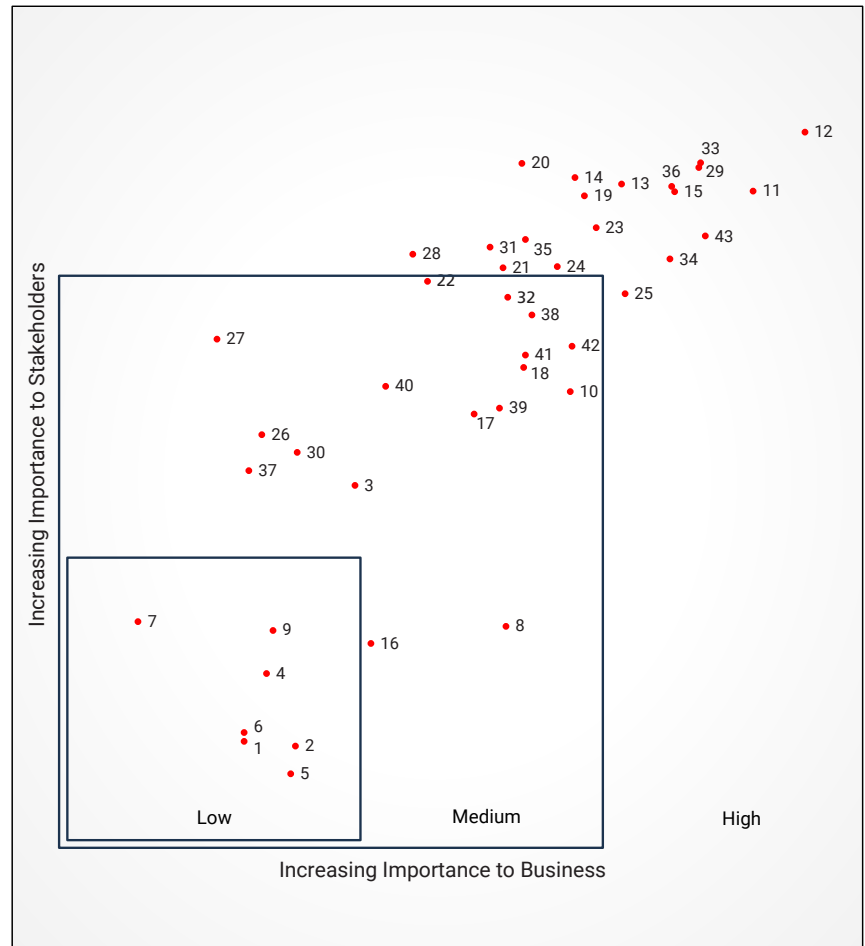
Materiality Assessment &

Stakeholder Engagement

Materiality Survey

In FY2023, Union Bank of India embarked on an extensive Materiality Analysis Survey to guide the strategic priorities outlined in this annual report. This analysis provided a comprehensive internal and external perspective on the bank's material issues, spanning the breadth of our economic, environmental, and social impact. By undertaking this process, we were able to identify and underscore the topics of utmost relevance to our diverse group of stakeholders and to the organization's sustainable growth. The outcomes of this exercise underpin our commitment to balancing our business objectives with the needs and expectations of our stakeholders, and to driving responsible, inclusive growth.

ESG Factors material to Union Bank and our External Stakeholders:



The Bank conducted its first formal materiality assessment survey on external and internal stakeholders, using a third-party consultant. We engaged with internal and external stakeholders, including several Union Bank of India leaders and subject matter experts from across the company. We reached out to several external stakeholders, representing our customers and employees, ESG investors, Government, media, NGOs, and financial peers.

For the purposes of this Integrated Annual Report, the Bank has identified the following topics as being the most significant to our internal and external stakeholders materiality assessment:

Issue #	Highly Material Issues
11	Social Capital - Customer Privacy
12	Social Capital - Data Security
13	Social Capital - Clients' Sustainability
14	Social Capital - Product Quality & Safety
15	Social Capital - Customer Welfare
19	Human Capital - Training and Skill Development
20	Human Capital - Employee Health & Safety
23	Business Model & Innovation - Significance of Product Design and Innovation
29	Leadership & Governance - Business Ethics and Anti-Corruption Measures
33	Leadership & Governance - Risk Management
34	Leadership & Governance - Grievance Redressal of Stakeholders
36	Leadership & Governance - Reputation, Communication and Awareness
43	Economy - Systematic Risk Management

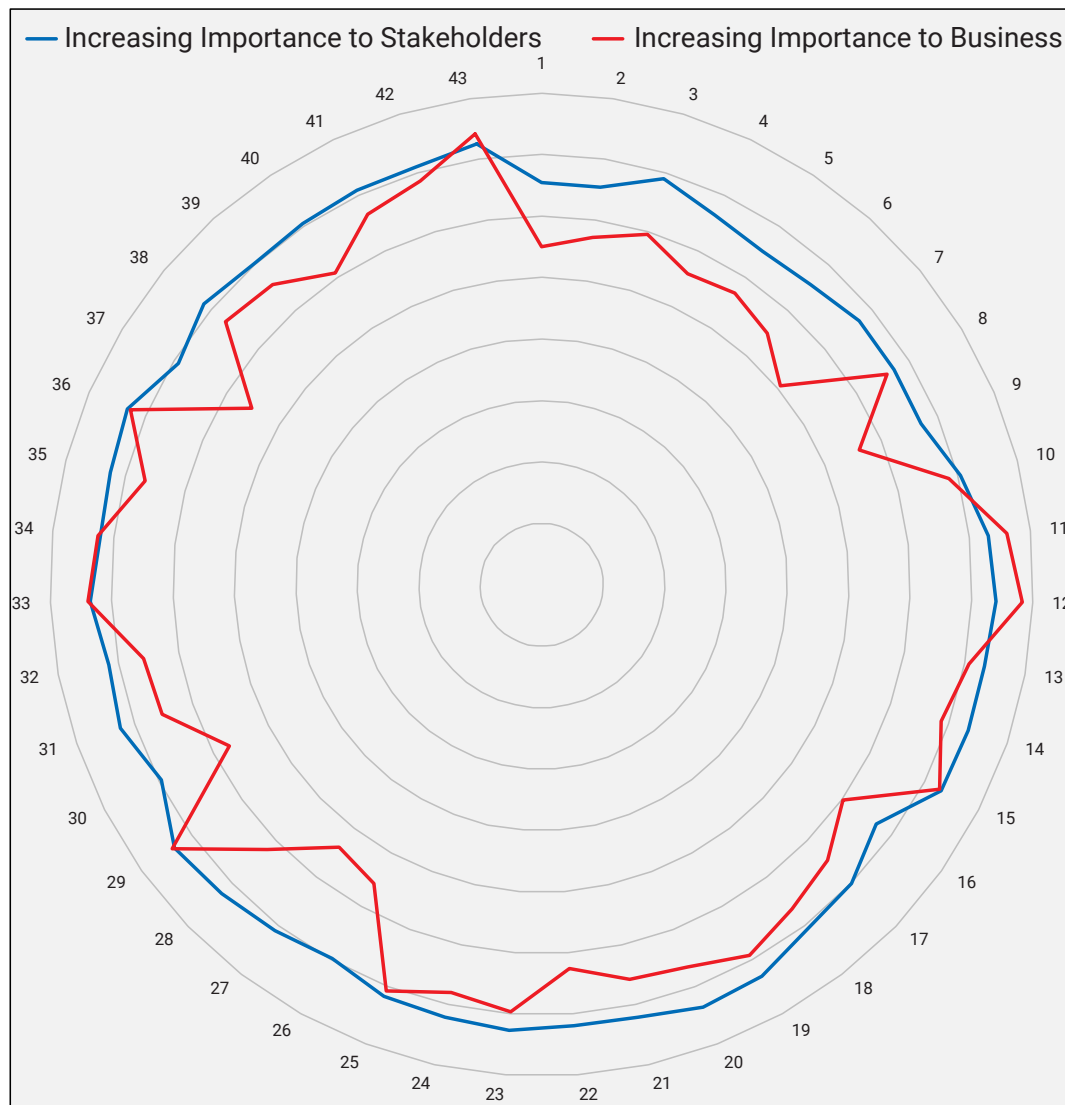
●	High
●	Medium
●	Low

Issues Scored by Internal and External Stakeholders Through a Survey			Average Ratings (from 100)	
Issue Number	Materiality Issue	Issue Number	Increasing Importance to Business	Increasing Importance to Stakeholders
1	Environment - Climate Change Mitigation & Adoption	1	55	66
2	Environment - Air Pollution Control & Toxic Emission Management	2	57	65
3	Environment - Energy Management & Renewable Energy Usage	3	60	69
4	Environment - Water Management	4	56	66
5	Environment - Effluent/Waste Water Management	5	57	65
6	Environment - Waste Management	6	55	66
7	Environment - Biodiversity Management	7	51	67
8	Environment - Environment Compliance	8	66	67
9	Environment - Natural Resources Conservation (soil, air and water)	9	56	67
10	Social Capital - Human Rights	10	69	70
11	Social Capital - Customer Privacy	11	76	73
12	Social Capital - Data Security	12	78	74
13	Social Capital - Clients' Sustainability	13	71	73
14	Social Capital - Product Quality & Safety	14	69	73
15	Social Capital - Customer Welfare	15	73	73
16	Social Capital - Charitable Giving	16	60	67

Materiality Assessment & Stakeholder Engagement

Issues ranked by internal and External Stakeholders through a survey			Average Ratings (from 100)	
Issue Number	Materiality Issue	Issue Number	Increasing Importance to Business	Increasing Importance to Stakeholders
17	Social Capital - Social Development & Community Involvement	17	65	70
18	Human Capital - Labour Practice & Employment	18	67	71
19	Human Capital - Training and Skill Development	19	69	73
20	Human Capital - Employee Health & Safety	20	67	74
21	Human Capital - Importance of Staff Succession Planning	21	66	72
22	Human Capital - Employee Engagement, Diversity & Inclusion	22	63	72
23	Business Model & Innovation - Significance of Product Design and Innovation	23	70	73
24	Business Model & Innovation - Need for Business Model Resilience	24	68	72
25	Business Model & Innovation - Access to Capital and Customers	25	71	72
26	Business Model & Innovation - Role of Supply Chain Management	26	56	70
27	Business Model & Innovation - Efficiency in Material Sourcing	27	54	71
28	Business Model & Innovation - Long-Term Asset Management	28	62	72
29	Leadership & Governance - Business Ethics and Anti-Corruption Measures	29	74	73
30	Leadership & Governance - Promoting Renewable Energy Generation	30	57	70
31	Leadership & Governance - Competitive Behaviour	31	65	72
32	Leadership & Governance - Management of the Legal & Regulatory Environment	32	66	72
33	Leadership & Governance - Risk Management	33	74	74
34	Leadership & Governance - Grievance Redressal of Stakeholders	34	73	72
35	Leadership & Governance - Responsible Investment	35	67	72
36	Leadership & Governance - Reputation, Communication and Awareness	36	73	73
37	Economy - Commodity Price Volatility	37	55	69
38	Economy - Economic/Financial Crises	38	67	71
39	Economy - Impact on Local Communities	39	66	70
40	Economy - Responsible Supply Chain	40	61	70
41	Economy - Employment Trends/Diversification	41	67	71
42	Economy - Tax Governance	42	69	71
43	Economy - Systematic Risk Management	43	74	73















Scatter Diagramme



Our materiality assessment also included a comparison of internal and external scoring, the results of which are presented through a Scatter Diagramme. This visual representation vividly displays a remarkable alignment between the perceptions of internal and external stakeholders, with each data point indicating a respective material issue. A very marginal deviation between the two assessments reinforces the consensus on the importance of these material issues. This harmonious correlation underscores our comprehensive understanding of stakeholder expectations and affirms the alignment of our strategic priorities with those expectations.

Materiality Assessment & Stakeholder Engagement

Mapping to Important Issues to Stakeholders

Issue #	High Material Issue	Relevance and Measures	GRI	SASB	UNSDG	Strategic Priority
11	Social Capital - Customer Privacy	Ensuring customer privacy is crucial for Union Bank of India to maintain customer trust and comply with data protection regulations. Your Bank implements data protection measures and policies, provide staff training, and assure customers through communications about their privacy rights and the security of their data. To know more on Union Bank's actions in this area, read the Chapter on Intellectual Capital on Page 82 .	GRI 418: Customer Privacy	SASB FN-CB-220a.1		
12	Social Capital - Data Security	Data security is essential to prevent breaches that could harm customers and Your Bank's reputation and could lead to regulatory fines. Your Bank invests in secure technology, employee training, and regular audits to ensure that all data is appropriately protected. To know more on Union Bank's actions in this area, read the Chapter on Intellectual Capital on Page 82 .	GRI 418: Customer Privacy	SASB FN-CB-230a.2		
13	Social Capital - Clients' Sustainability	Helping clients to be sustainable can contribute to long-term client relationships and the sustainability of Your Bank itself. Your Bank develops sustainable products, provide sustainability advice and services, and support clients in their sustainability transitions. To know more on Union Bank's actions in this area, read the Chapter on Relationship Capital on Page 104 .	GRI 203: Indirect Economic Impacts	SASB FN-CB-410b.1		
14	Social Capital - Product Quality & Safety	High-quality and safe products are essential for customer satisfaction and trust. Your Bank implements robust quality controls, safety checks, and customer feedback mechanisms. To know more on Union Bank's actions in this area, read the Chapter on Manufactured Capital on Page 62 .	GRI 417: Marketing and Labeling	SASB FN-CB-270a.1		
15	Social Capital - Customer Welfare	Customer welfare is crucial for customer retention and Your Bank's reputation. Your Bank provides transparent and fair products, ensure customer privacy and data security, and provide excellent customer service. To know more on Union Bank's actions in this area, read the Chapter on Relationship Capital on Page 104 .	GRI 416: Customer Health and Safety	SASB FN-CB-270a.1		
19	Human Capital - Training and Skill Development	Continuous training and skill development are crucial for employee productivity and job satisfaction. Your Bank provides ongoing training programmes, encourage lifelong learning, and support skill development. To know more on Union Bank's actions in this area, read the Chapter on Human Capital on Page 120 .	GRI 404: Training and Education	SASB FN-CB-330a.2		
20	Human Capital - Employee Health & Safety	Ensuring employee health and safety can contribute to productivity and job satisfaction. Your Bank implements robust health and safety policies, provide training, and ensure a safe and healthy working environment. To know more on Union Bank's actions in this area, read the Chapter on Human Capital on Page 120 .	GRI 403: Occupational Health and Safety	SASB FN-CB-320a.1		

Issue #	High Material Issue	Relevance and Measures	GRI	SASB	UNSDG	Strategic Priority
23	Business Model & Innovation - Significance of Product Design and Innovation	Innovating new products is vital for the Union Bank of India to meet changing customer needs and stay competitive. Your Bank encourages a culture of innovation, invest in R&D and customer insights, and collaborate with fintech companies. To know more on Union Bank's actions in this area, read the Chapter on Manufactured Capital on Page 62 .	GRI 417: Marketing and Labeling	SASB FN-CB-330a.1		
29	Leadership & Governance - Business Ethics and Anti-Corruption Measures	Strong ethics and anti-corruption measures are vital to Your Bank's reputation, customer trust, and regulatory compliance. Your Bank implements robust anti-corruption policies, provide staff training, and demonstrates commitment to ethics through leadership behaviors. To know more on Union Bank's actions in this area, read the Chapter on Corporate Governance Report on Page 191 .	GRI 205: Anti-corruption	SASB FN-CB-510a		
33	Leadership & Governance - Risk Management	Managing risks effectively is crucial to maintain financial stability and customer trust. Your Bank implements a robust risk management framework, invest in technologies for risk analysis, and conduct regular risk audits. To know more on Union Bank's actions in this area, read the Chapter on Risk Management on Page 91 .	GRI 102-15: Key impacts, risks, and opportunities	SASB FN-CB-000.B: Systemic Risk Management		
34	Leadership & Governance - Grievance Redressal of Stakeholders	Effective grievance redressal mechanisms are important to maintain good relationships with stakeholders and to comply with regulatory requirements. Your Bank implements robust grievance redressal procedures and communicate them clearly to all stakeholders. To know more on Union Bank's actions in this area, read the Chapter on Relationship Capital on Page 104 .	GRI 102-17: Mechanisms for advice and concerns about ethics	SASB FN-CB-510a.3: Critical Incident Risk Management		
36	Leadership & Governance - Reputation, Communication and Awareness	Building a good reputation and effectively communicating with stakeholders is important for maintaining trust and attracting investment. Your Bank implements strong communication strategies, promote transparency, and engage actively with stakeholders. To know more on Union Bank's actions in this area, read the Chapter on Stakeholder Engagement on Page 36 .	GRI 102-43: Approach to stakeholder engagement	SASB FN-CB-510a.2: Management of the Legal & Regulatory Environment		
43	Economy - Systematic Risk Management	Systematic risk management is essential to avoid significant losses and maintain financial stability. Your Bank uses advanced risk modelling techniques, conduct stress tests, and maintain adequate capital buffers. To know more on Union Bank's actions in this area, read the Chapter on Risk Management on Page 91 ; and on Financial Capital on Page 70 .	GRI 201: Economic Performance	SASB FN-CB-000.B: Systemic Risk Management		

Strategy, Model & Capitals

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