

24<sup>th</sup> June 2024

**To,**  
**BSE Limited, (Scrip code: 532720)**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai - 400 001

**National Stock Exchange of India Ltd., (Symbol: M&MFIN)**  
Exchange Plaza, 5<sup>th</sup> Floor, Plot No. C/1, "G" Block,  
Bandra - Kurla Complex, Bandra (East),  
Mumbai - 400 051

Dear Sir/ Madam,

**Sub: Business Responsibility and Sustainability Report for FY 2024 pursuant to Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")**

In compliance with Regulation 34(2)(f) of the Listing Regulations, as amended from time to time, please find enclosed the Business Responsibility and Sustainability Report which forms part of the Integrated Annual Report of the Company for the Financial Year 2024.

Kindly take the same on record.

Thanking you,  
For **Mahindra & Mahindra Financial Services Limited**

**Brijbala Batwal**  
**Company Secretary**  
FCS: 5220  
*Enclosure: as above*

# Business Responsibility & Sustainability Report

## SECTION A: GENERAL DISCLOSURES

### Details of the listed entity

1. **Corporate Identity Number (CIN) of the Listed Entity**-L65921MH1991PLC059642
2. **Name of the Listed Entity** - Mahindra & Mahindra Financial Services Limited ("MMFSL")
3. **Year of incorporation** - 1991
4. **Registered office address** - Gateway Building, Apollo Bunder, Mumbai - 400 001.
5. **Corporate address** - Mahindra Towers, 'A' Wing, 3<sup>rd</sup> Floor, Dr. G. M. Bhosale Marg, Worli, Mumbai - 400 018.
6. **E-mail** - dalvi.neelima@mahindra.com (for matters relating to BRSR)
7. **Telephone** - 022 66523500
8. **Website** - www.mahindrafinance.com
9. **Financial year for which reporting is being done** - FY2024
10. **Name of the Stock Exchange(s) where shares are listed** - BSE Limited, National Stock Exchange of India Limited (NSE)
11. **Paid-up Capital** - ₹ 247.10 Crores
12. **Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report**  
Name: Manish Sinha  
Designation: Chief Human Resource Officer, Mahindra Finance and Financial Services Sector  
Contact No.: 022 66523500  
In case of any BRSR Query: sinha.manish@mahindra.com
13. **Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together). -**  
Standalone basis, i.e. with respect to MMFSL
14. **Name of assurance provider:** DNV Business Assurance India Private Limited
15. **Type of assurance obtained:** Limited assurance

#### I. Products/services

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Financial and insurance Service	Financial and Credit leasing activities	98.8%
2	Financial and insurance Service	Other financial activities	1.2%

### 17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover).

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Asset Financing	64990	86%

#### II. Operations

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

Location	Number of plants	Number of offices	Total
<b>National</b>	Not Applicable	1,370 branches/ offices as on 31 <sup>st</sup> March 2024	1,370
<b>International</b>	Not Applicable	-	-

**19. Markets served by the entity:****a. Number of locations**

Locations	Number
<b>National (No. of States)</b>	27 States and 7 Union Territories
<b>International (No. of Countries)</b>	-

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

Not applicable.

**c. A brief on types of customers:**

MMFSL in India offers a wide range of financing, investment and insurance solutions to customers from Rural and Semi urban areas. The Company serves customers from diverse sectors.

**III. Employees****20. Details as at the end of Financial Year:****a. Employees and workers (including differently abled):**

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	26662	25567	95.89%	1095	4.11%
2.	Other than Permanent (E)	1319	1095	83.02%	224	16.98%
3.	<b>Total employees (D + E)</b>	<b>27981</b>	<b>26662</b>	<b>95.29%</b>	<b>1319</b>	<b>4.71%</b>
<b>WORKERS</b>						
4.	Permanent (F)	NA	NA	NA	NA	NA
5.	Other than Permanent (G)	NA	NA	NA	NA	NA
6.	<b>Total workers (F + G)</b>	NA	NA	NA	NA	NA

**b. Differently abled Employees and workers:**

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1.	Permanent (D)	36	33	92%	3	8%
2.	Other than Permanent (E)	9	9	100%	0	0%
3.	<b>Total differently abled employees (D + E)</b>	<b>45</b>	<b>42</b>	<b>93%</b>	<b>3</b>	<b>7%</b>
<b>DIFFERENTLY ABLED WORKERS</b>						
4.	Permanent (F)	NA	NA	NA	NA	NA
5.	Other than permanent (G)	NA	NA	NA	NA	NA
6.	<b>Total differently abled workers (F + G)</b>	NA	NA	NA	NA	NA

**21. Participation/Inclusion/Representation of women**

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	11	2	18%
Key Management Personnel	4	1	25%

**22. Turnover rate for permanent employees and workers:**

(Disclose trends for the past 3 years)

	FY 2024 (Turnover rate in current FY)			FY 2023 (Turnover rate in previous FY)			FY 2022 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
<b>Permanent Employees</b>	26.78%	19.62%	26.45%	20.08%	18.81%	19.94 %	18.85%	16.98%	18.77%
<b>Permanent Workers</b>	NA	NA	NA	NA	NA	NA	NA	NA	NA

**IV. Holding, Subsidiary and Associate Companies (including joint ventures)****23. (a) Names of holding / subsidiary / associate companies / joint ventures**

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Mahindra & Mahindra Limited	Holding	52.16	No
2.	Mahindra Insurance Brokers Limited	Subsidiary	100	No
3.	Mahindra Rural Housing Finance Limited	Subsidiary	98.43	No
4.	Mahindra Manulife Investment Management Private Limited	Subsidiary	51	No
5.	Mahindra Manulife Trustee Private Limited	Subsidiary	51	No
6.	Mahindra Finance CSR Foundation	Subsidiary	100	No
7.	Mahindra Ideal Finance Limited, Sri Lanka	Subsidiary	58.2	No
8.	Mahindra Finance USA LLC	Joint Venture	49	No

\*The Holding Company has its own Business Responsibility (BR) initiatives and generally do not participate in BR initiatives of Mahindra Finance

**V. CSR Details****24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013:** Yes**(ii) Turnover (in ₹)** - 13,562.42 crores (Total Income)**(iii) Net worth (in ₹)** - 18,157.49 crores (Total of Equity Share capital and Other Equity)**VI. Transparency and Disclosures Compliances****25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)  (If Yes, provide web-link for grievance redress policy)	FY 2024 Current Financial Year			FY 2023 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes <a href="https://www.mahindrafinance.com/wp-content/uploads/2023/07/Vigil-Mechanism.pdf">https://www.mahindrafinance.com/wp-content/uploads/2023/07/Vigil-Mechanism.pdf</a>	0	0	-	0	0	-
Investors (other than shareholders)	Yes <a href="https://www.mahindrafinance.com/wp-content/uploads/2024/04/Investor-Grievance-Redressal-Policy.pdf">https://www.mahindrafinance.com/wp-content/uploads/2024/04/Investor-Grievance-Redressal-Policy.pdf</a>	1	0	-	2	0	-



Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, provide web-link for grievance redress policy)	FY 2024 Current Financial Year			FY 2023 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Shareholders	<a href="https://www.mahindrafinance.com/wp-content/uploads/2024/04/Investor-Grievance-Redressal-Policy.pdf">https://www.mahindrafinance.com/wp-content/uploads/2024/04/Investor-Grievance-Redressal-Policy.pdf</a>	3	0	-	3	0	-
Employees and workers	<a href="https://www.mahindrafinance.com/wp-content/uploads/2023/07/COC-Policy-V3-31-01-2024.pdf">https://www.mahindrafinance.com/wp-content/uploads/2023/07/COC-Policy-V3-31-01-2024.pdf</a>	0	0	-	0	0	-
Customers	<a href="https://www.mahindrafinance.com/wp-content/uploads/2023/07/Vigil-Mechanism.pdf">https://www.mahindrafinance.com/wp-content/uploads/2023/07/Vigil-Mechanism.pdf</a>	17960*	404	-	16549	158	-
Value Chain Partners	<a href="https://www.mahindrafinance.com/wp-content/uploads/2023/07/Vigil-Mechanism.pdf">https://www.mahindrafinance.com/wp-content/uploads/2023/07/Vigil-Mechanism.pdf</a>	0	0	-	0	0	-
Other (please specify)	-	-	-	-	-	-	-

\*includes 158 complaints filed in FY23 & pending resolution as on 31<sup>st</sup> March 2023.

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

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

Our stakeholders are a valuable part of our success and growth story. Our actions are tied to their progress and well-being in many ways. By overcoming various hurdles and difficulties in the crisis situation, the Company has strengthened mutual trust and remained true to common aspirations for the growth of the company and society as a whole.

The Company has followed the **GRI Universal Standard 2021** process to identify key material themes based on the significant economic, social and environmental impacts that are most important to our stakeholders and our growth plans. The Company has a comprehensive materiality determination process that considers both internal and external factors to achieve an integrated approach and comprehensive perspective. External factors include existing economic conditions, global environmental issues, peer and industry analysis, and the needs and desires of the customers, suppliers, and partners. Internal factors include strategic growth goals, leadership perspectives, and employee needs.

The Company has engaged a wide range of stakeholders through formal and informal mechanisms to solicit input into the materiality assessment process including:

- External factors through peer and Industry analysis
- Qualitative inputs from various stakeholders including employees, customers, suppliers
- Feedback from survey assessments and other communication channels from various stakeholders
- Perspectives from senior leadership and business objectives

Materiality Matrix

STAKEHOLDER PERSPECTIVE	HIGH		<ul style="list-style-type: none"> <li>Digital Innovation</li> <li>Diversity and equal opportunity</li> </ul>	<ul style="list-style-type: none"> <li>Ethics, anti-corruption and transparency</li> <li>Economic performance</li> <li>Customer Relationship Management</li> <li>Privacy and data security</li> <li>OEM/s Dealer service</li> <li>Corporate Governance</li> <li>Employee wellbeing</li> </ul>
	MODERATE		<ul style="list-style-type: none"> <li>Employee engagement</li> <li>Resource efficiency</li> <li>Green portfolio</li> </ul>	<ul style="list-style-type: none"> <li>Community Led Development</li> <li>Regulatory compliance</li> <li>Training and skill upgradation</li> <li>ESG/sustainability reporting</li> <li>Climate change</li> </ul>
	LOW			<ul style="list-style-type: none"> <li>Human rights</li> </ul>
		LOW	MODERATE	HIGH
BUSINESS PERSPECTIVE				

- Environment ●
- Social ●
- Governance ●

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Customer relationship management	Risk and opportunity	High customer satisfaction leads to repeat business, positive word-of-mouth referrals, and enhanced brand reputation. Satisfied customers are more likely to remain loyal and engage in additional financial services, driving revenue growth. But at the same time any kind of dissatisfaction would directly lead to impact on the business revenue.	Maintaining a high level of customer centricity in our business is primary with <b>customer service excellence program, and CPC 0.5</b> initiative. Please refer to principle 9 of BRSR.	<b>Positive:</b> Better customer reach, increase in customers' confidence, competitive advantage. <b>Negative:</b> Customer dissatisfaction may lead to legal risks, regulatory action and/or decreased revenue.
2	Diversity and equal opportunity	Risk and opportunity	Diversity and inclusivity help drive a respectful and inclusive workplace for our colleagues and provide better service to our customers.	Initiatives like Spectrum 2023, podcast series, etc, are implemented to promote diversity and inclusion with our brand pillar <b>"Rise for a More Equal World"</b> helping to dismantle stereotypes.	<b>Positive:</b> Better employee performance, more talent attraction, expanded market reach. <b>Negative:</b> Non diversity may result in reputation damage, limited talent pool and employee disengagement.



Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Digital Innovation	Opportunity	Embracing digital innovation allows MMFSL to improve operational efficiency, enhance customer experience, and develop innovative financial products and services. Digital transformation can lead to competitive advantages and new revenue streams.	The company's consistent step towards robust digital environment and digital investment ensures minimum use of paper-based transactions.	<b>Positive:</b> Cost efficiency, better customer reach & service through digital operations, reduced health hazards, reduction in collection costs and emissions.
4	Employee wellbeing	Risk and opportunity	Prioritizing employee well-being leads to higher job satisfaction, improved productivity, and reduced absenteeism. Supporting employee well-being fosters a positive work environment and contributes to overall organizational success.	Employees being our core assets over the years, we have been adopting best-in-class practices through initiatives and workshops.	<b>Positives:</b> Higher retention, positive workplace culture, and enhanced brand value. <b>Negatives:</b> Employees are our most important assets. Employee-related health issues directly affect the productivity and also increase operating costs.
5	Corporate governance	Opportunity	Effective corporate governance ensures accountability, transparency, and ethical decision-making within the organization. Strong governance practices enhance investor confidence, stakeholder trust, and long-term sustainability.	Our company is dedicated to upholding integrity and transparency in all of its interactions, and it values ethical business practices highly.	<b>Positives:</b> Improved transparency and accountability, attracting more investors, maintaining shareholder confidence and long-term sustainability.
6	Employee training and education	Opportunity	Employees being the brand ambassador carry company's mission of driving positive change and transforming rural life.	Company emphasizes on employee learning, development, mentoring and knowledge sharing through various initiatives and organized programmes.	<b>Positive:</b> Implementing several initiatives and programmes to enhance employee's skills and competencies to help them in their journey of personal and professional progress.
7	Climate change	Risk	Climate change poses various risks, including physical risks (e.g., natural disasters), regulatory risks (e.g., carbon pricing), and reputational risks (e.g., association with environmentally harmful practices). Adapting to climate change and implementing sustainable practices are essential for mitigating these risks.	Operational resilience to the effects of climate change, abiding to the Paris agreement of climate change.	<b>Negative:</b> Our customers being climate dependent have their earning linked to Agri-output. Timely and spatial distribution of monsoon and other climatic factors plays an important role in earning and repayment capability of our customers, climate change impacts on company's ESG ratings.

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
<b>Policy and management processes</b>									
<b>1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)</b>	Yes, MMFSL has a Policy covering all the 9 principles and the core elements of the NGRBCs								
<b>b. Has the policy been approved by the Board? (Yes/No)</b>	Yes								
<b>c. Web Link of the Policies, if available</b>	Sustainability Policy <a href="https://www.mahindrafinance.com/wp-content/uploads/2023/07/Sustainability-Policy.pdf">https://www.mahindrafinance.com/wp-content/uploads/2023/07/Sustainability-Policy.pdf</a>								
<b>2. Whether the entity has translated the policy into procedures. (Yes / No)</b>	Yes								
<b>3. Do the enlisted policies extend to your value chain partners? (Yes/No)</b>	Yes								

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
<p><b>4. Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.</b></p>	<p>Our Sustainability Policy aligns to the National Guidelines on Responsible Business Conduct (NGRBC), based on:</p> <ul style="list-style-type: none"> <li>• UN Guiding Principles for Business and Human Rights (UNGPs),</li> <li>• UN Sustainable Development Goals (SDGs),</li> <li>• Paris Agreement on Climate Change,</li> <li>• Core Conventions of the International Labour Organisation (ILO), and</li> <li>• The Companies Act, 2013.</li> </ul> <p>The Company is also a signatory to the UNGC Principles signed by our Vice Chairman &amp; Managing Director. Moreover, the Company adheres to the GRI Standards and IIRC framework while reporting on the Company's ESG performance across parameters included in the Integrated Report.</p> <p>ISO Certifications: ISO 27001: Information Security.</p>								
<p><b>5. Specific commitments, goals and targets set by the entity with defined timelines, if any.</b></p>	<p>MMFSL has developed a Sustainability Roadmap for FY2024 across ESG parameters. In the present financial year, the Company has committed and signed up for the UNGC principles. Our targets for the current financial year have been committed and additionally have already been validated by Science Based Targets initiative.</p>								
<p><b>6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.</b></p>	<p>MMFSL has developed a Sustainability Roadmap for FY2024 across ESG parameters and tracks them to ensure that these are implemented, monitored, and achieved in the planned time frames. Please refer to ESG performance mentioned in the Integrated Report</p>								
<p><b>Governance, leadership and oversight</b></p>									
<p><b>7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)</b></p>	<p>MMFSL strives to bring about prosperity with the purpose of driving positive change in the lives of communities and stakeholders, enabling them to rise. ESG is the need of the hour for all businesses, and we at MMFSL are constantly working to incorporate the ESG principles into our operations. We are dedicated to building a sustainable future for a brighter tomorrow for all stakeholders. We strive for inclusive growth with the ultimate objective of creating a more equal world. Despite the challenges, we prioritize the interests of our investors and shareholders, ensuring consistent and sustainable returns.</p> <p>We strive to create long term value by evaluating our performance against the ESG roadmap, which is designed with the three pillars of Environment, Social, and Governance. We also depend on the engagement and motivation of our workforce to create sustainable and long-term growth of the organization. MMFSL values its employees and is committed to continuing to invest in their talents. Throughout the year, the Company provided a variety of learning and development opportunities for its employees. Dedicated learning programs like transformational Leadership Program, Customer service Excellence and trainings on effective digitization for employees were also implemented in FY2024.</p> <p>At the leadership level, various workshops are held to foster a diverse and inclusive workplace, with initiatives like, inter-alia, policy inclusion, podcast channelization and theatre-based workshops.</p> <p>With a PAN-India presence at remote locations spanning 1370 branches/ offices, we are constantly making efforts to reduce our environmental effect. MMFSL has switched to digital operations to reduce paper waste and opted for energy-efficient electronic equipment to save electricity. Reducing dependency on natural resources, mitigating climate change, and attaining sustainable economic development are all strategically included into MMFSL's business model with a vision to be carbon neutral in the near future. During the financial year we have signed the Science Based Targets initiative for our reduction of Scope 1 and Scope 2 emissions by 50.4% by 2032. We are putting systems and procedures in place to achieve the undertaken target, and aligning the company's vision with the country's Net-Zero target by 2070.</p> <p>At MMFSL, we understand the significance of social responsibility and the impact of communities on our shared future. Corporate governance is of utmost importance to us, and we are committed to achieving transparency and governance goals. We adhere to established policies and frameworks that governs the ethical decision-making in all our engagements.</p> <p>We will continue to establish an ESG-conscious organization in FY2025 and are on track to meet our ESG commitments and create shared value. Looking ahead, we strive to build operational resilience to the effects of climate change on our business and the communities we serve.</p>								
<p><b>8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).</b></p>	<p>Until 29<sup>th</sup> April 2024: Mr. Ramesh Iyer (Vice Chairman &amp; Managing Director, Mahindra Finance Member of Group Executive Board)</p> <p>From 30<sup>th</sup> April 2024: Mr. Raul Rebello MD and CEO, MMFSL</p>								





Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
<b>9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.</b>	Yes, the Corporate Social Responsibility Committee ("CSR Committee") of the Board led by an Independent Director is responsible for implementation of the ESG related Policies. The Committee comprises of three Directors; two being Independent Directors and one is the Managing Director. The Committee reviews the Company's Business Responsibility and Sustainability Performance including ESG and principle wise performance of NGRBC.								

**10. Details of Review of NGRBCs by the Company:**

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other - please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	MMFSL practices periodic review of the relevant policies of the Company. Review is carried out by the concerned stakeholders, followed by the implementation of necessary changes to the policies and procedures, whenever required.																	
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company is in compliance with the extant regulations, as applicable. We have constituted various Board level Committees that meets periodically to review and monitor the objectives.																	

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	Yes. Our Integrated Annual Report is assured by a third party, <b>DNV Business Assurance India Private Limited</b> in accordance to the GRI Reporting Standards framework. The report is mapped in accordance with the UN Sustainable Development Goals, National Voluntary Guideline Principles, and with the IIRC framework. The policies are reviewed and revised, if required, on a periodic basis by the concerned departments. The revised policies are then submitted for approval of Management, as applicable. DNV Business Assurance India Private Limited evaluated the performance of policies and procedures in compliance with the GRI standards.								

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

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

**SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE**

**PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

**Essential Indicators**

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

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness Programmes
Board of Directors	1*	All 9 principles	100%
Key Managerial Personnel	28	All 9 principles	100%
Employees other than BoD and KMPs	36	All 9 principles	100%
Workers	NA	NA	NA

\*Details of familiarization programmes imparted to Board of Directors can be referred to in the Corporate Governance Report

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

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine			NA*		
Settlement			NA		
Compounding fee			NA		
Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Imprisonment			NA		
Punishment			NA		

\* There are no fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year which are material as specified in Regulation 30(4)(i)(c) of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 ("LODR").

Please refer to Company's website at <https://www.mahindrafinance.com/investor-relations/regulatory-filings> to access the disclosures made to the Stock Exchanges under Regulation 30 of LODR for penalties levied by Tax Authorities in connection with assessment matters.

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

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

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

Yes- MMFSL practices zero-tolerance approach towards bribery and corruption, and is committed to conducting all its business dealings, relationships, implementations professionally and fairly, while enforcing effective systems to counter bribery and corruption in any form.

Anti bribery anti-corruption policy -

<https://www.mahindrafinance.com/wp-content/uploads/2023/07/Anti-Bribery-and-Anti-Corruption-Policy.pdf>

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

	<b>FY 2024 (Current Financial Year)</b>	<b>FY 2023 (Previous Financial Year)</b>
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

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

	<b>2024</b>		<b>2023</b>	
	<b>Number</b>	<b>Remarks</b>	<b>Number</b>	<b>Remarks</b>
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	Nil	Nil

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

Not Applicable.

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

	<b>FY2024 (Current Financial Year)</b>	<b>FY2023 (Previous Financial Year)</b>
Number of days of accounts payable	NA	NA

**9. Open-ness of business**

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

<b>Parameter</b>	<b>Metrics</b>	<b>FY 2024 (Current Financial Year)</b>	<b>FY 2023 (Previous Financial Year)</b>
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	Not applicable	-
	b. Number of trading houses where purchases are made from	Not applicable	-
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	Not applicable	-
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	Not applicable	-
	b. Number of dealers / distributors to whom sales are made	Not Applicable	-
	c. Sales to top 10 dealers/distributors as % of total sales to dealers / distributors	Not Applicable	-
Share of RPTs in*	a. Purchases (Purchases with related parties / Total Purchases)	40.14%	28.61%
	b. Sales (Sales to related parties / Total Sales)	0.64%	0.02%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	0	0
	d. Investments (Investments in related parties / Total Investments made)	15.54%	12.95%

\*Note-

- Purchases refer to purchase of Fixed Assets.
- Sales refer to Sale of Fixed Assets.
- No loans/Advances given to any related parties.

**Leadership Indicators**

**1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:**

Total number of awareness programs held	Topics/ principals covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	All 9 principles of NGRBC are covered.	80%

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

MMFSL has zero tolerance towards unethical business practices and ensures adherence to relevant principles, including those related to conflicts of interest. The Company has separate Codes of Conduct ('CoC') for the Board, Senior Management, and Employees to avoid or disclose any potential conflict of interest with the company. Different CoC indicates that 'Directors and Senior Management shall observe the highest standards of ethical conduct and integrity and shall work to the best of their ability.' The CoCs require them not to engage in any material business relationship or activity that conflicts with their duties towards the Company.

All the members of Board and Senior Management Personnel have confirmed to the Code of Conduct. None of the Directors have any pecuniary relation with the Company apart from remuneration. None of the Directors are related inter-se.

The Code of Conduct for Board is available at: <https://www.mahindrafinance.com/wp-content/uploads/2023/07/Code-of-Conduct-for-Board-of-Directors-version-4.pdf>

**PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe**  
**Essential Indicators**

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

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	-	-	-
Capex	50%	40%	1. Procurement of 5-star inverter split AC's, super-efficient BLDC fans for reducing energy consumption, 2. Replacement of lights with LEDs across all branch offices, 3. Procurement of prelaminated particle boards (modular furniture).

Given the nature of MMFSL's business, Capex Investment is largely focused on procurement of Energy efficient appliances like 5-star Inverter Air Conditioners, LED's & Brushless Direct Current (BLDC) fans, and prelaminated particle boards.

**2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes, MMFSL provides financial services PAN India in various sectors to meet the needs of the people, with a particular focus on rural and semi-urban areas. We do not consume raw materials in our operations since the business activities are limited to providing financial solutions. However, MMFSL fosters and promotes a culture of resource conservation and innovation. MMFSL emphasizes operational excellence by reducing dependency on natural resources, thereby minimizing its environmental footprint. Additionally, MMFSL strives to procure energy-efficient products and wheat-based recycled papers in its service operations.

**b. If yes, what percentage of inputs were sourced sustainably?**

In FY2024, MMFSL ensured 50% sustainable sourcing through energy-saving product procurement.

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

MMFSL is a service sector organisation providing financial services like loans and investment options. It is not a product manufacturing company. However, being a responsible organisation, during the FY2024, we have recycled 34+ tonnes of paper and 42+ tonnes of e-waste through Government registered recyclers.



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

Not applicable as MMFSL is a financial services company, it does not manufacture any products.

**Leadership Indicators**

**1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
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Not applicable as MMFSL is a financial services company, it does not manufacture any products.

**2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Name of Product / Service	Description of the risk / concern	Action Taken
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Not applicable as MMFSL is a financial services company. It does not manufacture any products.

**3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate input material	Recycled or re-used input material to total material	
	FY 2024	FY 2023

Not applicable as MMFSL is a financial services company, it does not manufacture any products.

**4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format**

	FY 2024 (Current Financial Year)			FY 2023 (Previous Financial Year)		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled*	Safely Disposed
Plastics (including packaging)	Not applicable as MMFSL is a financial services company hence it does not manufacture any products.			Not applicable as MMFSL is a financial services company hence it does not manufacture any products.		
E-waste						
Hazardous waste						
Other waste						

**5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
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Not applicable as MMFSL is a financial services company, it does not manufacture any products.

**PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains**

At MMFSL, different initiatives and workshops assure employee well-being, diversity, and inclusion. We recognize that it is essential to safeguard our employees from illness, injuries, emergencies, health and safety hazards as well as other wellbeing issues. Initiatives like Spectrum 2023, podcast series, etc., are implemented at the executive and strategic levels to highlight our top leadership team's involvement in promoting diversity, inclusion, and unbiased practices. Our brand pillar "Rise for a More Equal World," which focuses on fostering a sense of inclusion and belonging in the Mahindra Financial Services sector sought to deepen understanding of inclusion, breaking down unconscious bias, and dismantling stereotypes, resulting in a culture in which everyone feels valued, respected and empowered to deliver business results.

Women play an important role in our success story and are encouraged to take on leadership positions. Recognizing the particular obstacles and untapped potential of women in leadership roles, we created "She is on the Rise," a uniquely customized program meant to empower our female managers and push their success.

For the wellbeing of employees, platforms such as the Alyve application, and the Employee Engagement Platform have been launched. The Alyve application has facilitated health as well as Eye Check-ups for 3000+ employees PAN India along with hosting mental wellness workshops.

Through the employee engagement platform, peer to peer appreciation and interaction were fostered through hobby club activities like book reading, photography etc.

## Essential Indicators

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

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
	Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)	
<b>Permanent employees</b>											
Male	26662	26662	100	26662	100	NA	NA	509	1.9	NA	NA
Female	1319	1319	100	1319	100	42	3.18	NA	NA	160	12.1
<b>Total</b>	<b>27981</b>	<b>27981</b>	<b>100</b>	<b>27981</b>	<b>100</b>	<b>42</b>	<b>0.15</b>	<b>509</b>	<b>1.82</b>	<b>160</b>	<b>0.57</b>
<b>Other than Permanent employees</b>											
Male						NA					
Female											
<b>Total</b>											

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

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

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

	FY - 2024	FY - 2023
Cost incurred on well- being measures as a % of total revenue of the company	0.65	0.72

### 2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2024 Current Financial Year			FY 2023 Previous Financial Year		
	No. of employees covered as a % of Total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of Workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	NA	Y	100	NA	Y
Gratuity	72	NA	Y	100	NA	Y
ESI	26	NA	Y	53.39	NA	Y
Others - please specify	NA	NA	NA	NA	NA	NA



### 3. Accessibility of workplaces

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

Yes, we strive to make our offices accessible to differently abled employees to the best of our abilities and wherever practicable. As part of our future readiness, we consider the following for branch openings/shifts:

1. Preference for locations accessible at the ground floor;
2. Installation of ramps and railings in ground floor branches where feasible;
3. Provision of PWD-friendly restrooms;
4. Design of branch layouts with easy accessibility for PWDs wherever possible.

### 4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

MMFSL is an Equal Opportunity Employer and actively supports rights to equal opportunities for employees with disabilities. We are committed to implementing the provisions of the Rights of Persons with Disabilities Act of 2016 in both letter and spirit, including offering specific opportunities for hiring in recognized positions.

<https://www.mahindrafinance.com/wp-content/uploads/2023/07/Human-Rights-Policy.pdf>

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

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	99.62%	78.78%	NA	NA
Female	55.00%	72.73%	NA	NA
Total	96.62%	78.39%	NA	NA

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

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	NA
Other than Permanent Workers	NA
Permanent Employees	YES
Other than Permanent Employees	

MMFSL is committed to providing fair and equitable work opportunities to all employees; hence the Grievance Redressal Policy has been created. The objective of the policy is to provide employees with an easily accessible mechanism for the settlement of their grievances in a professional and transparent manner, with prompt and responsive resolution. We have also constituted Grievance Committees to handle employees' grievances.

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

Category	FY 2024 (Current Financial Year)			FY 2023 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employee / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	The Company does not have any employee associations. The Company promotes equal opportunity to all the employees to raise their queries directly to the senior management through webcast's and the same is being answered/addressed by them.					
- Male						
- Female						
Total Permanent Workers						
- Male	NA					
- Female						

**8. Details of training given to employees and workers:**

Category	FY 2024 (Current Financial Year)					FY 2023 (Previous Financial Year)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
<b>Employees</b>										
Male	26662	11767	44	26662	100	25354	11600	45.75	22940	90
Female	1319	210	15.92	1131	85.7	975	200	20.51	904	93
<b>Total</b>	<b>27981</b>	11977	42.8	27793	99.3	26329	11800	44.82	23844	91
<b>Workers</b>										
Male										
Female	NA									
Total										

Good health and safety practices promote work effectiveness, employee morale and brand image. We have integrated safety process into our key business activities to build a safe culture in our organization. Following are some of the key safety initiatives undertaken/continued in the FY2024 reporting period:

- a. Defensive Driving Program for promoting road safety awareness. Around 5500 employees have been trained till date.
- b. Women Safety Ambassador Programme for female employees to create awareness on safe work practices and thereby enhancing the morale of Female employee towards employees towards safety.
- c. Certified First Aid Training Programs are implemented for the Emergency Response Team ("ERT") to provide certified first aiders at offices. This initiative helps not only foster a safety culture at the workplace but also strengthens the emergency procedure. 110 ERT members have been provided this certificate till date.

We value our employees' development and aim to provide both - learning opportunities for employees and service satisfaction for our customers. Throughout the year we offered various development programs, including:

- d. CSE - Customer Service Excellence, a program implemented in 30 focused branches to equip our customer-facing roles with necessary knowledge and skills. 1100+ employees i.e., 83% of the total, were trained. This initiative led to an improvement in our Customer Satisfaction (CSAT) score from 1.7 in May 2023 to 2.4 in March 2024.
- e. Transformational Leadership Development Program: Implemented to enhance leadership capabilities at the departmental head level. Currently, 32 participants are enrolled in this program.
- f. Central Processing Center (CPC) 0.5 Initiative: Implemented at MMFSL to digitize, standardize, and centralize the customer onboarding process. Training was conducted for 5900+ employees across 500+ branches, focusing on building awareness in operations and accounts teams.

**9. Details of performance and career development reviews of employees and worker:**

Category	FY 2024 Current Financial Year			FY 2023 Previous Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
<b>Employees</b>						
Male	26662	16721	63%	25354	22542	89
Female	1319	840	64%	975	847	87
<b>Total</b>	27981	17561	63%	26329	23389	89
<b>Workers</b>						
Male						
Female	NA			NA		
<b>Total</b>						



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

- MMFSL has approved a Health & Safety policy.
- We have set up a structured operating procedure to ensure employee health and safety at work.
- Trainings like 'Train the Trainer' programme and safety training are being implemented to raise awareness about emergency procedures, fire safety, and workplace safety.
- We regularly conduct the mock drills for 200+key offices to guarantee Emergency Response Plan (ERP) compliance.
- MMFSL has a designated Emergency Response Team (ERT) member in nearly 1200+ offices.
- We have completed 1000+safety audits across our branches.
- We have added safety equipment such as fire alarms, CCTV, and electrical safeguards to ensure staff safety.
- The health and safety procedure has undergone external audits such as ISO 27001, EY, KPMG, and TMW benchmarking.
- MMFSL created the Ziman mobile app specifically for female employees, branch accountants, cashiers, and senior leadership. It helps transmit a triggering alarm in the event of an emergency.

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

A Hazard Identification and Risk Assessment (HIRA) approach has been developed to detect work-related dangers for routine and non-routine operations. It is currently being implemented in ~120 offices which fall under the category of floor size of at least 2000 sq ft.

The Mitkat Risk Tool has been designed by MMFSL to meet the operational and crisis management requirements. The tool is designed to provide real-time risk alerts, tailored to our business continuity planning (BCP) efforts. Mitkat provides an integrated and holistic approach to risk management and analyze information of incidents or events happened around MMFSL offices. It helps to reduce the risk exposure and initiate mitigation strategies to further increase the organization resilience. The tool has demonstrated its ability to risk alerts and provide insights on potential threats to our BCP.

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

MMFSL does not hire workers for its business activities.

MMFSL has a specialized structured incident reporting and corrective action plan that allows employees to report work-related hazards or incidents. We developed a digital Smart Serve method for reporting work-related hazards and corrective actions taken.

**d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No) Yes****11. Details of safety related incidents, in the following format:**

Safety Incident/Number	Category*	FY 2024 Current Financial Year	FY 2023 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0.001
	Workers	NA	NA
Total recordable work-related injuries	Employees	0	1
	Workers	NA	NA
No. of fatalities	Employees	0	0
	Workers	NA	NA
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	NA	NA

\*Including in the contract workforce

**12. Describe the measures taken by the entity to ensure a safe and healthy work place.**

MMFSL has a dedicated environment health and safety team that focuses on this aspect. Following are the safety measures taken to ensure a safe and healthy workplace.

- MMFSL has an approved health and safety policy.
- Promoting safety campaigns for employees involving senior leadership.
- Provision for Infra safety like fire alarm panel, fire extinguishers, electrical safety measures.
- Conducting workshops for workplace safety trainings for employees.
- Undertaking safety Audits for offices to ensure safety compliance at workplace.
- Provision of heating panel, ventilation, and ramp for work place safety of the employees.
- Setup of Governance model for review of safety processes and implementation.
- Provision of Women safety ambassador program for female employees on awareness for safety.

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

	FY 2024 (Current Financial Year)			FY 2023 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
<b>Working Conditions</b>	0	0	No complaint filed	0	0	No complaint filed
<b>Health &amp; Safety</b>	0	0	No complaint filed	0	0	No complaint filed

**14. Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
<b>Health and safety practices</b>	91%
<b>Working Conditions</b>	

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

There has been no concern or significant risk arising from health & safety practices and working conditions at MMFSL, hence, corrective action is not applicable.

**Leadership Indicators****1. Does the entity extend any life insurance or any compensatory package in the event of death of**

**(A) Employees (Y/N)**- Yes, the Company provides its employees with the Group Term Life Insurance, Personal Accident cover, Employee Death Life Insurance, Provident Fund Benefit and Gratuity Benefit.

**(B) Workers (Y/N)**. Not Applicable

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

MMFSL works towards greater integration of environmental & social considerations in its procurement practices by setting clear expectations with vendors and suppliers to abide by labour laws, human rights and regulations in their regions of business. The organisation strives to influence its partners in the value chain to participate in the responsible and sustainable business conduct depending upon their means and resources through contractual commitments, seeking confirmations of compliance depending on the nature of product / services rendered.



**3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
Employees				
Workers				NIL

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

The Company extends the benefit of Mediclaim policy to the employee (Manager Grade and above) and his/her spouse after retirement till the age of 75 years. However the company has not undertaken any retrenchment of employees till now. In case in the future, when such step is required to be taken due to any unavoidable circumstances, the Company will actively undertake such activities for the outgoing employees.

**5. Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
<b>Health and safety practices</b>	We have assessed the following 4 key value chain Partners for Health & safety aspects, in compliance to the safety norms: - <ol style="list-style-type: none"> <li>Avenue System-Provides fire alarm and fire extinguisher services for MMFSL</li> <li>JCI Pvt. Ltd.-Provides CCTV and Access control for MMFSL</li> <li>KIAM System - Provides CCTV and Intruder alarms for MMFSL</li> <li>ANG Pvt. Ltd.- Provides CCTV and Intruder alarms for MMFSL</li> </ol>
<b>Working Condition</b>	Found Satisfactory

**6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

There has been no concern or substantial risk associated with MMFSL's health and safety practices and working environment, thus corrective action is not required.

**PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders**  
**Essential Indicators**

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

Our stakeholders play a crucial role in our success and development. There are many ways in which our actions are linked to their progress and welfare. By overcoming several challenges and adversities in times of crisis, we have been able to fortify our shared trust and stay committed to our goals for the expansion of both our Company and society at large. With the goal to sustain strong, dependable relationships with our stakeholders, we proactively communicate with them throughout the year. Through official and informal channels, the Company communicates with a wide variety of stakeholders to solicit their opinions for the materiality assessment procedure.

The following methods are used to identify the Company's major stakeholder groups:

- Conducting interviews with significant senior management professionals regarding key stakeholder interactions with MMFSL
- Conducting interviews with the senior management to understand stakeholders' impact on MMFSL's business and its engagement strategies.
- Conducting site visits for stakeholder engagement at particular branches that holds significant value for MMFSL
- Collecting feedback of the stakeholders through employee and customer satisfaction surveys, emails, stakeholder consultation workshops, vendor engagement activities, impact assessment of CSR activities on the communities and through dealer meetups.
- Mapping out each stakeholder's influence and impact on the company's business operations. The branches are chosen based on factors such as increased commercial activity, climatic vulnerability, and higher level of

business participations. We create a shared value while addressing stakeholder concerns and upholding the transparency of our present and future intentions through a rigorous engagement approach.

**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Community	Yes	Website uploads, Emails, SMS, Community engagement initiatives, Social Media.	Ongoing & Need based	Maintaining a cordial rapport with the local communities in which we conduct business is essential to maintaining our social license to continue operations.
Employees	No	Employee engagement activities, Trainings, Email notifications, Website uploads, based Employee portals, Talent Management and growth opportunity platforms.	Ongoing & Need based	Our employees are at the center of all our operations; their collaborative skill and expertise are essential for our growth and success.
Customers	No	Customer meets, Dealer/ Original Equipment Manufacturer (OEM) events	Ongoing, weekly, monthly	Customer feedback or 'the Voice of the Customer' as we refer to it, is essential for cost optimization, service performance, quality enhancement, and process changes.
Regulators	No	Quarterly & Annual compliance reports, continued engagement and representation	Need based	Essential for ensuring adherence to rules, their interpretation, and continuous operations.
Shareholders/ Investors	No	Newspaper publications, notices, press releases, website uploads, Stock exchange announcements, Annual General Meetings, Integrated Report	Quarterly & need based	As providers of capital, they are key to our growth and expansion plans.
Dealers/OEMs	No	Dealer portal formal mechanism, events	Ongoing	Important for providing enhanced purchase experience along with best after sales service.
Lenders	No	Quarterly and Annual Results	Quarterly / Annual	A positive relationship enables us to raise growth capital in a timely and cost-effective manner.
Vendors/ Suppliers	No	Dealer engagement meets	Ongoing	Our operations are directly linked with the timely availability and the services that we source, which has a significant effect on how efficiently we deliver our services.

**Leadership Indicators**

**1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

We carry out regular discussions between the Board and its committees and with the management and concerned department. This helps us to identify important stakeholder concerns and align our efforts with their expectations. The Stakeholder Relationship Committee of the Board sets the policy(ies), supervises the process for handling stakeholder complaints and grievances, and synchronizes stakeholder objectives with corporate strategy. The committee also examines the company's responsibilities to stakeholders in the areas of environment, social, and governance.

**2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Yes, we incorporate stakeholder feedback into our policies and processes. We conduct stakeholder engagements with both internal and external stakeholders for gathering their ideas and opinions to help us prioritize the key material issues that we have identified, which we further include into the development of our ESG roadmap. The thorough report created following the engagement helps to meet company sustainability compliance goals and helps in strategic planning. Their contributions also address climate change which assists in our decision-making for operational and strategic initiatives that support climate resilience. Frequent communication with our wide range of stakeholders strengthens our business performance.



### 3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.

Feedback received from local communities through direct participation and third-party impact evaluations helps us match our CSR activities with the future needs and expectations of local communities and society as a whole.

## PRINCIPLE 5: Businesses should respect and promote human rights

### Essential Indicators

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

Category	FY 2024 Current Financial Year			FY 2023 Previous Financial Year		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
<b>Employees</b>						
Permanent	26662	26508	99.42%	26329	23517	89.32%
Other than permanent	1319			1328	24	1.8%
<b>Total Employees</b>	<b>27981</b>	<b>26508</b>	<b>99.42%</b>	<b>27657</b>	<b>23541</b>	<b>85.11%</b>
<b>Workers</b>						
Permanent						
Other than permanent		NA			NA	
<b>Total Workers</b>						

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

Category Total (A)	FY 2024 Current Financial Year					FY 2023 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total I (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
<b>Employees</b>										
Permanent	26662	-	-	26662	100%	26329	-	-	26329	100%
Male	25567	-	-	25567	100%	25354	-	-	25345	100%
Female	1095	-	-	1095	100%	975	-	-	975	100%
Other than Permanent	1319	-	-	1319	100%	1328	1328	100%	-	-
Male	1095	-	-	1095	100%	1266	1266	100%	-	-
Female	224	-	-	224	100%	62	62	100%	-	-
<b>Workers</b>										
Permanent	NA					NA				
Male										
Female										
Other than Permanent										
Male										
Female										

#### 3. Details of remuneration/salary/wages

##### a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	5*	0.50 Cr <sup>#5</sup>	2	0.45 Cr
Key Managerial Personnel	3	3.93 Cr	1	1.41 Cr
Employees other than BoD and KMP <sup>®</sup>	25564	0.04 Cr	1094	0.05 Cr

\* 1. Only includes Directors to whom remuneration is paid, i.e. exclusive of Directors who are employees of M&M, Holding Company.

2. Remuneration paid to Mr. Ramesh Iyer and Mr. Raul Rebello, Directors and Key Managerial Personnel, is covered under median remuneration to Key Managerial Personnel.

# Inclusive of Commission paid in FY2024 for the financial year FY2023. Commission for FY2024 will be paid in FY2025 and hence not included.

§ Sitting fees to Mr. Ashwani Ghai & Commission to Mr. Siddhartha Mohanty (considered as one in number basis their tenure) was paid to LIC.

@Only permanent employees.

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

	FY 2024 Current Financial Year	FY 2023 Previous Financial Year
Gross wages paid to females as % of total wages	5.84%	5.00%

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

Yes, the Corporate Ombudsman is the focal point responsible for resolving human rights, and they may be reached at [grievanceredressal\\_mmfsl@mahindra.com](mailto:grievanceredressal_mmfsl@mahindra.com).

**5. Describe the internal mechanisms in place to redress grievances related to human rights issues.** Respect for human rights is considered as one of the fundamental and core value of MMFSL. MMFSL strives to support, protect and promote human rights to ensure that fair and ethical business and employment practices are followed. There are committees and policies put in place to handle grievances and complaints related to human rights issues and these details are placed on the intranet of the Company. MMFSL prohibits and exhibits zero tolerance towards any form of exploitation and abuse like child labour, slavery, forced labour, physical, sexual, psychological, or verbal abuse. Stakeholders can promptly report their concerns that relate to actual or alleged violations of the Code of Ethical Business Conduct including human rights issues and address the complaints / concerns to the corporate ombudsman by sending an email to: [grievanceredressal\\_mmfsl@mahindra.com](mailto:grievanceredressal_mmfsl@mahindra.com).

The detailed process is explained in the publicly available policy.

<https://www.mahindrafinance.com/wp-content/uploads/2023/07/Human-Rights-Policy.pdf>

<https://www.mahindrafinance.com/wp-content/uploads/2023/07/Vigil-Mechanism.pdf>

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

	FY 2024 Current Financial Year			FY2023 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	1	Nil	The allegation was not substantiated. No action taken	1	Nil	The allegation was not substantiated. No action taken
Discrimination at workplace	Nil	Nil		Nil	Nil	Nil
Child Labour	Nil	Nil		Nil	Nil	Nil
Forced Labour/Involuntary Labour	Nil	Nil		Nil	Nil	Nil
Wages	Nil	Nil		Nil	Nil	Nil
Other human Rights related issues	Nil	Nil		Nil	Nil	Nil

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

	<b>FY2024 Current Financial Year</b>	<b>FY2023 Previous Financial Year</b>
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	1	1
Complaints on POSH as a % of female employees / workers	0.10%	0.10%
Complaints on POSH upheld	Nil	Nil

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

MMFSL is committed to providing fair employment opportunities and ensuring that employees and job applicants are never subjected to discrimination or unfair treatment. Gender, race, color, nationality, ancestry, religion, physical or mental handicap, health status, sexual orientation, or marital status are not taken into consideration while making the choices. The Company has established procedures under Code of Conduct for senior management and all employees, to address workplace discrimination and harassment.

MMFSL has a gender-neutral Policy on Prevention of Sexual Harassment which applies to all persons associated with MMFSL: employees and visitors. The company has formed an Internal Complaints Committee under the Prevention of Sexual Harassment Act of 2013 and the Vishaka Guidelines. The Internal Complaints Committee is composed of an external member (independent), employees with legal skills, and the female presiding officer. The company has established an internal committee for each circle<sup>1</sup>. The Company has also established mechanism under Whistleblower Policy and POSH Policy for maintaining the confidentiality of any complaints to maintain the sensitivity and discretion for any information which is capable of identifying any party or witness.

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

Yes

**10. Assessments for the year:**

	<b>% of your plants and offices that were assessed (by entity or statutory authorities or third parties)</b>
Child labour	100
Forced/involuntary labour	100
Sexual harassment	100
Discrimination at workplace	100
Wages	100
Others - please specify	100

1. Child labour: MMFSL strictly prohibits child labour. As per the employee database, the employees employed by MMFSL are not less than 18 years of age.
2. Forced/involuntary labour: MMFSL does not employ forced / involuntary labour.
3. Sexual harassment: MMFSL has a gender-neutral Policy on Prevention of Sexual Harassment which applies to all persons associated with MMFSL: employees and visitors. A dedicated Internal Complaints Committee is constituted at the Head office and 7 circles, covering PAN India locations, representing members from varied functions, to ensure timely reporting and speedy resolution of sexual harassment cases in an unbiased manner.
4. Discrimination at workplace: MMFSL does not discriminate against or treat unfairly to the employees or job applicants, and is committed to providing equal opportunity in employment. No decisions are made on the basis of gender, race, colour, nationality, ancestry, religion, physical or mental disability, medical condition, sexual orientation, or marital status. The same is mentioned in the Code of conduct and all the employee and senior management are bound by it.
5. Wages: All the employees of MMFSL are paid salary as per the applicable statutes.

<sup>1</sup> Circle office: MMFSL has designated 7 circle offices strategically distributed across India to streamline its operations. Each of these offices oversee several other offices which are under their area of responsibility.

**11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.** Not Applicable

**Leadership Indicators**

**1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.**

MMFSL did not received any human rights complaint in the FY2024. We have a method of continuous monitoring to ensure that human rights are consistently upheld within the organization. The Board has approved policies regarding the Code of Conduct (COC), Anti-Bribery and Anti-Corruption (ABAC), Prevention of Sexual Harassment (POSH), and Whistleblower (WB) policy. Pursuant to approval of the Board of Directors, these policies are prominently showcased on the company's website for all the concerned parties to access. The company has reinforced the importance of these policies being thoroughly understood by its employees; and developed an e-learning training module for the same.

**2. Details of the scope and coverage of any Human rights due-diligence conducted.**

The Company conducts regular internal assessments to monitor if there is a negative impact on our stakeholders' human rights. We are planning to establish a due diligence process which will help us in checking and ensuring Compliances on aspects of human rights and regulations.

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes, MMFSL premises are accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016. Necessary actions are taken when opening or relocating branches. To mention a few:

1. Preference for ground floor.
2. Feasibility of creating ramps & railings.
3. PWD friendly washrooms.
4. Branch layouts are being designed considering the easy access/ passage for PWDs.

**4. Details on assessment of value chain partners:**

	<b>% of value chain partners (by value of business done with such partners) that were assessed</b>
<b>Sexual Harassment</b>	We are in process of developing a due diligence process for our value chain partners, which will help us in checking and ensuring compliances on aspects of human rights and regulations. As a part of our existing compliance efforts, it is mandatory for all our suppliers to sign the suppliers code of conduct stating that their business is in compliance of all human rights and other laws mandated by legal body.
<b>Discrimination at workplace</b>	
<b>Child Labour</b>	
<b>Forced Labour/Involuntary Labour</b>	
<b>Wages</b>	
<b>Others - please specify</b>	

**5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

NIL



**PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment****Essential Indicators****1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
<b>From renewable sources</b>		
Total electricity consumption (A)	-	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	-	-
From non-renewable sources-		
Total electricity consumption (D)	51,132.21 GJ	81,323.42 GJ
Total fuel consumption (E)	30,507.46 GJ	31,138.90 GJ
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	81,639.67 GJ	1,12,462.32 GJ
Total energy consumed (A+B+C+D+E+F)	81,639.67 GJ	1,12,462.32 GJ
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	6.02 GJ per Cr. of turnover	10.17 GJ per Cr. of turnover
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	12.62 GJ/million USD	21.32 GJ/million USD
Energy intensity in terms of physical Output	-	-
Energy intensity (optional) - the relevant metric may be selected by the entity	2.92 GJ per employee	4.30 GJ per employee

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

Yes - DNV Business Assurance India Private Limited

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

Not applicable. However, current energy efficiency legislations are followed across all branches to maximize energy savings through measures such as the installation/replacement of energy efficient electrical fittings such as LEDs, 5-star rated ACs, and BLDC motor fans.

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

Parameter	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	1,59,491.70	2,33,559.00
(ii) Groundwater	NA	NA
(iii) Third party water	10,099.90	NA
(iv) Seawater / desalinated water	NA	NA
(v) Others	NA	NA
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	1,69,591.64	2,33,559.00
Total volume of water consumption (in kilolitres)	10,099.90	2,33,559.00
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	0.74 KL per Cr. of turnover	21.12 KL per Cr. of turnover
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	26.21 KL/ million USD	44.28 KL/ million USD
Water intensity in terms of physical Output	-	-
Water intensity (optional) - the relevant metric may be selected by the Entity	6.06 KL per employee	8.87 KL per employee

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

Yes - DNV Business Assurance India Private Limited

#### 4. Provide the following details related to water discharged:

Parameter	FY 2024	FY 2023
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
<b>(i) To Surface water</b>		
- No treatment	159,491.7	233,559
- With treatment - please specify level of Treatment	-	-
<b>(ii) To Groundwater</b>		
- No treatment	-	-
- With treatment - please specify level of Treatment	-	-
<b>(iii) To Seawater</b>		
- No treatment	-	-
- With treatment - please specify level of Treatment	-	-
<b>(iv) Sent to third-parties</b>		
- No treatment	-	-
- With treatment - please specify level of Treatment	-	-
<b>(v) Others</b>		
- No treatment	-	-
- With treatment - please specify level of Treatment	-	-
<b>Total water discharged (in kilolitres)</b>		

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

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

Our water usage is primarily for employee consumption and we take measures to judiciously control the same.

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

Parameter	Please specify unit	FY - 2024	FY - 2023
<b>NOx</b>	g/KW-hr	2.10	0.27
<b>Sox</b>	-	-	-
<b>Particulate matter (PM)</b>	g/KW-hr	0.44	0.11
<b>Persistent organic pollutants (POP)</b>	-	-	-
<b>Volatile organic compounds (VOC)</b>	-	-	-
<b>Hazardous air pollutants (HAP)</b>	-	-	-
<b>Others- Please specify</b>			
<b>SO2</b>	mg/Nm <sup>3</sup>	<1	0.048
<b>Non-Methane Hydrocarbon</b>	g/KW-hr	<0.001	0.12
<b>Carbon Monoxide</b>	g/KW-hr	0.63	0.14

We have increased the DG Stack Emission Testing from 10 Location (as for FY 2023) to 20 locations (for FY 2024). We shall gradually increase the number of locations for FY 2025 as well.

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

Yes, Shiva Analytics.

Please note: For FY-2024, the assessment was conducted by a different entity compared to FY-2023. Therefore, the data for sulfur dioxide (SO<sub>2</sub>) is provided only in mg/Nm<sup>3</sup>, unlike FY-2023, where it was presented in g/kWh.



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

Parameter	Unit	FY - 2024 (Current Financial Year)	FY - 2023 (Previous Financial Year)
<b>Total Scope 1 emissions (Break-up of the GHG into CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub>, NF<sub>3</sub>, if available)</b>	<b>Metric tonnes of CO<sub>2</sub> equivalent</b>	1,894.51 tonnes	2,008.19 tonnes
<b>Total Scope 2 emissions (Break-up of the GHG into CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub>, NF<sub>3</sub>, if available)</b>	Metric tonnes of CO <sub>2</sub> equivalent	10,169.63 tonnes	16,038 tonnes
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)</b>	Metric tonnes of CO <sub>2</sub> equivalent per Cr. of turnover	0.89 tonnes per Cr. of turnover	1.63 tonnes per Cr. of turnover
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)</b>	Metric tonnes of CO <sub>2</sub> equivalent per million USD	1.86 tonnes per million USD	3.42 tonnes per million USD
<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>	-	-	-
<b>Total Scope 1 and Scope 2 emission intensity (optional) - the relevant metric may be selected by the entity</b>	Tonnes Co2e/ Employee	0.43 tonnes/employee	0.69 tonnes/employee

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

Yes, DNV Business Assurance India Private Limited.

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

Yes, MMFSL has deployed some technological solutions which helps it in reducing the energy consumption. Some of the methods namely:

- the installation of higher efficiency Air Conditioners. i.e. previously owned 3-star fixed speed ACs are now replaced with 5-star inverter ACs at branches,
- all the new procurement of ACs is 5-star inverter ACs, resulting in 0.96 lacs kWh electricity being saved, and
- replacing the conventional fans with BLDC fans at 104 branches, saving 0.13 lacs kWh electricity.

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

Parameter	FY - 2024 (Current Financial Year)	FY - 2023 (Previous Financial Year)
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	NA	0.0149
E-waste (B)	43.87	59.51
Bio-medical waste (C)	NA	NA
Construction and demolition waste (D)	NA	NA
Battery waste (E)	NA	NA
Radioactive waste (F)	NA	NA
Other Hazardous waste. Please specify, if any. (G)	NA	NA
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	34.49	17.50
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>78.36</b>	<b>77.01</b>

Parameter	FY - 2024 (Current Financial Year)	FY - 2023 (Previous Financial Year)
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.01 per Cr. of turnover	0.01 per Cr. of turnover
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.01 tonnes per million USD	0.02 tonnes per million USD
<b>Waste intensity in terms of physical output</b>	-	-
Waste intensity (optional) - the relevant metric may be selected by the entity	0.002800472 tonnes per employee	0.002924912 tonnes per employee
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	78.36	76.51
(ii) Re-used	—	-
(iii) Other recovery operations	—	-
<b>Total</b>	78.36	76.51
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
<b>Category of waste</b>		
(i) Incineration	NA	NA
(ii) Landfilling		
(iii) Other disposal operations		
<b>Total</b>		

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

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

MMFSL, as a financial service sector provider, does not generate any hazardous or toxic chemical waste. As part of our waste management practice, the company recycles its E-waste and paper-based garbage annually through a government-registered vendors, which is validated by an external agency.

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

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
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Not applicable as MMFSL is a financial services company, and we do not have operations/offices in and around ecologically sensitive areas.

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

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
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Not applicable as MMFSL is a financial services company, it does not manufacture any products.



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

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
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Not applicable. However, MMFSL is compliant with all applicable environmental law/ regulations/ guidelines in India.

**Leadership Indicators**

**1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

**For each facility / plant located in areas of water stress, provide the following information:**

- (i) Name of the area
- (ii) Nature of operations
- (iii) Water withdrawal, consumption and discharge in the following

Parameter	FY - 2024 (Current Financial Year)	FY - 2023 (Previous Financial Year)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	NA	NA
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed / turnover)		
Water intensity (optional) - the relevant metric may be selected by the entity		
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) Into Surface water	NA	NA
- No treatment		
- With treatment - please specify level of treatment		
(ii) Into Groundwater		
- No treatment		
- With treatment - please specify level of treatment		
(iii) Into Seawater		
- No treatment		
- With treatment - please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment - please specify level of treatment		
(v) Others		
- No treatment		
- With treatment - please specify level of treatment		
<b>Total water discharged (in kilolitres)</b>		

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

**2. Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
<b>Total Scope 3 emissions (Break-up of the GHG into CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub>, NF<sub>3</sub>, if available)</b>	<b>Metric tonnes of CO<sub>2</sub> equivalent</b>	15,583.88 tonnes Co <sub>2</sub>	15,625.54 tonnes Co <sub>2</sub>
<b>Total Scope 3 emissions per rupee of turnover</b>		1.15 tCO <sub>2</sub> e per Cr. of turnover	1.41 tCO <sub>2</sub> e per Cr. of turnover
<b>Total Scope 3 emission intensity (optional) - the relevant metric may be selected by the entity</b>	Tonnes emission per employee	0.56 tonnes/employee	0.59 tonnes/employee

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

**3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.** Not Applicable

**4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Procurement of efficient 5-star Acs	Installation of higher efficiency Air Conditioners i.e. old 3-star fixed speed ACs are replaced with 5 star inverter ACs at our branches.	Savings of 1.1 lakhs kWh electricity
2	Procurement of efficient Brushless Direct Current (BLDC) fans:	Replacement of conventional fans with BLDC fans for reducing energy consumption	

**5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

Yes, in order to have robust framework & process for Business continuity, your Company has implemented Business Continuity Policy which inter-alia includes identification, monitoring, reporting, responding and managing the risks including mitigating risks of a significant / prolonged business disruption in order to protect the interests of the Company's customers, employees and stakeholders.

Your Company continues to invest in talent, systems and processes to further strengthen the control, compliance, risk management and governance standards in the organisation.

Your Company has an Emergency Response Control Plan, which also covers the disaster management plan. The Risk team has developed a business continuity strategy called the Mitkat risk framework, which is currently in the development stage. The framework is being created to identify risks and prevent any disruption of key services.

**6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

Environment impacts from the value chain partners are not evaluated as the supply chain partners pertain to the financial -operations services.

**7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

Due diligence is carried out for all value chain partners; however, environmental implications are not evaluated because supply chain partners provide only the financial and operational services.

**PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent****Essential Indicators****1. a. Number of affiliations with trade and industry chambers/ associations.**

MMFSL is linked with several trade and industry chambers/associations to create a collaborative environment that helps us gain expertise, build a network, improve our reputation, advertise, educate, market, and push the government for policy changes that benefit business and society.

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

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Finance Industry Development Council (FIDC)	National
2	Confederation of Indian Industry (CII)	National
3	Bombay Chamber of Commerce & Industry	State
4	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
5	The Associated Chambers of Commerce & Industry Of India (Assocham)	National

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

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

**Leadership Indicators****1. Details of public policy positions advocated by the entity:**

Through our value creation process, we strive to achieve common goals and routinely work along with regular engagements with our stakeholders to advance public policies that are important to us and the financial services industry. Our stakeholder groups are the foundation of our growth story, and our existence is inextricably linked to their success and well-being in a variety of ways. Despite difficulties during crisis situations, we were able to deepen our mutual trust and remain committed to our collective goals through effective lobbying and conversation at forums. We aim to create shared value over time through robust engagement procedures and systems. Our attempts to foster a strategic and proactive discourse by advocating our ideas on recognized association platforms allow us to obtain a better understanding of our business drivers and societal demands. This has helped us improve our internal processes, capitalize on business opportunities, reduce our operational risk and remain ahead of competition while creating greater value for all stakeholders.

**PRINCIPLE 8: Businesses should promote inclusive growth and equitable development****Essential Indicators****1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Not Applicable

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

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
Not Applicable						

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

Implementation partners have developed grievance redressal mechanisms to deal with the beneficiaries, as below:

**a. Skilling and Livelihood Project:**

- Beneficiaries can raise grievances via phone call, email, or at the official branch or center. Also, there are complaint boxes kept in the training centers managed by the implementation partners to report grievances.

- If the grievance is resolved within three working days, the resolution and acknowledgment are communicated to the complainant.
- All complaints are addressed within a maximum of 30 days of the complaint's receipt.
- All complaints are monitored and marked as closed only after resolution of the grievance.

**b. Scholarship Projects:**

- Grievances can be raised by applicants, scholars, partners, and employees against an employee of the implementation organization.
- Concerns or complaints should be made via email, detailing the nature of the concerns or complaints (c-o-c) by the complainant within not more than 30 days of the matter or issue of occurrence.
- All concerns or complaints received are managed and addressed with strict confidentiality.
- The Management Steering Committee (MSC) acknowledges the c-o-c within 3 working days upon receiving it.
- The MSC is expected to undertake and complete this step in 7 working days from the day of getting in touch with the complainant.

Similar to these mechanisms, as mentioned above, our implementation partners have developed mechanisms to receive and redress grievances from the community.

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

	<b>FY 2024 Current Financial Year (in %)</b>	<b>FY 2023 Previous Financial Year (in %)</b>
Directly sourced from MSMEs/ small Producers	13.15	5.77
Directly from within India	100	100

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

<b>Location</b>	<b>FY 2024 Current Financial Year</b>	<b>FY 2023 Previous Financial Year</b>
Rural	49%	52%
Semi-urban	6%	6%
Urban	22%	22%
Metropolitan	23%	20%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

**Leadership Indicators**

**1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

<b>Details of negative social impact identified</b>	<b>Corrective action taken</b>
Not Applicable	

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

<b>S. No.</b>	<b>State</b>	<b>Aspirational District</b>	<b>Amount spent (In ₹)</b>
1	Andhra Pradesh	Visakhapatnam	790103
2	Andhra Pradesh	Vizianagaram	621163
3	Bihar	Aurangabad	15625
4	Bihar	Jamui	148940
5	Bihar	Khagaria	56441
6	Bihar	Muzaffarpur	50169
7	Bihar	Purnia	48602
8	Bihar	Sheikhpura	31250





S. No.	State	Aspirational District	Amount spent (In ₹)
9	Bihar	Sitamarhi	59576
10	Gujarat	Dahod	264957
11	Jammu And Kashmir	Baramulla	714914
12	Jammu And Kashmir	Kupwara	661609
13	Jharkhand	Bokaro	195974
14	Jharkhand	Dumka	1828125
15	Jharkhand	Godda	46875
16	Jharkhand	Gumla	109375
17	Jharkhand	Khunti	62500
18	Jharkhand	Latehar	86176
19	Jharkhand	Lohardaga	48443
20	Jharkhand	Pakur	46875
21	Jharkhand	Ramgarh	54873
22	Jharkhand	Ranchi	2155179
23	Jharkhand	Simdega	145540
24	Karnataka	Bijapur	27193
25	Karnataka	Raichur	11515
26	Madhya Pradesh	Barwani	109375
27	Madhya Pradesh	Chhatarpur	15625
28	Madhya Pradesh	Rajgarh	15625
29	Maharashtra	Nandurbar	30418
30	Maharashtra	Washim	15209
31	Punjab	Ferozpur	62712
32	Punjab	Moga	5315291
33	Tamil Nadu	Ramanathapuram	434279
34	Tamil Nadu	Virudhunagar	34544
35	Uttar Pradesh	Chandauli	11515
36	Uttar Pradesh	Chitrakoot	1028083
37	Uttarakhand	Haridwar	34544
<b>Total</b>			<b>1,53,89,214</b>

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No) - No.

(b) From which marginalized /vulnerable groups do you procure?

MMFSL being a financial service provider, the entity does not have any major procurement for its services. However, MMFSL strives to procure locally, sustainably and from marginalized / vulnerable suppliers, as well as MSME's for requirements in areas like branch assets. We give preference to local suppliers of goods and services to help create employment/economic opportunities in the local communities.

(c) What percentage of total procurement (by value) does it constitute? Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/ No)	Benefit shared (Yes / No)	Basis of calculating benefit share
				Not Applicable

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
		Not Applicable

## 6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Financial & Digital Literacy Awareness	26,245	100%
2	Swabhimaan-Scholarship for Driver's Children	2,271	100%
3	Swabhimaan-Road Safety Training for Drivers	15,596	100%
4	Swabhimaan-Drivers Training for Freshers	960	100%
5	Swabhimaan-E Auto Rickshaw Training	350	100%
6	Nanhi Kali	20,424	100%
7	Mahindra Pride Classroom	41,825	100%
8	Skill Development for People with Disability (PWDs)	263	100%
9	Swachh Bharat Initiatives	3,483	100%
10	Samantar- Visit to Orphanage/Old Age	1,125	100%
11	Gyandeep- Visit to Municipal Schools	1,448	100%
12	Sehat- Health Camps	1,630	100%
13	Jeevandan - Blood Donation	3,946	100%
14	ESG- Water conservation	546	100%
	<b>Total</b>	<b>1,20,112</b>	

## PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

### Essential Indicators

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

There are multiple modes for customers to interact with MMFSL. MMFSL offers both offline and online channels for customer grievances/concerns. Online/digital channels include:

- website,
- social media,
- email,
- WhatsApp, and
- the MMFSL mobile app.

We understand that digital access may not be suitable for everyone, so we also offer offline channels such:

- toll-free number for customer calls,
- letter deposits, and
- branch walk-ins.

MMFSL strives for continuous development and enhancement of these mediums to provide simple, effective, and efficient interaction with MMFSL.

Customers can contact MMFSL to raise queries, requests, or complaints through the following means:

- Send an email to the designated customer care/grievance email ID - service.mmfs@mahindra.com and a WhatsApp message to 7066331234.
- Visit the company's official website: <https://www.mahindrafinance.com/>
- Download the MMFSL mobile app for Android <http://bit.ly/GetMFApp> and for iPhone [https://bit.ly/dwnld\\_MFAPP](https://bit.ly/dwnld_MFAPP)



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

As a percentage to total turnover	
<b>Environmental and social parameters relevant to the product</b>	
<b>Safe and responsible usage</b>	NA
<b>Recycling and/or safe disposal</b>	

MMFSL is not a product company but a provider of financial services. We ensure safe and responsible usage of our materials and the recycling and/or safe disposal of our waste- both electronic and otherwise.

## 3. Number of consumer complaints in respect of the following:

	FY 2024 (Current Financial Year)		Remarks	FY 2023 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	-	0	0	-
Advertising	0	0	-	NA	NA	-
Cyber-security	0	0	-	0	0	-
Delivery of essential services	0	0	-	0	0	-
Restrictive Trade Practices	0	0	-	43	37	-
Unfair Trade Practices	0	0	-	299	262	-
Other	0	0	-	337	309	-

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

	Number	Reasons for recall
<b>Voluntary recalls</b>		
<b>Forced recalls</b>		NA

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

Yes, MMFSL has public policy to address cyber security and risks related to data privacy which covers all customers, shareholders and employees. Currently the data privacy policy is under review as per the DPDPA, 2023.

Link to the policy- <https://www.mahindrafinance.com/privacy-policy>

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

The Company ensures that the brand reputation is maintained through authentic, non-misleading and non-discriminatory advertisements. With respect to cyber security, the Company experienced one incident, which resulted in non-availability of certain applications for a period of 4 days. The Company engaged with technical experts to restore the impacted applications.

## 7. Provide the following information relating to data breaches:

- a. **Number of instances of data breaches** - 01
- b. **Percentage of data breaches involving personally identifiable information of customers** - 100%
- c. **Impact, if any, of the data breaches** - The Company experienced a cyber-security incident on 16<sup>th</sup> of March 2024, which resulted in non-availability of certain applications for a period of 4 days. The Company engaged with cyber security experts to restore the impacted applications. By 22<sup>nd</sup> March 2024, the Company built back the impacted systems, and an investigation confirmed that all the servers containing data pertaining to books of account had no evidence of unauthorised access. Although indeterminable, the Company considers the impact level to be low.

### Leadership Indicators Marketing

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

The information on various products & services of the Company is available on our website: [www.mahindrafinance.com](http://www.mahindrafinance.com)

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

As a responsible corporate, it is imperative not just to conduct business with customers but also to educate and spread awareness among them about the benefits and potential harm that may result from fraud in the services. The MMFSL group has mechanisms to inform customers about the usage of products and services offered:

- a. Implementation of an end-to-end customer onboarding process.
- b. Routinely sharing anti-fraud communication with customers.
- c. Providing regular details on digital assets and touchpoints.

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

The Company have robust mechanisms in place for communicating with consumers regarding any risk of disruption/discontinuation of essential services. Both digital and offline mediums of communication are used for consumer information. Digital medium includes SMS and WhatsApp communication while in the past we have also used print advertisements for communicating important disruptions / discontinuation.

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.**

Yes, MMFSL displays its services information over and above what is mandated as per local laws. The information is displayed through brochures, pamphlets, and website. Our product related information is displayed/available at all our branches as well as on the website. Customers can also access loan-related information via our mobile app.

**Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Yes, the CAPS study (Customer as Promoters) is conducted annually, in which consumers are interviewed over the phone about different aspects of MMFSL such as services, workers, digital interface, etc. A monthly NPS (Net Promoter Score) survey is done to assess the advocacy levels of recently onboarded customers and those who have received NOCs.



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## INDEPENDENT ASSURANCE STATEMENT

### Introduction

DNV Business Assurance India Private Limited ('DNV'), has been commissioned by Mahindra & Mahindra Financial Services Limited (Corporate Identity Number L65921MH1991PLC059642, hereafter referred to as 'MMFSL or 'the Company') to undertake an independent assurance of the Company's non-financial disclosures in general BRSR report.

### Reporting standard/framework

The disclosures have been prepared by MMFSL in reference to:

- BRSR reporting guidelines (Annexure II) as per SEBI Circular No. SEBI/HO/CFD/CMD-2/P/CIR/2021/562 dated May 10, 2021, and incorporated Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023.

### Assurance Methodology/Standard

This assurance engagement has been carried out in accordance with DNV's VeriSustain protocol, V6.0, which is based on our professional experience and international assurance practice, and the international standard in Assurance Engagements, ISAE 3000 (revised) - *Assurance Engagements other than Audits or Reviews of Historical Financial Information*. DNV's Verisustain Protocol has been developed in accordance with the most widely accepted reporting and assurance standards.

### Intended User

The intended user of this assurance statement is the Management of MMFSL ('the Management').

### Level of Assurance

- Limited Level of assurance for Non-Financial disclosures general BRSR report (Ref: Annexure II of SEBI circular).

### Responsibilities of the Management of MMFSL and of the Assurance Provider

The Management of MMFSL has the sole responsibility for the preparation of the BRSR Report and is responsible for all information disclosed in the BRSR. The company is responsible for maintaining processes and procedures for collecting, analyzing and reporting the information and also, ensuring the quality and consistency of the information presented in the Report. MMFSL is also responsible for ensuring the maintenance and integrity of its website and any referenced BRSR disclosures on their website.

In performing this assurance work, DNV's responsibility is to the Management of the Company; however, this statement represents our independent opinion and is intended to inform the outcome of the assurance to the stakeholders of the Company.

### Scope, Boundary and Limitations

#### Scope

The scope of our engagement includes independent limited level of assurance of non-financial disclosures in general BRSR (Ref: Annexure II of SEBI circular) for Financial Year (FY) 2023-24.

#### Boundary of our assurance work:

*Limited level of assurance of non-financial general BRSR Indicators:* Boundary covers the performance of MMFSL operations across all locations that fall under the direct operational control of the Company's Legal structure. For GHG footprint, water footprint, energy footprint, air emissions and waste management related disclosures, regional offices have been excluded from the boundary. Furthermore, for waste management related disclosures, overseas offices have been excluded from the boundary.

#### Limitation(s):

We performed a limited level of assurance for the general BRSR reporting based on our assurance methodology VeriSustain™, v06.

The assurance scope has the following limitations:

DNV Headquarters, Veritasveien 1, P.O.Box 300, 1322 Høvik, Norway. Tel: +47 67 57 99 00. [www.dnv.com](http://www.dnv.com)



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- The assurance engagement considers an uncertainty of  $\pm 5\%$  based on materiality threshold for estimation/measurement errors and omissions.
- DNV has not been involved in evaluation or assessment of any financial data/performance of the Company. DNV does not take any responsibility of the financial data reported in the audited financial reports of the Company.
- The assessment is limited to data and information within the defined Reporting Period. Any data outside this period is not considered within the scope of assurance.
- Data outside the operations specified in the assurance boundary is excluded from the assurance, unless explicitly mentioned otherwise in this statement.
- The assurance does not cover the Company's statements that express opinions, claims, beliefs, aspirations, expectations, aims, or future intentions. Additionally, assertions related to Intellectual Property Rights and other competitive issues are beyond the scope of this assurance.
- The assessment does not include a review of the Company's strategy or other related linkages expressed in the Report. These aspects are not within the scope of the assurance engagement.
- The assurance does not extend to mapping the Report with reporting frameworks other than those specifically mentioned. Any assessments or comparisons with frameworks beyond the specified ones are not considered in this engagement.
- Aspects of the Report that fall outside the mentioned scope and boundary are not subject to assurance. The assessment is limited to the defined parameters.
- The assurance engagement does not include a review of legal compliances. Compliance with legal requirements is not within the scope of this assurance, and the Company is responsible for ensuring adherence to relevant laws.
- The assurance engagement is based on the assumption that the data and information provided by the Company are complete, sufficient and authentic.

**Assurance process**

As part of the assurance process, a multi-disciplinary team of assurance specialists performed assurance work for selected sites of MMFSL. We adopted a risk-based approach, that is, we concentrated our assurance efforts on the issues of high material relevance to the Company's business and its key stakeholders. We carried out the following activities:

1. Reviewed the disclosures under general BRSR reporting guidelines. Our focus included general disclosures, management processes, principle wise performance (essential indicators, and leadership indicators) and any other key metrics specified under the reporting framework. The BRSR reporting format used a basis of limited level of assurance.
2. Understanding the key systems, processes and controls for collecting, managing and reporting the non-financial disclosures in general BRSR report.
3. Walk-through of key data sets. Understand and test, on a sample basis, the processes used to adhere to and evaluate adherence to the reporting principles.
4. Collect and evaluate documentary evidence and management representations supporting adherence to the reporting principles.
5. Interviews with the senior managers responsible for management of disclosures. We were free to choose interviewees and interviewed those with overall responsibility of monitoring, data collation and reporting the selected indicators.
6. DNV audit team conducted on-site audits for data testing and also, to assess the uniformity in reporting processes and also, quality checks at different locations of the Company. Sites for data testing and reporting system checks were selected based on the percentage contribution each site makes to the reported indicator, complexity of operations at each location (high/low/medium) and reporting system within the organization. Sites selected for audits are listed in Annex-I.
7. Reviewed the process of reporting as defined in the assessment criteria.
8. DNV teams conducted the:
  - Verification of the data consolidation of reported performance disclosures in context to the Principle of Completeness.
  - Verification of the consolidated reported performance disclosures in context to the Principle of Completeness as per VeriSustain™ for limited level verification for the disclosures.

**Conclusion**

On the basis of the assessment undertaken, nothing has come to our attention to suggest that the disclosures do not properly adhere to the reporting requirements as per general BRSR reporting guidelines (Annexure II of SEBI Circular).



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**Statement of Competence and Independence**

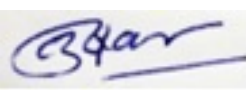

DNV applies its own management standards and compliance policies for quality control, which are based on the principles enclosed within ISO IEC 17029:2019 - Conformity assessment - General principles are requirements for validation and verification bodies, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We have complied with the DNV Code of Conduct<sup>1</sup> during the assurance engagement and maintain independence wherever required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. During the reporting period i.e FY 2023-24, DNV, to the best of its knowledge, was not involved in any non-audit/non-assurance work with the Company and its Group entities which could lead to any Conflict of Interest. DNV was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement for internal use of MMFSL. DNV maintains complete impartiality toward stakeholders interviewed during the assurance process. We did not provide any services to MMFSL in the scope of assurance for the reporting period that could compromise the independence or impartiality of our work.

**Purpose and Restriction on Distribution and Use**

This assurance statement, including our conclusion has been prepared solely for the exclusive use and benefit of management of the Company and solely for the purpose for which it is provided. To the fullest extent permitted by law, DNV does not assume responsibility to anyone other than the Company for DNV's work or this assurance statement. The usage of this assurance statement shall be governed by the terms and conditions of the contract between DNV and the MMFSL and DNV does not accept any liability if this assurance statement is used for an alternative purpose from which it is intended, nor to any third party in respect of this assurance statement. No part of this assurance statement shall be reproduced, distributed or communicated to a third party without prior written consent.

For DNV Business Assurance India Private Limited

	Digitally signed by Chaudhari, Tushar Date: 2024.06.22 16:16:38 +05'30'		Date: 2024.06.22 19:16:23 +05'30'
Tushar Chaudhari Lead Verifier, Sustainability Services, DNV Business Assurance India Private Limited, India.	Anjana Sharma Assurance Reviewer, Sustainability Services, DNV Business Assurance India Private Limited, India.		
Sameeksha Patil (Verifier)			

22/06/2024, Pune, India.

DNV Business Assurance India Private Limited is part of DNV - Business Assurance, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance. [www.dnv.com](https://www.dnv.com)

<sup>1</sup> DNV Corporate Governance & Code of Conduct - <https://www.dnv.com/about/in-brief/corporate-governance.html>



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## Annex I

### Verified Data

#### Principle 6, Question 1 of Essential Indicators - Energy footprint

Parameter	Unit of Measurement	FY 23-24
<b>From renewable sources</b>		
Total electricity consumption (A)	Gigajoules	0
Total fuel consumption (B)	Gigajoules	0
Energy consumption through other sources (C)	Gigajoules	0
<b>Total energy consumed from renewable sources (A+B+C)</b>	Gigajoules	0
<b>From non-renewable sources</b>		
Total electricity consumption (D)	Gigajoules	51,132.21
Total fuel consumption (E)	Gigajoules	30,507.46
Energy consumption through other sources (F)	Gigajoules	0
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	Gigajoules	81,639.67
<b>Total energy consumed (A+B+C+D+E+F)</b>	Gigajoules	81,639.67
<b>Energy intensity per rupee of turnover</b> (Total energy consumed / Revenue from operations)	GJ/crore	6.02
<b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total energy consumed / Revenue from operations adjusted for PPP)	GJ/million USD	12.62
<b>Energy intensity in terms of physical output</b>	GJ/employee	2.92

#### Principle 6, Question 3 & 4 of Essential Indicators - Water footprint

Parameter	Unit of Measurement	FY 23-24
<b>Water withdrawal by source</b>		
(i) Surface water	Kilo litres	159,491.7
(ii) Ground water	Kilo litres	0
(iii) Third party	Kilo litres	10,099.939
(iv) Seawater / desalinated water	Kilo litres	0
(v) Others	Kilo litres	0
<b>Total volume of water withdrawal (i+ii+iii+iv+v)</b>	Kilo litres	169,591.639
<b>Total volume of water consumption</b>	Kilo litres	10,099.939
<b>Water intensity per rupee of turnover</b> (Total water consumption / Revenue from operations)	Kl/crore	12.50
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total water consumption / Revenue from operations adjusted for PPP)	Kl/million USD	26.21
<b>Water intensity in terms of physical output</b>	Kl/employee	6.06
<b>Water discharge by destination and level of treatment</b>		
(i) To Surface water		
No treatment	Kilo litres	159,491.7
With treatment - please specify level of treatment	Kilo litres	0





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(ii) To Groundwater		
No treatment	Kilo litres	0
With treatment - please specify level of treatment	Kilo litres	0
(iii) To Seawater		
No treatment	Kilo litres	0
With treatment - please specify level of treatment	Kilo litres	0
(iv) Sent to third-parties		
No treatment	Kilo litres	0
With treatment - please specify level of treatment (Tertiary treatment)	Kilo litres	0
(v) Others		
No treatment	Kilo litres	0
With treatment - please specify level of treatment	Kilo litres	0
<b>Total water discharged (i+ii+iii+iv+v)</b>	Kilo litres	159,491.7

## Principle 6, Question 7 of Essential Indicators - Green-house gas (GHG) footprint

Parameter	Unit of Measurement	FY 23-24
<b>Total Scope 1 emissions</b>	Metric tonnes of CO2 equivalent	1,894.51
<b>Total Scope 2 emissions</b>	Metric tonnes of CO2 equivalent	10,169.63
<b>Total Scope 1 and Scope 2 emissions intensity per rupee of turnover</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO2 equivalent per crore of turnover	0.89
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Metric tonnes of CO2 equivalent per million USD	1.86
<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>	Metric tonnes of CO2 equivalent per employee	0.43

## Waste data verified:

Parameter	Unit of Measurement	FY 23-24
<b>E-Waste recycled</b>	Metric tonnes	43.87

## Scope 3 emissions data verified:

Parameter	Unit of Measurement	FY 23-24
<b>Category 1 Purchase goods and services</b> (Paper consumption)	Metric tonnes of CO2 equivalent	283.88
<b>Category 6 Business travel</b> (Air travel, field travel-two wheeler)	Metric tonnes of CO2 equivalent	2,205.82
<b>Category 1 Employee commute</b> (contract bus, cab, private car)	Metric tonnes of CO2 equivalent	13,094.17

Note 1: GHG emissions are calculated as per grid emission factor by CEA, India, version 19, ICEC Carbon emission calculator, Defra emission factors database



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## Annex II

### Sites selected for audits

S.no	Site	Location
1.	Head office	Mumbai
2.	India Branches	Uppala, Kottayam (Kerala), Cochin, Haveri, Simla Ro, Gandhinagar, Berhampur, Hyderabad Ro, Shahapur