

26 June 2024

THE MANAGER, BSE LIMITED DCS - CRD PHIROZE JEEJEEBHOY TOWERS DALAL STREET, MUMBAI - 400 001	THE MANAGER, LISTING DEPARTMENT NATIONAL STOCK EXCHANGE OF INDIA LTD. EXCHANGE PLAZA, C-1. BLOCK G, BANDRA - KURLA COMPLEX, BANDRA (EAST) MUMBAI - 400 051
SCRIP CODE: 500034	SCRIP CODE: BAJFINANCE - EQ

Dear Sir/Madam,

Sub: Business Responsibility and Sustainability Report for FY2024

Pursuant to Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, please find enclosed herewith Business Responsibility and Sustainability Report ('BRSR') for the financial year ended 31 March 2024 including assurance report (Reasonable and Limited) by DNV Business Assurance India Private Limited, which also forms part of Annual Report for FY2024.

The aforesaid report is also available on the website of the Company at <https://www.aboutbajajfinserv.com/finance-investor-relations-annual-reports>

Kindly take the same on record.

Thanking you,
Yours faithfully,

For **BAJAJ FINANCE LIMITED**

R. VIJAY
COMPANY SECRETARY

Email ID: investor.service@bajajfinserv.in

Encl.: As above

Cc: Catalyst Trusteeship Ltd., Pune (Debenture Trustee)

BAJAJ FINANCE LIMITED

<https://www.aboutbajajfinserv.com/finance-about-us>

Corporate Office: 4th Floor, Bajaj Finserv Corporate Office, Off Pune-Ahmednagar Road, Viman Nagar, Pune - 411 014, Maharashtra, India

Corporate Office Extn.: 3rd Floor, Panchshil Tech Park, Viman Nagar, Pune - 411 014, Maharashtra, India
Tel: +91 20 7157 6403 | Fax: +91 20 7157 6364

Registered Office: C/o Bajaj Auto Limited complex, Mumbai - Pune Road, Akurdi, Pune - 411 035, Maharashtra, India

Corporate ID No.: L65910MH1987PLC042961 | **Email ID:** investor.service@bajajfinserv.in



BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity	L65910MH1987PLC042961	
2. Name of the Listed Entity	Bajaj Finance Limited (Referred to as 'the Company' / 'BFL')	
3. Year of incorporation	1987	
4. Registered office address	Akurdi, Pune-411035	
5. Corporate address	4th Floor, Bajaj Finserv Corporate office, off Pune-Ahmednagar Road, Viman Nagar, Pune- 411014	
6. E-mail	investor.service@bajajfinserv.in	
7. Telephone	020-71576403	
8. Website	https://www.aboutbajajfinserv.com/finance-about-us	
9. Financial year for which reporting is being done	2023 - 2024	
10. Name of the Stock Exchange(s) where shares are listed	BSE Ltd. and National Stock Exchange Limited (NSE Ltd.)	
11. Paid-up Capital	₹ 123.60 crore	
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 and designation of the person	R Vijay, Company Secretary
	Contact details	020-71576403
	Email ID	vijay.r@bajajfinserv.in
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).	Consolidated basis - Collectively referred to as 'BFL Group' which includes Bajaj Finance Limited and its two wholly owned subsidiaries i.e., Bajaj Housing Finance Limited, and Bajaj Financial Securities Limited.	
14. Name of assurance provider	DNV Business Assurance India Private Limited	
15. Type of assurance obtained	Reasonable Level of assurance for the 9 core attributes of BRSR as per SEBI (Securities and Exchange Board of India) Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023. Limited level of assurance for 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.	

II. Products/services

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Financial and Insurance Services	Other Financial activities	99.12

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.	Non-Banking Finance Company engaged in lending and allied activities	65923	85.34
2.	Housing Finance (other credit granting)- Home loan, loan against property and construction funding	64920	13.78

III. Operations

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

Location	Number of plants	Number of offices	Total
National	NA	4,145 [#]	4,145
International		Nil	Nil

*BFL group is not engaged in manufacturing activities and accordingly it does not have any plants.

[#]Includes all the BFL branches and corporate offices as on 31 March 2024.

19. Markets served by the entity:

a. Number of locations

Location	Number
National (No. of States)	28 States and 6 Union Territories (UTs)
International (No. of Countries)	Nil

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

Nil. BFL group doesn't have export business operations.

c. A brief on types of customers:

BFL Group has established a diversified business model with a strong focus on customer acquisition and multiple loans and services offerings, including payments solutions, to meet various financial services needs of our customers. Our customers are spread across Consumer Lending, Personal Loans, SME Lending, Commercial Lending, Loan against Securities, Rural Lending, Mortgages, Broking, Deposits, Payments and Partnerships & Services and are located in rural and urban locations enabling us to have a well-diversified asset mix across customer classes and geographies through a combination of secured and unsecured products. BFL Group's customer franchise as on 31 March 2024 stood at 83.64 million. It has acquired 14.5 million new customers in FY2024.

BFL has a strong geographic presence spread across 4,145 locations across the country, including 2,576 in rural/smaller towns and villages and over 198,250 active distribution points.

The customers are bifurcated under below given categories:

Borrowers: BFL Group focuses primarily on acquiring mass affluent customers. BFL offers secured and unsecured loans to salaried, self-employed, professionals, MSME and corporate clients. BFL, through its 100% subsidiary i.e., Bajaj Housing Finance Limited (BHFL) - a non-deposit taking housing finance company registered with National Housing Bank (NHB), focuses on mortgage loans to customers.

Depositors: BFL accepts deposits from retail and corporate clients. The major contribution of deposits is sourced from retail customers.

Broking customers: BFL through its 100% subsidiary i.e., Bajaj Financial Securities Ltd. ('BFinsec'), registered with the SEBI as a stockbroker and depository participant, offers broking, margin trade financing and financing for offer for sale to retail and HNI clients.

Merchants: Bajaj Pay QR enables merchants to accept payments by way of UPI, Bajaj Pay wallet and Bajaj EMI. We also offer a dedicated "Bajaj Finserv for Business App" to our merchants. This application provides features like onboarding, transactions and settlement tracking, service, and a host of other value-added features.

IV. 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)
EMPLOYEES						
1.	Permanent (D)	53,782	50,547	94%	3,235	6%
2.	Other than Permanent (E)*	30	17	57%	13	43%
3.	Total employees (D + E)	53,812	50,564	94%	3,248	6%

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
WORKERS						
1.	Permanent (F)					
2.	Other than Permanent (G)			NA		
3.	Total employees (F + G)					

*Other than Permanent employees include employees hired under 'Spouse Working as Consultant' policy and retired employees hired as consultants.

NA: BFL Group is engaged in financial services businesses which does not require services of workers.

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	24	17	71%	7	29%
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total differently abled employees (D + E)	24	17	71%	7	29%

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED WORKERS						
1.	Permanent (F)					
2.	Other than Permanent (G)			NA		
3.	Total differently abled employees (F + G)					

NA: BFL Group is engaged in financial services businesses which does not require services of workers.

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	9	1	11%
Key Management Personnel*	4	0	0%

Note: This above information pertains to BFL as on 31 March 2024.

* Key Managerial Personnel are as defined under section 203(1) of the Companies Act, 2013.

22. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY2024			FY2023			FY2022		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	18%	17%	18%	19%	21%	19%	27%	30%	28%
Permanent Workers	NA	NA	NA	NA	NA	NA	NA	NA	NA

NA: BFL Group is engaged in financial services businesses which does not require services of workers.

Note 1: The turnover rate has been calculated as per the guidance note provided by SEBI.

Note 2: The turnover of employees in FY2024 would have been at 14.9% excluding group transfer.

V. 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.	Bajaj Finserv Limited	Holding Company	51.34%	Keeping in mind that the nature and conduct of the businesses across BFL Group companies are distinct, to the extent relevant, BFL Group through its Responsible and Sustainable Business Conduct Policy (bajajfinserv.in) (i) engages with and enjoins upon its subsidiary companies to participate in the responsible and sustainable business conduct and (ii) requires its material subsidiaries to embody a similar policy. Accordingly, the business responsibility initiatives of the subsidiaries and associates could be distinct than that of BFL's basis their nature of business.
2.	Bajaj Housing Finance Limited	Subsidiary	100%	
3.	Bajaj Financial Securities Limited	Subsidiary	100%	
4.	SnapWork Technologies Private Limited	Associate	41.5%*	
5.	Pennant Technologies Private Limited	Associate	26.53%*	

* On a fully diluted basis.

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) - Yes.

(ii) Consolidated Turnover for FY2024 (₹ in crore) - 54,982.51

(iii) Consolidated Net worth for FY2024 (₹ in crore) - 76,695.35

VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes / No) (If Yes, then provide web-link for grievance redress policy)	FY2024			FY2023		
		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	Yes	38	0	-	24	0	-
Investors (other than shareholders)	Yes	-	-	-	-	-	-
Employees and workers	Yes	Please refer Q.6 under "Essential Indicators of "P5-Business should respect and promote human rights" for the complaints related to employees.					
Customers	Yes	Please refer Q.3 under "Essential Indicators" of "P9 – Businesses should engage with and provide value to their consumers in a responsible manner" for the complaints related to customers.					
Value Chain Partners	Yes	-	-	-	-	-	-
Government and Regulators	Yes	-	-	-	-	-	-
Communities	Yes	-	-	-	-	-	-

BFL Group, in line with its policies, practices and processes, engages with its stakeholders, and strives to resolve differences raised by them in a just, fair, equitable and consistent manner and if warranted takes corrective measures.

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:

S.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	Enhancing Customer Relationship Management	Opportunity	Enhancing customer experience and satisfaction helps BFL Group expand its customer base, improve customer retention, build a strong brand image, customer loyalty and satisfy customers’ financial goals.	NA	Positive
2	Robust Corporate Governance	Opportunity	Adhering to proper governance practices carries substantial benefits, including strong reputation and building stakeholder trust.	NA	Positive

S.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	Upholding Business Ethics and Transparency	Opportunity	<p>Exercising ethical business behaviour in business presents opportunities for the following reasons:</p> <ol style="list-style-type: none"> Helps build trust and credibility with stakeholders Promotes long-term sustainability and profitability Prevents reputational damage, legal problems and loss of business 	NA	Positive
4	Sustainable Economic Performance	Opportunity	BFL strives to provide sustainable economic performance that builds confidence among stakeholders, enhance company's competitive edge, and create a favourable environment for exploring new markets and business ventures, enhance company's reputation, attracts investments, fosters innovation, and promotes long-term growth.	NA	Positive
5	Data Privacy and Security	Risk	Information is a valuable asset regardless of its source and nature. The importance of information security, cyber security and fraud controls cannot be over-emphasized in this technological age. Security threats endanger customer data and disrupt in business operations coupled with legal liabilities, regulatory investigations, financial penalties and damage to brand and reputation.	<p>Led by a strong commitment to protecting the privacy of personal data, we have formulated a well-structured Data Privacy Policy framework and controls. The BFL Group has institutionalised a cyber-security policy to protect its information infrastructure on the internet, prevent and respond to cyber threats; reduce vulnerabilities; and minimise damage from cyber incidents.</p> <p>Strong governance process with executive and Board oversight. Preparedness for response to incidents. Awareness programs and training.</p>	Negative
6	Strong Brand and Reputation Management	Opportunity	Brand and reputation are crucial assets for any company, serving as pillars of trust and credibility in the industry. A strong brand and highly regarded reputation can differentiate a company from competitors, attracting customers and investors alike.	NA	Positive

S.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)
7	Embracing Diversity and Inclusion	Opportunity	At Bajaj Finance Limited, we seek to create an inclusive, equitable, culturally competent, supportive and safe environment where our employees model behaviour that enriches our workplace. We are committed to embedding equity and inclusion in all our people & business practices. Our practices aim to establish an inclusive culture, that celebrates diversity, is free from discrimination and is based on our Cultural Anchor framework. We have adopted an Equal Employment Opportunity and Non-discrimination Policy. We are committed to meritocracy-based recruitment and career advancement.	NA	Positive
8	Fostering Human Capital Development	Opportunity	We strongly believe that "happy customers start with happy employees". We value our people as they power our success. In line with this philosophy, at the BFL Group, we are committed to attracting, engaging, and retaining the right talent, as it contributes to delivering a superior business performance. We are focused on creating a thriving, safe and inclusive workplace for employees, while keeping them engaged and providing opportunities for professional and personal development and growth.	NA	Positive
9	Regulatory Compliance	Opportunity	BFL works in highly regulated environment. Failure to comply with regulation can lead to stoppage of business, litigations, penalties, sanctions and reputation loss.	NA	Positive
10	Prudent Risk Management	Opportunity	As an NBFC, BFL is exposed to credit, liquidity, operational, market and interest-rate risk and various other types of risk. The ability to manage various types of risks is critical to our sustainable growth.	NA	Positive

S.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)
11	Enhancing Innovation and Digitisation	Opportunity	Technology-enabled seamless customer experience has been the hallmark of our businesses. Each business is unique; so is its approach toward enhancing customer experience. But the core objectives that tie them together and stay the same are simplification of processes, ease of use and quick and appropriate responses. In the technology age now, information security, cyber security and fraud controls have become extremely critical. This challenges us to continue innovating to address evolving customer requirements, drive efficiency and adapt our products to attract and retain customers. New technologies offer business opportunities.	NA	Positive
12	Marketing & Selling Practices	Risk	Product governance refers to companies' management of the quality of financial products and services offered, as well as the way they are marketed. Retail finance companies are highly exposed to product governance issues, given their business model of lending. Types of misconduct include discriminatory lending practices, false marketing, predatory lending, misleading investors through poor disclosure and illegal foreclosure practices.	The company has a strong marketing and product offering programme that assesses responsible marketing aspects. The company has preparedness measures to address Product Governance issues. BFL Group follows a strict Code of Conduct (CoC) for its outsourced agents. The CoC prescribes stringent guidelines, such as maintaining privacy of prospective and existing customers, providing accurate product information, telemarketing etiquette, etc. The CoC for our outsourced agents is available on our website.	Negative
13	Promoting Sustainable Finance	Opportunity	Sustainable financing is not only important to address pressing environmental and social challenges but also for creating a more resilient, inclusive and prosperous future for all.	NA	Positive
14	Promoting Employee Health, Safety, and Well-being	Opportunity	Beyond legal and financial considerations, promoting health, safety, and well-being is simply the right thing to do. It shows that the organisation values its employees as individuals. When employees feel safe and healthy at work, they are more likely to be engaged, motivated, and productive. This can lead to higher job satisfaction and lower turnover rates.	NA	Positive

S.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)
15	Encouraging Financial Inclusion	Opportunity	All individuals and businesses across the country should have easy and seamless access to relevant and affordable financial products and services in a sustainable way. This is essential for them to meet their transactional, payment, saving, credit and insurance needs in a hassle-free manner.	NA	Positive
16	Community Relations and Well-Being	Opportunity	To build a sustainable ecosystem for the underserved. To help them realise and grow their potential, ensuring social, and economic inclusion for every individual.	NA	Positive
17	Upholding Human Rights	Opportunity	Human Rights risks: The risks that a company's operations/ activities/products pose to people's fundamental human rights. Businesses that properly address human rights issues are likely to have a more productive and more sustainable workforce and avoid legal, operational and financial risks.	NA	Positive
18	Climate Strategy and Emissions Management	Risk	Climate strategy and emissions management are crucial for businesses to manage operational and environmental risks, and contribute to a sustainable economy.	The company, as a responsible corporate citizen, is conscious of direct and indirect impact of its operations on the environment. BFL is committed to reduce any negative impact on the natural environment and climate change. The Company endeavours to integrate sound environmental practices and governance systems in its day-to-day operations to minimise environmental impact.	Negative

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes (Please refer note below)								
b. Has the policy been approved by the Board? (Yes/No)	Yes, BFL Group has a policy covering all the principles named Responsible and Sustainable Business Conduct Policy . The said Policy is approved by the Board. Further, the Policy is reviewed by the management periodically and the changes are put to the Board for their approval as applicable.								
c. Web Link of the Policies, if available	https://www.aboutbajajfinserv.com/finance-investor-relations-policies-and-codes								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes. The Company has translated the policies and imbibed the same into procedures and practices in the activities of the Company, as applicable.								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	The Company strives to influence its value chain partners to participate in responsible and sustainable business conduct depending upon their means and resources. For this purpose, the Board of BFL has approved various policies such as Code of Conduct for Direct Selling Agents (DSA)/Debt Recovery Agents (DRA), Fair Practice Code, Whistle Blower Policy, etc. These policies enable participation of value chain partners in fair and ethical conduct of their business.								
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	All policies have been developed taking into consideration the industry practices & various regulatory requirements and through appropriate consultation with relevant stakeholders. Moreover, BFL is compliant with the ISO 27001:2013 Information security management system and ISO 22301:2012 Business Continuity Management system. BHFL is compliant with ISO 27001:2022 Information security management system.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	<ul style="list-style-type: none"> • Opening 100 MFI branches • Tree plantation • Implementation of Group Environment, Health, and Safety (EHS) policy • Implementation of climate risk policy • Implementation of Supplier's code of conduct 								
6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	<p>The Company continuously tracks the performance of various ESG initiatives undertaken. These initiatives are also monitored and reviewed at least twice a year by the ESG Committee for the status and progress.</p> <p>Further, as committed in FY2023:</p> <ol style="list-style-type: none"> 1. Included key ESG metrics in the outsourcing compliance assessment of high-risk category vendors for BFL. 2. BFL planted around 75,000 saplings during FY2024. 3. Implemented EHS manual across BFL group. 4. Developed dedicated ESG training module and cascaded it across BFL group. 5. Opened 100 Microfinance branches in FY2024. 								

Note: Detailed list of policies is provided in [annexure](#).

Governance, leadership, and oversight

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) - Please refer to "Message from the Chairman and the Managing Director" of the ESG report at https://www.aboutbajajfinserv.com/impact-environmental-social-and-governance	
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Name: Rajeev Jain Designation: Managing Director DIN: 01550158
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.	Yes. The Company has a Board approved ESG Committee consisting of senior management personnel of the Company to monitor various aspects of social, environmental, governance and economic responsibilities of the Company. The said Committee is chaired by an Executive Director of the Company. The Company's business responsibility performance is reviewed by the Board of Directors on an annual basis. During the year, the Board of Directors were updated on the sustainable and responsive business conduct initiatives across the BFL Group. In addition, the board level Risk Management Committee also assesses internal/ external risks pertaining to sustainability as identified.

10. Details of Review of National Guidelines on Responsible Business Conduct (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	As a practice, all the Board approved policies of the Company are reviewed annually and placed before the Board of Directors. Further, all the policies (excluding board approved policies) are reviewed periodically or on a need basis by department heads, business heads, senior management personnel/ respective committees and placed before the Board of Directors as and when required. During this assessment, the efficacy of these policies is also reviewed and necessary changes to policies and procedures are implemented.																																			
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.																																			
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									
																			The Company ensures that all the policies are reviewed internally either by the department heads/ domain experts/relevant committee members, as applicable.																	

Note: Policies other than those placed on the Company's website (<https://www.aboutbajajfinserv.com/investor-relations-policies-and-codes>) are internal documents and are not accessible to public.

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

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)									
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)	As the answer to question (1) above is 'Yes', this question is not applicable								
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

P1 SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

P2
P3
P4
P5
P6
P7
P8
P9

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

Essential Indicator

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	% of persons in respective category covered by awareness programmes
Board of Directors* Key Managerial Personnel*	2	<p>On an ongoing basis, the Company carries out familiarisation programs for its directors, as required under the SEBI Listing Regulations and keeps the Directors and KMPs abreast on matters relating to the industry, business models, risk metrics, mitigation and management, governing regulations, ESG, information technology including cyber security, their roles, rights and responsibilities and major developments and updates on the Company, etc. All the Board members and Senior Management personnel have affirmed compliance with the Code for the year ended 31 March 2024. A declaration to this effect signed by the Managing Director forms a part of this Annual Report.</p> <p>In addition to the above, the Board of Director's at its meeting held on 20 March 2024 were updated with BFL group's ESG initiatives encompassing the following:</p> <ol style="list-style-type: none"> 1. Focus areas of ESG. 2. ESG assurance and reporting. 3. ESG ratings. 4. ESG initiatives undertaken by the group. 5. Various policies aligned with NGRBC principles and BRSR implemented at BFL Group. 	100%
Employees other than BoD and KMPs	1	<p>BFL Group invests significant time and resources in the training and development of its employees, to help them stay ahead on the latest trends and technology. Further, for certain relevant topics periodical awareness programs are carried out through emails, posters / banners (physical and digital) and other modes of internal communication.</p> <p>We have implemented a mandatory compliance training module across BFL group which consists of the below listed topics, such as ESG, Whistle Blower Policy, Health & Safety, Information Security, Business Continuity and Data Privacy, Handling Differently Abled Customers, Prevention of Sexual Harassment (POSH), Code of Conduct, Know Your Customer (KYC), Anti-Money Laundering (AML), Human Rights – Employee Charter, Mind Your Behaviour (MYB), Dealing in Bajaj Finserv (BFS) Securities, etc.</p>	100%
Workers		NA	NA

NA: BFL Group is engaged in financial services businesses which does not require services of workers.

* This data pertains to BFL.

P1

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:

P2

P3

P4

P5

(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):

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Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal preferred? (Yes/No)
Penalty/ Fine	1	Reserve Bank of India (RBI)	8.50 Lakh	Reserve Bank of India (RBI) vide order dated September 28, 2023, had imposed a monetary penalty on the Company for non-compliance with the 'Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016' issued by RBI. The Company has taken necessary corrective actions in this respect.	No
Settlement			Nil		
Compounding fee			Nil		

Non-Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal preferred? (Yes/No)
Imprisonment			Nil	
Punishment			Nil	

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

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

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. BFL Group has zero tolerance towards unethical business practices and prohibits bribery and corruption in any form in all its business dealings through necessary policies, codes, and charters. The [Code of Ethics and Personal Conduct \(CoEPC\)](#) consistently adopted across BFL Group reiterates our commitment on anti-bribery and covers all full-time or part-time employees of BFL group, subject to applicable laws / regulations. All employees of BFL Group companies must adhere to the commitment of integrity and other responsible business conduct principles laid down in CoEPC. The anti-bribery guidelines cover aspects related to bribes, acceptance of favours, and gifts from Vendors/business partners, interacting with government and regulators, amongst others.

Further, [Employee Charter - Human Rights Statement](#) adopted by BFL Group also lays down the principle and commitment on anti-corruption and bribery.

The principles of anti-corruption and bribery are also captured in the [Code of Conduct for Directors and Senior Management](#).

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Some of these policies, codes and charters are available on Company's website: Policies and Codes | Bajaj Finance Ltd. (<https://www.aboutbajajfinserv.com/investor-relations-policies-and-codes>)

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

	FY2024	FY2023
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	NA	NA

Note: Based on the information available with the Company.

NA: BFL Group is engaged in financial services businesses which does not require services of workers.

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

	FY2024		FY2023	
	Number	Remarks	Number	Remarks
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.

BFL Group was not subjected to any corruption and conflicts of interest related charge or action by regulators, law enforcement agencies or judicial institutions.

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

	FY2024	FY2023
Number of days of accounts payables	21.78	31.23

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:

Parameter	Metrics	FY2024	FY2023
Concentration of Purchases	Purchases from trading houses as % of total purchases	Nil	Nil
	Number of trading houses where purchases are made from	Nil	Nil
	Purchases from top 10 trading houses as % of total purchases from trading houses	Nil	Nil
Concentration of sales	Sales to dealers / distributors as % of total sales	Nil	Nil
	Number of dealers / distributors to whom sales are made	Nil	Nil
	Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	Nil	Nil
Share of RPTs in*	Purchases (Purchases with related parties / Total Purchases)	4.96%	5.51%
	Sales (Sales to related parties / Total Sales)	0.69%	0.47%
	Loans & advances (Loans & advances given to related parties / Total loans & advances)#	0.06%	0.00%
	Investments (Investments in related parties / Total Investments made)	24.45%	29.87%

*This data pertains to BFL.

#We have considered loans given to related parties.

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Note:

- P2 1. During the year, Bajaj Financial Securities Ltd. (Bfinsec) has charged brokerage and other transaction charges amounting to
P3 ₹ 6.11 crore (Previous year ₹ 3.51 crore) related to sale of securities on behalf of the Company's loan against securities customers.
P4 The Company receives net sale value i.e. after deduction of these charges which are ultimately borne by its customers. The Company
P5 does not recognise these customer related charges in its Statement of Profit and Loss. Amount receivable from BFinsec as on 31
P6 March 2024 is ₹ 38.12 crore (Previous year ₹ 53.01 crore) towards such sale transaction on behalf of loan against shares customers
P7 has been shown as payable to customers.
- P8 2. Bajaj Finance Ltd. approved ₹ 2,500 crore Flexi term loan facility to Bajaj Housing Finance Ltd., having a tenor of up to 84 months
P9 from the date of each drawl, and interest rate at SBI 1 month MCLR.
- 3. Bajaj Finance Ltd. approved ₹ 1,000 crore flexi term loan facility to Bajaj Financial Securities Ltd. Tenor of the facility is 24 months
from the date of disbursement, and interest at the rate arm's length pricing. Out of this ₹ 155 crore has been availed as of
31 March 2024.
- 4. During the year, the Company's Board of Directors has approved to invest up to ₹ 2,000 crore of additional equity in Bajaj Housing
Finance Limited, a wholly owned subsidiary of the Company.
- 5. As on 31 March 2024, the Company has issued purchase order amounting to ₹ 0.06 crore to Bajaj Finserv Direct Ltd. towards
purchase of assets on transfer of employees.
- 6. During the year, Bajaj Finance Ltd. has allotted 1,550,000 warrants to its parent, Bajaj Finserv Ltd. convertible into equivalent
number of equity shares of face value of ₹ 2 each, allotted at issue price of ₹ 7,670 per warrant. An amount equivalent to 25% of the
consideration has been received for subscription and allotment of warrants aggregating to ₹ 297.21 crore. The remaining 75% of the
consideration shall be receivable on the exercise of options against each such warrant within a period of eighteen months from the
date of allotment.
- 7. Bajaj Finance Ltd. has entered into a Default Loss Guarantee arrangement with Bajaj Finserv Direct Ltd. for a portfolio comprising of
Personal Loans, Salaried Loans, Business Loans and Professional Loans. As of 31 March 2024, total guarantee received is
₹ 34.70 crore, against which ₹ 22.66 crore is received in the form of cash deposit.
- 8. During the year, Bajaj Finance Ltd. had given ₹ 10.50 crore to Bajaj Financial Securities Ltd. for margin requirements out of which
₹ 5.50 crores was invested in exchange traded fund by Bajaj Financial Securities Ltd. in the name of Bajaj Finance Ltd and redeemed
by Bajaj Finance Ltd during the period.

Leadership Indicators

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

Total number of awareness programmes held	Topics/Principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
Please refer the note below		

Note:

- BFL Group strives to influence its value chain partners to participate in the responsible and sustainable business conduct depending upon their means and resources. BFL Group carries out awareness and training programmes for its value chain partners (especially agents and other intermediaries), depending on the business needs, stakeholder feedback and regulatory requirements covering various topics.
- BFL Group has a Board approved Code of Conduct policy for its value-chain partners. Acceptance of Code of Conduct and acknowledgement of the same is mandatory for all the vendors, agents, and agencies.
- In November 2022, the Company got its DRA training accreditation from Indian Institute of Banking and Finance (IIBF). BFL has invested in online DRA training infrastructure for agents. After completion of online training, agents appear for a DRA certification test conducted by IIBF. The success rate of agents to clear the exam is around 80%. During FY 2024 more than 16,000 participants were certified with the help of 79 certified facilitators as per IIBF norms. The Company has planned to cover all its DMS agents with DRA certification in coming two years.
- BFL Group has incorporated ESG linked commitments into vendor contracts.
- BFL conducted an awareness series for the stakeholders through social media channel to create awareness on ESG matters and encouraged them to uphold the same, as applicable.

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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.

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Yes, BFL Group has zero tolerance towards unethical business practices and ensures adherence to relevant principles including in relation to conflict of interest. BFL Group has put in place adequate measures and procedures to ensure that no conflict of interest arises involving members of the Board.

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- Every Director on the Board is required to make disclosure of his / her interest or concern in other entities (under Section 184 of the Companies Act, 2013) and the parties to which such Director is related to (under Section 2(76) of the Companies Act, 2013 and other laws applicable). Such disclosure is required to be made as and when a Director attends the first Board Meeting after his/her appointment on the Board and thereafter at every first Board Meeting held in a financial year as well as within 30 days from any change in the disclosure previously given by such Director.
- Director, if interested or concerned in any transaction(s) or arrangement(s) to be entered into by the Company, does not participate in the discussion and approval of the transaction.
- BFL and BHFL has a separate Code of Conduct ('CoC') for Directors and Senior Management which provides that 'Directors and Senior Management shall observe the highest standards of ethical conduct and integrity and shall work to the best of their ability and judgement'. The said CoC requires them to not to engage in any business relationship or activity, which conflicts with their duties towards the Company. All the Board members and Senior Management personnel have affirmed compliance with the Code for the year ended 31 March 2024. A declaration to this effect signed by the Managing Director forms a part of this Annual Report.
- The Company has also put in place necessary mechanism and has formulated a Policy on Dealing with Related Party Transactions, keeping in view the requirements under Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the provisions of the Companies Act, 2013. This Policy provides a framework to ensure proper identification, approval, and subsequent modification of Related Party Transactions.
- In addition to the above, BFL Group's CoEPC covers potential areas where conflict of interest may be encountered. It also provides specific guidelines on avoiding and dealing with possible conflicts of interest and the requirement to disclose potential conflicts of interest by employees.

Link: Bajaj Finance Investor Relations – Policies and Codes (<https://www.aboutbajajfinserv.com/finance-investor-relations-policies-and-codes>)

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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.**

	FY2024	FY2023	Details of improvements in environmental and social impacts
R&D	-	-	Please refer the below note
Capex	40%	46%	

Note: BFL Group is engaged in financial services businesses. The portion of its revenue and capital expenditure that directly contributes to improve the environment and make a social impact largely revolves around its expenses on information technology whereby the entire business cycle and customer interaction is facilitated technologically resulting in reducing paperwork and costs that otherwise would have been incurred in physical interactions. Moreover, during the year, BFL has invested in EVs for inter office employee commute to reduce its environmental footprint.

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

BFL Group companies provide financial products and services, and thus neither has a sizeable consumption of any raw material nor produces any tangible goods.

BFL Group’s activities are limited to providing financial solutions to serve the needs of the people. BFL Group nurtures a culture of conservation of resources and encourages innovations that aid in reducing the dependence on natural resources.

BFL Group ensures that energy efficiency standards are considered during the purchase of electronic equipment such as lighting devices, AC’s etc. The major suppliers of hardware are green standard compliant and data centres are certified under Environmental Management System.

Recycled paper turns yesterday’s waste into today’s resource and offers a greener alternative to traditional paper production. Supporting a sustainable future and healthier planet, BFL Group has procured 80% of recycled paper.

Additionally, BFL Group has incorporated ESG related clauses in the vendor contracts as applicable.

- 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.**

Given the BFL operations, E-waste and battery waste are considered to be the material type of waste.

Accordingly, the Company disposes e-waste and battery waste through registered vendor and receives the certificate of disposal or recycling from them. During the year, e-waste of 22.51 Metric Tonnes and 19.35 Metric Tonnes of battery waste has been disposed of or recycled in a scientific and eco-friendly manner.

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

Given the nature of our business, the above is not applicable to us.

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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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Given the business operations of BFL group, there are no products or services offered by the entity that qualify for Life Cycle Perspective / Assessments (LCA).

- 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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None other than those identified in Q.26 of "Section A – General Disclosures" above.

- 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	
	FY2024	FY2023

Given the business operations of BFL group, the same is not applicable.

- 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:**

	FY2024			FY2023		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
E-waste	-	22.51	-	-	-	6.2
Plastics (including packaging)	Given the business operations of BFL group, the same is not significant and hence is not tracked.					
Hazardous Waste						
Other waste (battery waste)	-	19.35	-	-	-	-

- 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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Given the business operations of BFL group, the same is not applicable.

P1 **PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including**
 P2 **those in their value chains**

P3 **Essential Indicators**

P4 **1. a. Details of measures for the well-being of employees:**

% of employees covered by

Category	Total (A)	Health insurance		Accident insurance		Maternity benefits*		Paternity Benefits*		Day Care facilities #	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	50,547	50,547	100%	50,547	100%	NA	NA	50,547	100%	50,547	100%
Female	3,235	3,235	100%	3,235	100%	3,235	100%	NA	NA	3,235	100%
Total	53,782	53,782	100%	53,782	100%	3,235	100%	50,547	100%	53,782	100%
Other than Permanent employees											
Male	17	0	0%	0	0%	0	0%	0	0%	0	0%
Female	13	0	0%	0	0%	0	0%	0	0%	0	0%
Total	30	0	0%	0	0%	0	0%	0	0%	0	0%

*Wherever applicable under regulations, Day care facilities are provided.

* The percentage disclosed is calculated basis total female employees headcount covered for maternity benefits and total male employees headcount covered for paternity benefits respectively.

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

% of workers covered by

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

NA: BFL Group is engaged in financial services businesses which does not require services of workers.

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

	FY2024	FY2023
Cost incurred on well-being measures as a % of total revenue of the company	0.13%	0.14%

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

Benefits	FY2024			FY2023		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total employees	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 employees	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	NA	Yes	100	NA	Yes
Gratuity*	100	NA	Yes	100	NA	Yes
ESI	100	NA	Yes	100	NA	Yes
Others (NPS)	100	NA	Yes	100	NA	Yes
Others (Superannuation)	100	NA	Yes	100	NA	Yes

Note: The above represents benefits provided to all the employees who are eligible/have opted for the said retirement benefits.

NA: BFL Group is engaged in financial services businesses which does not require services of workers.

*The amount is not deducted from salary.

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.

BFL group has adopted [Code of Ethics and Personal Conduct \(CoEPC\)](#) which promotes [equal employment opportunity and non-discrimination](#) along with mutual respect. Additionally, BFL through its Equal Employment Opportunity and Non-discrimination policy and [Employee Charter - Human Rights Statement](#) prohibits any kind of discrimination against any person with disability in any matter related to employment as per the Right of Person with Disabilities Act. Some of our corporate and branch offices of BFL, have ramps for easy movement of differently abled people.

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.

Yes, BFL group has adopted Code of Ethics and Personal Conduct (CoEPC) which promotes equal employment opportunity and non-discrimination along with mutual respect.

Additionally, BFL has adopted Equal employment opportunity and non-discrimination policy in accordance with the provisions of the Rights of Persons with Disabilities Act, 2016 and provides a framework and commitment towards the empowerment of persons with disabilities.

BFL through its Employee Charter - Human Rights Statement prohibits discrimination against any person with disability in any matter related to employment.

As enshrined in the '[Responsible and Sustainable Business Conduct Policy](#)', BFL Group provides fair remuneration and equal opportunities at the time of recruitment as well as during employment irrespective of age, sex, colour, caste, disability, marital status, ethnic origin, race, religion, sexual orientation, disease (viz. HIV/Aids) or any other status of individuals. These policies promote an environment where everyone in the Company gets an equal opportunity to excel and grow in accordance with the individual's ability and suitability to perform in his/her area of work.

The above policies are available on our website <https://www.aboutbajajfinserv.com/finance-investor-relations-policies-and-codes>

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	99.85%	81.47%	NA	NA
Female	100.00%	73.33%	NA	NA
Total	99.86%	81.25%	NA	NA

NA: BFL Group is engaged in financial services businesses which does not require services of workers.

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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 Employees	<p>Yes. BFL Group strives to create a culture which is fair, open, and transparent and where employees can openly present their views.</p> <p>BFL Group transparently communicates its policies and practices such as plans, compensation, performance metrics, performance pay grids and calculation, career enhancements, compliance, and other processes with all employees in a non-discriminating manner.</p> <p>BFL Group has a Board approved Disciplinary Action Policy (DAP) and Board delegated Disciplinary Action Committee (DAC) to address the grievances of its employees. It enables employees to work without fear of prejudice, gender discrimination and harassment. BFL Group has zero tolerance towards any non-compliance of these principles.</p> <p>BFL Group has 'Code of Ethics and Personal Conduct' (CoEPC), 'Whistle Blower', 'Prevention of Sexual Harassment' and 'Mind Your Behaviour' framework serving as grievance mechanisms for its employees to report or raise their concerns confidentially and anonymously, and without fear of any retaliation.</p> <p>Further, BFL has a dedicated helpline number for employees to report their concerns.</p>
Other than Permanent Employees	CoEPC and Whistle Blower policy is extended to the other than permanent employees, BFL continuously endeavours to address the grievances and concerns raised by them.
Permanent workers and other than permanent Workers	NA

NA: BFL Group is engaged in financial services businesses which does not require services of workers.

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

Category	FY2024			FY2023		
	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 employees/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	BFL Group does not have any employee trade union and not engaged or involved in any collective bargaining agreement, although it allows all employees to exercise the lawful right to 'freedom of association'.					
Male						
Female						
Total Permanent Workers	NA					
Male						
Female						

NA: BFL Group is engaged in financial services businesses which does not require services of workers.

8. Details of training given to employees and workers:

Category	Total (A)	FY2024				Total (D)*	FY2023			
		On Skill Upgradation		On Health and Safety			On Skill Upgradation		On Health and Safety	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	50,564	45,713	90.41%	46,318	91.60%	37,515	29,694	79%	33,157	88%
Female	3,248	2,705	83.28%	2,984	91.87%	1,771	1,462	83%	1,581	89%
Total	53,812	48,418	89.98%	49,302	91.62%	39,286	31,156	79%	34,738	88%

*Average employees during the year.

Note: This dataset includes training provided to employees who left the firm during FY2024 and FY2023.

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Workers

	FY2024	FY2023
Male		
Female		NA
Total		

NA: BFL Group is engaged in financial services businesses which does not require services of workers.

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

Category	FY2024			FY2023		
	Total (A)*	No.(B)	% (B/A)	Total (C)*	No.(D)	% (D/C)
Employees						
Male	45,413	45,413	100%	35,418	35,418	100%
Female	2,902	2,902	100%	1,648	1,648	100%
Total	48,315	48,315	100%	37,066	37,066	100%
Workers						
Male						
Female						NA
Total						

NA: BFL Group is engaged in financial services businesses which does not require services of workers.

* The percentage has been computed on the eligible employees due for annual performance review.

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?

Through its [Employee Health and Safety Manual](#), BFL group is committed to provide a safe and healthy workplace to its employees by minimising the risk of accidents, injury and exposure to health risks and it complies with applicable laws and regulations with respect to safety at workplace.

BFL Group trains its employees on safety protocols by conducting periodic trainings on fire safety and evacuation drills for employees. Corporate offices and most of our branch offices are assessed in regards with the electrical systems safety, fire safety, building stability and working conditions.

BFL Group ensures that all corporate and branch premises are audited on safety aspects and have proper ventilation, hygiene and sanitation, emergency exits, first aid box, etc.

Physical and mental wellbeing of the employees is at the core of BFL Group's human resource practices. BFL Group sends periodic internal communication and alerts to employees and conducts various awareness sessions on health and safety related aspects.

For more information, please refer to Human Capital Management section of ESG Report: link <https://www.aboutbajajfinserv.com/impact-environmental-social-and-governance>

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

BFL conducts safety audits on a periodic or on a need basis wherein parameters related to fire safety, housekeeping, electrical safety, and emergency preparedness are assessed.

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

Yes. While BFL Group does not employ workers for its business operations. BFL has a dedicated Central Emergency Service Desk (CESD) helpline portal for its employees which is available 24x7. They can use this portal to register any work-related incidents or hazard and risks.

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

Yes. BFL Group has insured its employees under group term insurance, health insurance and accidental insurance policies. For more information, please refer to Human Capital Management section of ESG Report: <https://www.aboutbajajfinserv.com/impact-environmental-social-and-governance>

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

Safety Incident/Number	Category	FY2024	FY2023
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Workers	NA	NA
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	NA	NA
No. of fatalities	Employees	Nil	Nil
	Workers	NA	NA
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	NA	NA

NA: BFL Group is engaged in financial services businesses which does not require services of workers.

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

Refer 10(a) above

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

	FY2024			FY2023		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	-	Nil	Nil	-
Health & Safety	Nil	Nil	-	Nil	Nil	-

14. Assessments for the year:

% of your plants and offices that were assessed (by entity or statutory authorities or third parties)

Health and safety practices	Please refer note below
Working Conditions	

Note: BFL Group strives to keep the workplace environment safe, hygienic, and humane, upholding the dignity of the employees. Offices across the group are internally assessed periodically through internal assessments for various aspects of health and safety measures and related working conditions.

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.

No significant corrective actions pertaining to above mentioned parameters was necessitated by BFL Group during the year under review.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)?

A. Employees - Yes, BFL group extends various financial support and compensatory package in the event of death of an employee regardless of whether death occurred during work or otherwise. Some of these include one-time lumpsum payment from iCare fund, full month's pay with recovery waivers, Group Term Life insurance assured amounts, employment opportunity to immediate family member of the deceased employee (if required), etc.

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Additional details with respect to the same are provided in 'Human Capital Management' section of ESG report.

B. Workers – NA

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

BFL Group is committed to foster responsible and sustainable business practices across its value chain partners, tailored to their capacities and resources. To uphold this commitment, BFL Group employs various measures to ensure that its high-risk value chain partners fulfil their statutory obligations by deducting and remitting dues. These measures encompass contractual agreements, rigorous reviews, audits of value chain partners, and seeking confirmations of compliance, all adapted to the specific nature of the products or services provided.

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	
	FY2024	FY2023	FY2024	FY2023
Employees	Nil	Nil	Nil	Nil
Workers	NA	NA	NA	NA

NA: BFL Group is engaged in financial services businesses which does not require services of workers.

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)

Yes, the Company has retirement policy which aims to define terms of retirement for employees and the subsequent engagement opportunities with the Company. BFL Group invests significant time and resources in the training and development of its employees, help them stay ahead of latest trends and technology. With such trainings, most employees are skilled and tend to be employable upon retirement / termination.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed*
Health and safety practices	100%
Working Conditions	100%

*BFL Group expects and influences all its value chain partners to follow extant regulations, including health and safety practices and working conditions. Further, BFL has an outsourcing compliance framework that is used for the evaluation and assessment of vendors basis the scoring model. Accordingly, during the year, 100% of the high-risk category vendors were assessed as per the outsourcing compliance framework.

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.

BFL has a detailed vendor audit check list as part of its outsourcing compliance framework that is designed to undertake risk assessment of the vendors. Basis the assessment vendors are classified as satisfactory, improvement opportunity and needs improvement.

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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.

Individuals or group of individuals, agencies, institutions who are interested or impacted by the activities of the company’s business and vice-versa now or in the future are identified as a key stakeholder by the Company. The key stakeholders thus identified are customers, investors, lenders, depositors, government, shareholders, regulators, value chain partners, employees, and the society.

BFL Group understands the impact of its policies, decisions, products and services, and associated operations on the stakeholders. In line with its policies, practices, and processes, BFL Group engages with its stakeholders and strives to resolve differences with them in a just, fair, equitable and consistent manner and where warranted takes corrective measures.

BFL Group also engages with relevant stakeholders for enhancing the sustainable and responsible business practices.

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
Shareholder and Investor	No	Multiple channels including - <ul style="list-style-type: none"> quarterly investors’ presentations and calls press releases disclosures on stock exchanges participation in investor conferences Investors’ grievance cell Social Media Website Emails/letters, etc. 	<ul style="list-style-type: none"> Annual and Quarterly Need-based 	To inform about the performance, major developments, ESG initiatives and other relevant updates regarding BFL Group.
Customer	No	Multiple channels including: <ul style="list-style-type: none"> Customer satisfaction surveys Customer feedback Regular interaction with customers Customer helpline Customer grievance cell Social Media channels Email /SMS Website/App 	<ul style="list-style-type: none"> Periodic On-going Need -based 	Servicing across the lifecycle of the customer, redressal to queries / grievances that the customer may have, VOCs and surveys, product/ service offerings, ESG initiative and periodic communication to provide update on various lifecycle events over digital channel.

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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
Government and Regulators	No	Multiple channels including: <ul style="list-style-type: none"> Regulatory filings Compliance Statements Meetings, audits Letters E-mails 	<ul style="list-style-type: none"> Periodic Need based 	To provide recommendations or feedback on draft policies and make representations on various subjects before regulators and associations for advancement and improvement of financial services industry in India.
Employees	No	Multiple channels including: <ul style="list-style-type: none"> ESAT survey Human Resources Contact Centre (HRCC) HR pulse assessments Townhall – “Confluence” Performance appraisals, Rewards and recognition Trainings, Awareness, Emails OMB Employee engagement initiatives 	<ul style="list-style-type: none"> On-going Need based 	To create a thriving, safe and inclusive workplace for its employees and provide merit-based opportunities for professional development and growth. Additionally, periodic communication to employees on ESG initiatives and awareness.
Value chain Partner	No	Multiple channels including: <ul style="list-style-type: none"> In-person meetings Emails Performance discussions Trainings/awareness programmes Policies and processes Audits Periodical meets/ conferences – “Samvaad” 	<ul style="list-style-type: none"> On-going Need based 	To enhance the access and understanding of relevant financial products and services of the Company. Updates on ESG initiatives and disclosures.
Society	Yes	Multiple channels including: <ul style="list-style-type: none"> Media & Press Releases Annual Reports CSR initiatives Financial Inclusion 	<ul style="list-style-type: none"> Frequent Need based 	To promote social welfare activities for inclusive growth, fair and equitable development, and well-being of society through our business functioning.

P1 **Leadership Indicators**P2 **1. Provide the processes for consultation between stakeholders and the Board on economic,**
P3 **environmental, and social topics or if consultation is delegated, how is feedback from such**
P4 **consultations provided to the Board.**

P5 BFL Group to the extent considered necessary and permitted by regulations, ensures transparent
P6 communication and access to relevant information about its decisions that impact relevant stakeholders,
P7 keeping in mind the need to protect confidential competitive plans and information.

P8 Engagement with stakeholders is a continuous process, as part of BFL Group's business activities.
P9 Such engagement is generally driven by the responsible business functions, with senior executives also participating based on the need of the engagement.

The Board of Directors are updated on various developments arising out of such engagement and they provide their guidance / inputs on such matters. Through various committees, the Board is provided regular updates on feedback received from stakeholders, these include, but are not limited to:

- The Company's Board-level Customer Service Committee
- The Corporate Social Responsibility Committee of the Board
- The Risk Management Committee of the Board
- The Board approved ESG Committee

As a matter of full transparency, BFL communicates key strategies of its Long-Range Strategy which is a 5-year rolling plan with various stakeholders through investor presentations, Annual Report, townhalls with dealers, distributors and employees, and Annual General Meeting presentation.

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. The Company personnel interact with various stakeholders to understand the evolvement and relevance of ESG topics, their impact, and expectations from the Company. Based on such interactions, BFL has, over last few years, enhanced its reporting on business responsibility and also started certain new initiatives. BFL Group believes that it is still learning the evolving aspects of ESG and lays significant importance to such interactions.

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

BFS Group companies through their CSR policies have taken up various initiatives and activities for the benefit of different segments of the society, with focus on the marginalized, poor, needy, deprived, under-privileged and differently abled persons. With the guidance of our Board-governed Corporate Social Responsibility (CSR) policy, the BFS Group remains committed to creating value for marginalized communities, through its well-structured programs, contributing to their well-being and sustainable development.

P1 **PRINCIPLE 5 Businesses should respect and promote human rights.**

P2 **Essential Indicator**

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

Category	FY2024			FY2023		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Permanent and other than permanent employees	53,812	51,737	96.14%	Please refer the note below		
Permanent and other than permanent workers	NA	NA	NA	NA	NA	NA

NA: BFL Group is engaged in financial services businesses which does not require services of workers.

Note: Any employee who works in any BFL Group must adhere to the commitment of BFL Group to integrity and ensure following the principles laid down in CoEPC which amongst other things includes principles of mutual respect, privacy, equal opportunities and non-discrimination, health, safety and environment, prevention of sexual harassment.

Our commitment to employees' rights is enshrined in the [Employee Charter – Human Rights Statement](#) of BFL Group– which sets out what employees can reasonably expect from the company (Employee Rights) and the responsibilities and qualities that are expected from them while performing their duties (Employee Responsibilities). It also lays down the principles of equal opportunity and non-discrimination, anti-corruption and bribery, prohibition of forced and child labour, transparency, safe healthful and harassment-free workplace, amongst others.

BFL Group runs ESG awareness programs for its employees to create awareness on ESG initiatives (including human rights) for its employees through use of social media as well as internal communication channels–Intranets, HR bulletins, Video Snippets, etc.

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

Category	FY2024					FY2023				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (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)
Employees										
Permanent										
Male	50,547	125	0.25%	50,422	99.75%	41,048	22	0.05%	41,026	99.95%
Female	3,235	3	0.09%	3,232	99.91%	2,099	2	0.10%	2,097	99.90%
Other than Permanent										
Male	17	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	13	NA	NA	NA	NA	NA	NA	NA	NA	NA
Workers										
Permanent										
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Other than Permanent										
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

NA: BFL Group is engaged in financial services businesses which does not require services of workers.

P1 **3. Details of remuneration/salary/wages**P2 **a. Median remuneration / wages:**

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (₹ in crore)	Number	Median remuneration/ salary/ wages of respective category (₹ in crore)
BoD – Whole – time Director/ Executive Director** [§]	3	14.36	-	-
BoD – non-executive Directors* [^]	7	0.85	1	0.8
Key Managerial Personnel**	2	5.17	-	-
Employees other than BoD and KMP [#]	57,992	0.07	3,700	0.08
Workers	NA	NA	NA	NA

* Data pertains to BFL only.

[^]The above remuneration is exclusive of fair value of options granted as per black Scholes model in the year of vesting.

[§] Includes data for one Executive Director of the Company who resigned w.e.f. 31st January 2024 and ceased to be a director of the Company w.e.f. 31st January, 2024.

[#] Data pertains to BFL Group.

NA: BFL Group is engaged in financial services businesses which does not require services of workers.

P5 **b. Gross wages paid to females as % of total wages paid by the entity, in the following format:**

	FY2024	FY2023
Gross wages paid to females as % of total wages	5.90%	5.05%

P6 **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.

P7 **5. Describe the internal mechanisms in place to redress grievances related to human rights issues.**

While BFL Group aims to not have a situation that leads to any grievance; should such a situation arise, BFL Group has a well-defined Grievance redressal mechanism for its employees which are governed through [CoEPC](#), [employee charter](#), [disciplinary action](#), [whistle blower and vigil mechanism](#) policies. A formal grievance mechanism is available to all employees, to report or raise their concerns confidentially and anonymously, without fear of any retaliation. Additionally, we have dedicated channels such as Human Resource Contact Centre (HRCC), HR Pulse connects and Central Emergency Service Desk (CESD) wherein all the grievances, emergencies and incidents can be reported.

BFL Group regards respect for human rights as one of its fundamental and core values and strives to support, protect, and promote human rights to ensure that fair and ethical business and employment practices are followed.

BFL Group has a Board approved Disciplinary Action Policy (DAP) and Board delegated Disciplinary Action Committee (DAC) to address the grievances of its employees. It enables employees to work without fear of prejudice, gender discrimination and harassment. BFL Group has zero tolerance towards any non-compliance of these principles.

BFL Group believes that every workplace shall be free from violence, harassment, intimidation and/or any other unsafe or disruptive conditions, either due to external or internal threats. Accordingly, BFL Group has aimed to provide reasonable safeguards for the benefit of employees at the workplace, while having due regard for their privacy and dignity. BFL Group also has zero tolerance towards and prohibits all forms of slavery, coerced labour, child labour, human trafficking, violence or physical, sexual, psychological, or verbal abuse. As a matter of policy, BFL Group does not hire any employee or engage with any agent or vendor against their free will.

Across the BFL Group, Designated Ethics Officer at each of the companies deals with the issues of the respective Company. BFL Group employees must promptly report any violation of this Code to their Manager and to the Ethics Officer.

P1 **6. Number of Complaints on the following made by employees and workers:**

	FY2024			FY2023		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
P2 Sexual Harassment	9	3	Pending complaints have been resolved by 24 April 2024	3	0	-
P3 Discrimination at workplace	0	0	-	0	0	-
P4 Child Labour	0	0	-	0	0	-
P5 Forced Labour/ Involuntary Labour	0	0	-	0	0	-
P6 Wages	0	0	-	0	0	-
P7 Other human rights related issues	0	0	-	0	0	-

P8 **7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

	FY2024	FY2023
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	9	3
Complaints on POSH as a % of female employees / workers	0.34%	0.17%
Complaints on POSH upheld	6	1

P9 **8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

A formal grievance mechanism is available to all employees to report or raise their concerns confidentially and anonymously, without fear of retaliation, along with mechanism to consult on ethical issues through the explicit means provided by CoEPC, Employee Charter, Disciplinary Action, Whistle Blower, and Vigil mechanism policies. BFL Group prohibits retaliation against any employee who reports in good faith any suspected or potential violation of the Code of Ethics and Personal Conduct of the Company which includes aspects of discrimination and harassment.

It is the duty of every employee to report instances of possible CoEPC violations that they are aware of. At BFL Group, sharing a possible concern about the Code, honestly and in good faith, even if it turns out to be unfounded – is never an excuse for any kind of retaliation. The Ethics Officers will ensure CoEPC investigations are conducted in a fair and confidential manner and that there will not be any adverse impact on employees who highlight possible CoEPC violations in good faith.

BFL Group also prohibits retaliation for using any of BFL’s complaint reporting procedures, if made in good faith, or for filing, testifying, assisting, or participating in any investigation conducted by a government enforcement agency.

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

Yes. The Company appreciates the inherent, universal, indivisible, inalienable and interdependent nature of human rights. Accordingly, the company has included ESG specific clauses which covers the general human rights parameters in the vendor contracts.

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	BFL Group expects and strives to influence its employees to adhere and respect human rights values and principles. BFL through its Own My Branch (OMB) program interacts with employees at branches to assesses any work and human rights related issues.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

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

Based on its ongoing reviews of human resource practices BFL Group did not find any significant risk/ concerns in the above areas during the year under review and accordingly no corrective actions were warranted.

Leadership Indicators

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

There have been no significant human rights grievances / complaints warranting modification / introduction of business processes.

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

BFL Group has a robust mechanism to track human rights related queries and grievances raised by the employees. All complaints raised are tracked and considered for timely resolution. In addition, BFL Group expects and strives to influence its stakeholders to adhere to the same values, principles and business ethics upheld by BFL Group in all their dealings.

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?

BFL group has over the years made a conscious effort to digitize its customer service framework. The group has made a considerable headway in minimising in-person customer interactions. It has mapped the entire lifecycle of the customer interactions and made available all possible customer requests, such as, soft copy of agreements, repayment schedules, yearly interest certificates, statements of accounts, loan closure and no dues certificates, release of hypothecation and mortgages, Deposit receipts, etc., in a digital mode. These service requests being fulfilled digitally obviate the need for customer visits to BFL offices. Some of our offices are accessible to differently abled visitors.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	100%*
Wages	
Others – please specify	

*As per our outsourcing policy, the company has set metrics and processes for assessing high and medium risk category on these parameters. BFL Group expects and strives to influence its value chain partners to adhere to the same values, principles and business ethics upheld by BFL Group in all their dealings. No specific assessment in respect of value chain partners has been carried out, other than certain elements covered in annual review of processes and controls of select sample of value chain partners by the Company.

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

BFL has a detailed vendor audit check list as part of its outsourcing compliance framework that is designed to undertake risk assessment of the vendor. Basis the assessment vendors are classified as satisfactory, Improvement opportunity and needs improvement.

P1 **PRINCIPLE 6 Businesses should respect and make efforts to protect and restore the environment**

P2 **Essential Indicators**

P3 **1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

P4	Parameter	Unit of Measurement	FY2024	FY2023
P5	From renewable sources			
P6	Total electricity consumption (A)	Gigajoules	2,155.51	1,017.16
P7	Total fuel consumption (B)	Gigajoules	-	-
P8	Energy consumption through other sources (C)	Gigajoules	-	-
P9	Total energy consumed from renewable sources (A+B+C)	Gigajoules	2,155.51	1,017.16
	From non-renewable sources			
	Total electricity consumption (D)	Gigajoules	145,867.16	112,232.47
	Total fuel consumption (E)	Gigajoules	47,834.12	28,347.00
	Energy consumption through other sources (F)	Gigajoules	-	-
	Total energy consumed from non-renewable sources (D+E+F)	Gigajoules	193,701.28	140,579.47
	Total energy consumed (A+B+C+D+E+F)	Gigajoules	195,856.78	141,569.63
	Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	Per crore of Consolidated Total Revenue from Operations	3.56	3.42
	Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	Per crore of Consolidated Total Revenue from Operations adjusted for PPP	79.79	75.82
	Energy intensity in terms of physical output			
	Energy intensity (optional) – (Total energy consumption/consolidated total loan portfolio)	Per crore of Consolidated Total Loan Portfolio	0.60	0.58

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. During the year, an independent reasonable assurance has been carried out by DNV Business Assurance India Pvt. Ltd. for FY2024.

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.

This is not applicable to BFL group given the nature of its business.

P1 **3. Provide details of the following disclosures related to water, in the following format:**

Parameter	FY2024	FY2023
Water withdrawal by source (in kiloliters)		
(i) Surface water	-	-
(ii) Groundwater	-	-
P6 (iii) Third party water	-	-
(iv) Seawater/desalinated Water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kiloliters) (i+ii+iii+iv+v)	-	-
Total volume of water consumption (in kiloliters)	573,814.06	-
Water intensity per rupee of turnover (Total water consumption/Revenue from operations)	10.44	-
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	233.77	-
Water intensity in terms of physical output		-
Water intensity (optional) - (Total water consumption/consolidated total loan portfolio)	1.76	-

Note:

- a. Water tracking system is available at our head corporate office, and we have calculated water consumption (in litre) per employee basis the data available for the said location along with reasonable assumptions, wherever required.
- b. The quantity of water (in litres) per employee derived from the available data is in line with "National Building Code (NBC) – Bureau of Indian Standards (BIS), 2016 - Estimation of Water Requirement for Drinking and Domestic Use" which provides for "45 litres per person per working day".
- c. Total water consumption is derived considering total average head count, total working days and water requirement per person per working day as specified in point 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. During the year, an independent reasonable assurance has been carried out by DNV Business Assurance India Pvt. Ltd. for FY2024.

P7 **4. Provide the following details related to water discharged:**

Parameter	FY2024	FY2023
Water discharge by destination and level of treatment (in kiloliters)		
(i) To Surface water	-	-
No treatment -	-	-
With treatment - please specify level of treatment	-	-
(ii) To Groundwater	-	-
No treatment -	-	-
With treatment - please specify level of treatment	-	-
(iii) To Seawater	-	-
No treatment -	-	-
With treatment - please specify level of treatment	-	-
(iv) Sent to third parties	-	-
No treatment -	-	-
With treatment - please specify level of treatment	-	-
(v) Others	-	-
No treatment -	-	-
With treatment - please specify level of treatment	-	-
Total water discharged (in kilolitres)	-	-

Note: Currently we do not monitor water discharge.

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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:

No.

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

Zero liquid discharge is not applicable to BFL group given the nature of its business.

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

Parameter	Please specify unit	FY2024	FY2023
NOx			
Sox			
Particulate matter (PM)			
Persistent organic pollutants (POP)			
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others-Please specify			

Please refer to the note below

Note: As a financial services company, air emissions from our operations are not significant. However, we do monitor our GHG emissions which have been appropriately disclosed in this Report.

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.

No.

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

Parameter	Unit	FY2024	FY2023
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	4,784.59	11,648.51
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	28,908.06	24,629.48
Total Scope 1 and Scope 2 emissions intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Per crore of Consolidated Total Revenue from Operations	0.61	0.88
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)	Per crore of Consolidated Total Revenue from Operations adjusted for PPP	13.73	19.42
Total Scope 1 and Scope 2 emission intensity in terms of physical output			
Total Scope 1 and Scope 2 emission intensity (Total energy consumption/consolidated total loan portfolio)	Per Crore of Consolidated Total consolidated total loan portfolio	0.10	0.15

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. During the year, an independent reasonable assurance has been carried out by DNV Business Assurance India Pvt. Ltd. for FY2024.

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

Yes. BFL remains committed to implement meaningful and system-driven changes to reduce the greenhouse gas (GHG) intensity of its operations. BFL has undertaken various projects on environmental sustainability such as:

- Reducing paper consumption: It has been an endeavour of BFL over last many years to keep reducing paper consumption across all its business operations.
- Rooftop Solar Power Generation: BFL is endeavouring to reduce its GHG emissions pertaining to its office activities through installation of rooftop solar power generation capacity. Till date Rooftop solar power plants with an installed capacity of 626.80 KW has been commissioned.
- BFL has replaced the employee inter office travel shuttles with 20 Electric vehicles (EV).
- BFL is making a significant transformation in its business operations through its 'Omnichannel Strategy' which enables customer with various Do-it-anywhere and Do-it-yourself options for servicing and buying needs thereby reducing the need for travel – resulting in saving in GHG emissions. In FY2024, BFL has seen a decline in branch walk-ins owing to the increasing digital presence.
- Planted around 340,000 saplings till date.

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

Parameter	FY2024 (in metric tonnes)	FY2023 (in metric tonnes)
Total waste generated (in metric tonnes)		
Plastic waste (A)	-	-
E-waste (B)	22.51	6.2
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	19.35	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any (G)	-	-
Other Non-hazardous waste generated (H). Please specify if any (Break-up by composition i.e by materials relevant to the sector)	-	-
Total (A+B+C+D+E+F+G+H)	41.86	6.2
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.0008	0.0001
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.017	0.003
Waste intensity in terms of physical output		
Waste intensity (optional) – (Total energy consumption/consolidated total loan portfolio)	0.0001	0.00003
For each category of waste generated, total waste recovered through recycling-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	41.86	-
(ii) Re-used	-	-
(iii) other recovery operations	-	-
Total	41.86	-

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Parameter	FY2024 (in metric tonnes)	FY2023 (in metric tonnes)
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations (Safe disposal)	-	6.2
Total	-	6.2

Note: Given the nature of business, the information with respect to the relevant category of waste has been provided above.

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. During the year, an independent reasonable assurance has been carried out by DNV Business Assurance India Pvt. Ltd. for FY2024.

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.

Given the nature of the business, there is no usage of hazardous and toxic chemicals by BFL Group companies. BFL has systems in place to manage e-waste and engages with certified e-waste handlers for disposal of e-waste.

22.51 Metric Tonne of e-waste and 19.35 Metric Tonne of battery waste generated has been disposed through authorised recyclers in FY2024. BFL has received green, re-cycling certificates from the respective e-waste and battery waste handlers.

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
			Nil

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
					NA

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

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
				BFL Group is in compliance with all applicable environmental norms applicable to the nature of its business.

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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 format:

Parameter	FY2024	FY2023
Water withdrawal by source (in kilolitres)		
(i) Surface water		
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater/desalinated Water		
(v) Others		
Total volume of water withdrawal (in kiloliters) (i+ii+iii+iv+v)		
Total volume of water consumption (in kiloliters)		
Water intensity per rupee of turnover (Water consumed/turnover)		
Water intensity (optional)-the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kiloliters)		
(i) Into Surface water		
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		
Total water discharged (in kilolitres)		

Given the nature of business, the same is not relevant

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

No.

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

Parameter	Unit	FY2024	FY2023
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	15,292.23	13,140.86
Total Scope 3 emissions per crore of consolidated total revenue from operations	Per crore of Consolidated Total Revenue from Operations	0.28	0.32
Total Scope 3 emission intensity (optional) (Total energy consumption/consolidated total loan portfolio)	Per Crore of Consolidated Total Loan Portfolio	0.05	0.05

For details, please refer to GHG Assurance report.

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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. During the year, independent limited assurance has been carried out by DNV Business Assurance India Pvt. Ltd. for FY2024.

3. With respect to the ecologically sensitive areas reported at Question 10 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.

NA

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:

S. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
Please refer the note below			

Note: BFL Group constantly strives for environment protection and welfare. Accordingly, in FY2024, we had implemented certain environmentally responsible practices and initiatives that contribute to achieve a positive impact on the environment, for more details please refer to response provided at Q.3, Q.7 and Q.8 of the "Essential Indicators" as above. We also have a robust Environmental Policy that endeavours to integrate sound environmental practices and governance systems in its day-to-day operations to minimise environmental impact.

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

Yes. The Company has business continuity strategy and framework (BCP) which is also compliant with applicable regulatory requirements and includes disaster management protocols. BCP envisages likely disruptive events, their probability and their impact on business operations which is assessed through business impact analysis. It aims to eliminate or minimise any potential disruption to critical business operations. It also includes Disaster Recovery (DR) procedures to quickly recover from an emergency. Annual BCP and DR drills are conducted to ensure that they are effective under the present business processes, infrastructure, personnel, etc. For further details please refer to "Information Security, Cyber Security and Fraud Controls" section of our ESG Report.

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?

BFL Group expects and influences all its value chain partners to follow extant environment regulations as may be applicable to them. Further, BFL periodically creates awareness amongst value chain partners about importance of environment.

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

Currently, we do not assess environmental impacts of our value-chain partners. However, we encourage our value-chain partners to proactively align their business operations to environmental best-practices.

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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.

BFL through its parent company i.e BFS is member of 2 trade and industry chambers/ associations, additionally BFSL, a wholly owned subsidiary of BFL is a member of Association of National Exchanges Members of India (ANMI). It proactively contributes to the discussions and resolutions within the scope of these forums.

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	Company Name	Reach of trade and industry chambers/ associations (State/National)
1	Confederations of Indian Industry	BFS	National
2	World Economic Forum	BFS	International
3	Association of National Exchanges Members of India (ANMI)	BFSL	National

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

Name of Authority	Brief of case	Corrective action taken
Please refer note below		

Note: BFL group had no adverse orders from any regulatory authorities relating to anticompetitive activities. Hence, no corrective action was necessitated by the Group during the year under review.

Leadership Indicators

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

S. No	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
Please refer the note below					

Note: BFL proactively shares its views on formulating new industry standards or regulatory developments pertaining to the NBFC sector. In doing so, the company strives to balance the interest of various stakeholders. BFL engages regularly with Government agencies and regulators and remain steadfastly committed to providing timely and accurate information, suggestions and recommendations, feedback on draft policies, etc. as and when required. During such interactions, the company also discusses areas of focus and concerns.

BFL's participation in the public and regulatory policy development process encompasses providing suggestions on draft notifications, and interactions with various bodies / regulators on matters significant to the industry and the society at large. BFL also gives recommendations, from time to time, to various regulators in the larger interest of the industry.

Additionally, BFS Group is a member of various trade and industry chambers, associations, councils, and such other collective platforms ('forums'). It proactively contributes to various discussions and resolutions within the scope of these forums. BFS is a member of the World Economic Forum and CII, through which it actively engages in policy advocacy.

P1 **PRINCIPLE 8 Businesses should promote inclusive growth and equitable development**

P2 **Essential Indicator**

P3 **1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

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Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NA					

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

Sr. 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 ₹)
NA						

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

The BFS Group Companies have various mechanisms to receive and redress grievances of various stakeholders. Details of such mechanisms and policies is detailed in CSR policy disclosed on the [website](#).

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

	FY2024	FY2023
Directly sourced from MSMEs/ small producers	7.01%	10.36%
Directly from within India	99.65%	99.98%

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

Location	FY2024	FY2023
Rural	1.50%	1.56%
Semi-urban	9.37%	10.04%
Urban	25.10%	26.25%
Metropolitan	64.03%	62.15%

(Places have been categorised 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):

Details of negative social impact identified	Corrective action taken
NA	

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

Sr. No	State	Aspirational district	Amount in INR spent*
1	Rajasthan	Sirohi	9,238,520
2	Maharashtra	Gadchiroli	750,000
3	Odisha	Dhenkanal	3,491,280
4	Odisha	Rayagada	4,104,360
5	Jharkhand	Ranchi	9,876,000

*The amount mentioned is for the project which runs for a span of period as per the agreed terms.

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

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

(c) What percentage of total procurement (by value) does it constitute?

NA

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
NA				

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
No corrective actions pertaining to above mentioned parameters was necessitated by BFL Group during the year under review.		

6. Details of beneficiaries of CSR Projects:

Sr. No.	CSR Project	No. of persons benefitted from CSR project	% of beneficiaries from vulnerable and marginalized groups
1.	Child Education	450,003	Please refer note below
2.	Child Health	148,084	
3.	Child Physical and Intellectual Disabilities	99,853	
4.	Child - Prevention of mortality	434,250	
5.	Child Protection	21,397	
6.	Youth Livelihood initiatives	92,895	
7.	Youth PWD skilling	14,757	
8.	Youth Skilling for employment	90,928	
9.	Youth Skilling for enterprise/ self employment	1,320	
10.	Health and Sanitation	124,255	
11.	Mental Health	3,985	

Note: The number of beneficiaries is represented for the entire project life cycle and not for the financial year. Additionally, all the CSR projects are undertaken for vulnerable and marginalised groups.

P1 **PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible**
P2 **manner**

P3 **Essential Indicators**

P4 **1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

P5 Timely and appropriate customer grievance redressal is imperative. In fact, we aim to reduce the
P6 grievances learning from our experiences, through root cause analysis. BFL Group’s dealings with its
P7 customers are professional, fair, and transparent. BFL Group has a robust customer services governance
P8 framework and same are enumerated under “Customer Obsession” section of [ESG report](#).

P9 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

Environmental and social parameters relevant to the product
Transparency and fairness in dealings with customers is followed across BFL Group. None of the products withhold any relevant information needed by the customers to make informed decisions.

Safe and responsible usage

Recycling and/or safe disposals

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

	FY2024			FY2023		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data Privacy	0	0	-	0	0	-
Advertising-	0	0	-	0	0	-
Cyber- security	0	0	-	0	0	-
Delivery of essential services	0	0	-	0	0	-
Restrictive Trade practices	0	0	-	0	0	-
Unfair Trade practices	0	0	-	0	0	-
Others	6,876	15	Pending complaints have been resolved by 24 April 2024	7,872	7	Pending complaints have been resolved by 7 April 2023

Some of the initiatives in this regard are:

- BFL Group, through its charters and policies etc, communicate customer rights, company commitments, grievance redressal mechanism and ombudsman scheme, as applicable. These policies and communications emphasise our commitment to fair practices by maintaining transparency in products and services offered.
- Dedicated customer complaint reduction units are in place, to review the grievance redressal mechanism under oversight of the Board of respective material subsidiaries.
- Customer grievances are also reviewed with focus on identification of root cause, corrective action plans and customer service initiatives.

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

	Number	Reasons for recall
Voluntary recalls		
Forced recalls		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. BFL has adopted an information security framework to establish, implement, monitor, and constantly improve its information security posture. We focus on privacy of customer information and data security. The Company has '[Data Privacy Policy](#)' in place and same is available on the website of the Company. BFL is compliant with ISO 27001:2013 Information security management system. BFL Group is compliant with the applicable regulatory framework and guidelines. For more details, please refer to section on "Information security, cyber security and fraud controls" section of the [ESG report](#).

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.

No penalties or regulatory action has been levied or taken on the above-mentioned parameters.

7. Provide the following information relating to data breaches:

- a. Number of instances of data breaches - 0**
- b. Percentage of data breaches involving personally identifiable information of customers - 0**
- c. Impact, if any, of the data breaches - NA**

Leadership Indicators

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

BFL Group envisages to be an omnipresent financial company which will enable its existing and new customer to engage, transact and be serviced online to offline and vice versa. Information relating to various financial services provided by the BFL Group is available on the website <https://www.bajajfinserv.in/>.

Further, please refer to "Customer Obsession" section of [ESG report](#).

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 to not just do business with customers, but also educate them and make them more aware of what could be good or bad for them, frauds, addressing their questions on financial products, etc.

BFL Group has mechanisms to inform customers on usage of products and services offered. Continuous and contextual communication across the customer lifecycle through - press releases, yearly customer engagements, company website and blogs, social media campaigns, use of video content, feature based audio-visual content for ease of understanding, etc. have helped us educate and create awareness amongst our customers and society at large.

Further, please refer to 'Customer Obsession' section of [ESG report](#).

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

Technology enabled seamless customer experience has been the hallmark of our businesses. Each business is unique and so is its approach towards enhancing customer experience. But the core objectives that tie them together and stay the same are simplification of processes, ease of use and quick and appropriate response. In the current technology age, information security, cyber security, and fraud controls have become extremely critical. The need for robust control over these areas find a dominant place in our information technology framework. These controls obviate disruptions and security threats endangering loss of customer data and disruption in business operations.

In line with the RBI regulation, the Company shall give ninety days advance notice in newspaper before reallocation or closure of branch office.

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

Transparency and fairness in dealings with customers is followed across BFL Group. None of the products withhold any relevant information needed by the customers to make informed decisions. The BFL Group through its charters, policies, etc. communicate the customer rights, company commitments, grievance redressal mechanism and ombudsman scheme, as applicable which emphasise our commitment to fair practices by maintaining transparency in products and services offered.

The company undertakes a CSAT (customer satisfaction) survey at various touchpoints to gauge the customer experience. Monitoring transactional customer satisfaction (CSAT) scores across all channels for multiple service interactions enables the Company to review the effectiveness of its customer engagement initiatives.

Annexure 1: List of Policies

Sr. No	Principle wise Policies	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Responsible and Sustainable Business Conduct Policy#	✓	✓	✓	✓	✓	✓	✓	✓	✓
2	Environmental Policy#	✓	✓		✓		✓		✓	✓
3	Code of Conduct to regulate, monitor and report trading by designated persons*	✓								
4	Fair practices code#	✓			✓					✓
5	Prevention of Sexual harassment at workplace (Prevention, Prohibition & Redressal)#	✓		✓		✓				
6	Disciplinary action and grievance redressal#	✓		✓		✓				
7	Code of Conduct for DSAs/DMA/ Recovery Agents*	✓				✓				✓
8	Code for independent directors*	✓								
9	Policy for dealing with Frauds*	✓								✓
10	Information Security Management policy*	✓								✓
11	Information Security Management policy – Payments Systems*	✓								✓
12	Cyber security policy*	✓								✓
13	Data Privacy Policy#	✓								✓
14	Outsourcing policy*	✓								✓
15	Vigil mechanism / whistle blower policy#	✓		✓		✓				
16	Know Your Customer Policy*	✓								✓
17	Corporate Social Responsibility (CSR) Policy#	✓			✓				✓	
18	Policy for inquiry in case of leak or suspected leak of Unpublished Price Sensitive Information*	✓								
19	Code of practices and procedures for fair disclosure and unpublished price sensitive information (UPS)#	✓								
20	Policy on Materiality of and dealing with Related Party Transactions#	✓								
21	Policy for determination of materiality for disclosure of events or information#	✓								
22	Interest Rate Policy#	✓			✓					✓
23	Policy on Fit and proper criteria for directors*	✓								
24	Performance Evaluation Criteria for Board, Committees of Board, Chairperson and Directors#	✓								
25	Code of Ethics and Personal Conduct#	✓		✓		✓				
26	Mind Your Behavior*	✓		✓		✓				
27	Equal Employment opportunity and Non-Discrimination#	✓		✓		✓				
28	Corporate Communication Policy*	✓			✓					✓
29	Employee Charter – Human Rights#	✓		✓	✓					✓
30	IJP policy*			✓						
31	Auto Promotion Policy*			✓						
32	Recognition Policy*			✓						
33	iCare Policy*			✓						
34	Employee and parental insurance policy*			✓						
35	Creche policy*			✓						
36	Staff welfare & team engagement Policy*			✓						

Sr. No	Principle wise Policies	P1	P2	P3	P4	P5	P6	P7	P8	P9
37	Fortnightly salary advance*			✓						
38	Money on call*			✓						
38	Dividend Distribution Policy [#]	✓			✓					
39	Board Diversity Policy*	✓								
40	Fraud Detection Policy*	✓			✓					✓
41	Corporate Audit Services (CAS) Risk Based Internal Audit (RBIA) Policy Document*	✓								
42	Grievance Redressal Mechanism*	✓			✓	✓				✓
43	Internal Ombudsman SOP*	✓								✓
44	Internal Ombudsman Scheme for Pre-paid Payment Instruments (PPIs)*	✓								✓
45	Customer Protection & Grievance Redressal Policy for Prepaid Payment Instruments*	✓			✓					✓
46	Sustainable Business Strategy Framework*	✓			✓					✓
47	Policy for Monitoring End-Use of Funds*	✓								✓
48	Record maintenance and retention policy*	✓								✓
49	Risk Management Policy*	✓								
50	Investment & Market Risk Policy*	✓								
51	Asset Liability Management Policy*	✓								
52	Business Continuity Management Policy*	✓								✓
53	Policy on dealing in securities of group companies*	✓		✓						
54	Remuneration policy*	✓		✓		✓				
55	Password procedure policy*	✓		✓						
56	Online Security*	✓		✓	✓					✓
57	Business Continuity Policy - Operations	✓								
58	Compliance Policy	✓								
59	Corporate Governance Policy [#]	✓								
60	Framework for Corporate Governance in Subsidiary companies*	✓								
61	Information Security Management System – Information Security Management Policy*	✓								
62	Institutional mechanism for prevention of insider trading*	✓								
63	Internal Capital Adequacy Assessment Process Policy (ICAAP)*	✓								
64	Policy for compensation of Key Managerial Personnel and SMT*	✓								
65	Retirement Policy*			✓						
66	Code of conduct for directors and senior management [#]	✓								
67	Information Security policy*	✓								✓
68	Information technology policy*	✓								✓
69	IT outsourcing policy*	✓								✓
70	Information and cyber security policy for insurance platform*	✓								✓
71	Cyber Crisis Management Policy*	✓								✓
72	Incident Management Plan*	✓								✓
73	IS Audit Policy*	✓								✓

Sr. No	Principle wise Policies	P1	P2	P3	P4	P5	P6	P7	P8	P9
74	Information Security Management Systems Change Management*	✓								✓
75	Liquidity Risk Management Framework*	✓								
76	Policy for Appointment of Statutory Auditors*	✓								
77	Policy on Preservation of Documents*	✓								✓
78	Succession Management Framework*	✓								
79	IT Asset Disposal Policy*						✓			✓
80	Policy on levy of Fees & Charges to customers*	✓								✓
81	Distance Learning Program Policy*	✓		✓		✓				
82	Employee cares fund*	✓		✓		✓				
83	Group Digital Media Governance Policy for Employees*	✓		✓						
84	Performance Management Policy*	✓		✓		✓				
85	Social Media Governance Policy*	✓								
86	Spectrum Policy*	✓		✓		✓				
87	Spouse Working as Consultant Policy*	✓		✓		✓				
88	Environment, Health and Safety (EHS) Manual#	✓		✓		✓	✓			

* internal document

accessible to public

INDEPENDENT ASSURANCE STATEMENT

Introduction

DNV Business Assurance India Private Limited ('DNV'), has been commissioned by Bajaj Finance Limited (Corporate Identity Number L65910MH1987PLC042961, hereafter referred to as 'BFL' or 'the Company') to undertake an independent assurance of the Company's disclosures in Business Responsibility and Sustainability Report (hereafter referred as 'BRSR'). The disclosures include the 9 core attributes of BRSR as per Annex I of SEBI circular dated 12 July 2023 and rest non-financial quantitative disclosures in BRSR (Annexure II of SEBI circular dated 12 July 2023).

Reporting standard/framework

The disclosures have been prepared by BFL in reference to:

- BRSR Core – Framework for assurance and ESG disclosures for value chain as per SEBI (Securities and Exchange Board of India) Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023.
- 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.
- Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard.

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.

Apart from DNV's Verisustain™ protocol (v6.0), DNV team has also followed ISO 14064-3 – Specification with guidance for the verification and validation of greenhouse gas statements to evaluate indicators wrt. Greenhouse gases disclosures.

Intended User

The intended user of this assurance statement is the Management of Bajaj Finance Limited ('the Management').

Level of Assurance

- Reasonable Level of assurance for the 9 core attributes of BRSR (Ref: Annexure I of SEBI circular)
- Limited Level of assurance for the rest non-financial quantitative disclosures of BRSR report (Ref: Annexure II of SEBI circular).

Responsibilities of the Management of BFL and of the Assurance Provider

The Management of BFL has the sole responsibility for the preparation of the BRSR and is responsible for all information disclosed in the BRSR Core and BRSR Report. 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. BFL 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

- a) Reasonable level of assurance of 'BRSR 9 Core Attributes' (Ref: Annexure I of SEBI Circular) and
- b) Limited level of assurance for the rest non-financial quantitative disclosures in BRSR (Ref: Annexure II of SEBI circular) for Financial Year (FY) 2023-24 as listed below-
 - Section A: General Disclosures- 20-a, b, 21, 22, 25
 - Section C: Principle Wise Performance Disclosure-
 - » Principle 3: Essential Indicator 1-a, 2, 5, 8, 9, 13
 - » Principle 5: Essential Indicator 1, 2, 6
 - » Principle 6: Leadership Indicator 2*
 - » Principle 8: Leadership Indicator 6
 - » Principle 9: Essential Indicator 3

* Scope 3 GHG emissions are reported for Categories 1, 6 and 9 as per GHG Protocol.

Boundary of our assurance work:

Boundary covers the performance of BFL and its 2 subsidiaries viz., Bajaj Housing Finance Limited (BHFL) (Corporate Identity Number U65910PN2008PLC132228) and Bajaj Financial Securities Limited (BFSL) (Corporate Identity Number U67120PN2010PLC136026) operations in India that fall under the direct operational control of the Company's Legal structure. Based on the agreed scope with the Company, the boundary of verification covers the operations of BFL and its subsidiaries across all locations in India.

Limitation(s):

We performed a reasonable level of assurance for the BRSR Core indicator and limited level of assurance for the rest non-financial quantitative BRSR indicators based on our assurance methodology DNV's VeriSustain™ protocol (v6.0).

The assurance scope has the following limitations:

- 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 opinion on specific BRSR Core indicators (ref- for total revenue from operations; Principle 3, Question 1(c) of Essential Indicators for Spending on measures towards well-being of employees and workers – cost incurred as a % of total revenue of the company; Principle 8, Question 4 of Essential Indicators, Principle 1, Question 8 of Essential Indicators and Principle 1, Question 9 of Essential Indicators) relies on the third party audited data. 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 BFL and its subsidiaries. For limited level of verification, 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:

BRSR Core Indicators – Reasonable level of Assurance	Rest non-financial quantitative disclosures in BRSR Report – Limited Level of Assurance
Reviewed the disclosures under BRSR Core, encompassing the framework for assurance consisting of a set of Key Performance Indicators (KPIs) under 9 ESG attributes. The format of BRSR Core is used as a basis of reasonable level of assurance	Reviewed the disclosures under 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.
Evaluation of the design and implementation of key systems, processes and controls for collecting, managing and reporting the BRSR Core indicators	Understanding the key systems, processes and controls for collecting, managing and reporting the non-financial quantitative disclosures in BRSR report.
Assessment of operational control and reporting boundaries	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.
Seek extensive evidence across all relevant areas, ensuring a detailed examination of BRSR Core indicators. Engaged directly with internal stakeholders to gather insights and corroborative evidence for each disclosed indicator.	Collect and evaluate documentary evidence and management representations supporting adherence to the reporting principles.
Interviews with selected senior managers responsible for management of disclosures and review of selected evidence to support environmental KPIs and metrics disclosed in the Report. We were free to choose interviewees and interviewed those with overall responsibility of monitoring, data collation and reporting the selected indicators.	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.
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 %age 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 Annexure-II.	DNV audit team conducted on-site audits for corporate offices and sites. Sample based assessment of site-specific data disclosures was carried out. We were free to choose sites for conducting our assessment.
Conduct a comprehensive examination of key material aspects within the BRSR Core framework supporting adherence to the assurance based on applicable principles plus specified data and information.	Reviewed the process of reporting as defined in the assessment criteria.

In both the cases, 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 DNV's VeriSustain™ protocol (v6.0) for reasonable level verification for the disclosures.

Conclusion

Reasonable level of Assurance- BRSR 9 Core Attributes

Based on our review and procedures followed for reasonable level of assurance, DNV is of the opinion that, in all material aspects, the BRSR 9 Core Attributes (as listed in Annexure I of this statement) for FY 2023-24 are reported in accordance with reporting requirements outlined in BRSR Core (Annexure I of SEBI Circular dated 12 July 2023).

Limited Level of Assurance- BRSR Reporting Format

On the basis of the assessment undertaken, nothing has come to our attention to suggest that the BRSR disclosures of Bajaj Finance Limited as mentioned under section 'Scope' do not properly adhere to the reporting requirements as per BRSR reporting guidelines (Annexure II of SEBI Circular) for FY 2023-24.

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 Conduct¹ 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 Bajaj Finance Limited. DNV maintains complete impartiality toward stakeholders interviewed during the assurance process. To the best of our knowledge, we did not provide any services to Bajaj Finance Limited 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 BFL 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.

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

For DNV Business Assurance India Private Limited

Ankita Parab
Lead Verifier,
Sustainability Services,
DNV Business Assurance India Private Limited, India.

Assurance Reviewer,
Sustainability Services,
DNV Business Assurance India Private Limited, India.

Chandan Sarkar (Verifier)
Anamika Kumari (Verifier)
Himanshu Babbar (Verifier)
11/06/2024, Mumbai, 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

Annex I

Verified Data

Sr. No.	Attribute	Parameter	Unit of Measures	Assured Values
1	Green-house gas (GHG) footprint Greenhouse gas emissions may be measured in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard*	Total Scope 1 emissions	MT of CO2e	4,784.59
		Total Scope 2 emissions	MT of CO2e	28,908.06
		Total Scope 1 and Scope 2 emission intensity per rupee of turnover	MT CO2e/ Revenue from operations in ₹ Cr	0.61
		Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	MT CO2e/ Revenue from operations in ₹ Cr adjusted to PPP	13.73
		Total Scope 1 and Scope 2 emission intensity in terms of physical output	MT CO2e/ Consolidated Total Loan Portfolio in ₹ Cr	0.10
2	Water footprint	Total water consumption**	KL	573,814.06
		Water consumption intensity	KL/ Revenue from operations in ₹ Cr	10.44
			KL / Revenue from operations in ₹ Cr adjusted for PPP	233.77
		Water intensity in terms of physical output	KL/ Consolidated Total Loan Portfolio in ₹ Cr	1.76
		Water Discharge by destination and levels of Treatment	KL	Not reported
3	Energy footprint	Total energy consumed	Giga Joules (GJ)	195,856.78
		% of energy consumed from renewable sources	In % terms	1.1
		Energy intensity	GJ/ Revenue from operations in ₹ Cr	3.56
			GJ/ Revenue from operations in ₹ Cr adjusted for PPP	79.79
			GJ/ Consolidated Total Loan Portfolio in ₹ Cr	0.6
4	Embracing circularity - details related to waste management by the entity	Battery waste	MT	19.35
		E-waste	MT	22.51
		Total	MT	41.86
		Waste intensity per rupee of turnover from operations	MT/ Revenue from operations in ₹ Cr	0.0008
		Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	MT / Revenue from operations in ₹ Cr adjusted for PPP	0.017
		Waste intensity	MT/ Consolidated Total Loan Portfolio in ₹ Cr	0.0001
		Total waste recovered through recycling, re-using or other recovery operations		
		(i) Recycled	MT	41.86
		(ii) Re-used	MT	-
		Total	MT	41.86
		Total waste disposed by nature of disposal method		
		(i) Incineration	MT	-
		(ii) Landfilling	MT	-
Total	MT	-		
5	Enhancing Employee Wellbeing and Safety	Spending on measures towards well-being of employees and workers – cost incurred as a % of total revenue of the company	In % terms	0.13%
		Details of safety related incidents for employees and workers (including contract-workforce e.g. workers in the company's construction sites)	Number of Permanent Disabilities	Nil
			Total recordable work-related injuries	Nil
			Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Nil
			No. of fatalities	Nil

Sr. No.	Attribute	Parameter	Unit of Measures	Assured Values
6	Enabling Gender Diversity in Business	Gross wages paid to females as % of wages paid	In % terms	5.9%
		Complaints on POSH	Total Complaints on Sexual Harassment (POSH) reported	9
			Complaints on POSH as a % of female employees / workers	0.34%
			Complaints on POSH upheld	6
7	Enabling Inclusive Development	Input material sourced from following sources as % of total purchases –and from within India	Directly sourced from MSMEs/ small producers (In % terms – As % of total purchases by value)	7.01%
			Directly sourced from within India	99.65%
		Job creation in smaller towns – Wages paid to persons employed in smaller towns (permanent or non-permanent /on contract) as % of total wage cost	Location	
			Rural	1.50%
			Semi-urban	9.37%
			Urban	25.10%
	Metropolitan	64.03%		
8	Fairness in Engaging with Customers and Suppliers	Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events	In % terms	Nil
		Number of days of accounts payable	(Accounts payable *365) / Cost of goods/services procured	21.78
9	Open-ness of business	Concentration of purchases & sales done with trading houses, dealers, and related parties Loans and advances & investments with related parties	Purchases from trading houses as % of total purchases	NA
			Number of trading houses where purchases are made from	NA
			Purchases from top 10 trading houses as % of total purchases from trading houses	NA
			Sales to dealers / distributors as % of total sales	NA
			Number of dealers / distributors to whom sales are made	NA
			Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	NA
			Share of RPTs (as respective %age) in	
			Purchases	4.96%
			Sales	0.69%
			Loans & advances	0.06%
Investments	24.45%			

Note:

*Emission factors used and their references, assumptions considered are mentioned in the 'GHG Inventory Report', 2024 prepared by Bajaj Finserv Group, which is applicable to BFL. Calculation of Scope 1 GHG emissions are based on conversion factors, emission factors considered in 2006 IPCC Guidelines for National Greenhouse Gas Inventories, IPCC sixth assessment report. Scope 2 GHG emissions for Indian operations are calculated based on the Grid Electricity EF - Central Electricity Authority, Govt. of India, CO2 baseline database for Indian Power Sector, version 19, December 2023 EF considered (including RES & Captive power injection into grid) is 0.716 kgCO2 per kWh. For purchased electricity non grid with HSD as source of energy generation emission factor 0.70 tCO2/MWh is considered. https://cea.nic.in/wp-content/uploads/baseline/2024/04/User_Guide_Version_19.0.pdf

For fuel rate average consideration, https://ppac.gov.in/uploads/page-images/1711513222_b64a426eaac364980b78.pdf accessed on date 27th March 2024, is referred.

**Total water consumption is derived from "National Building Code (NBC) – Bureau of Indian Standards (BIS), 2016 - Estimation of Water Requirement for Drinking and Domestic Use" - "45 litres per person per working day".

Annex II

Sr. no.	Site	Location
1.	Corporate offices of BFL	Pune
2.	Offices/Branches- on-site visits	<p>BFL offices- Finserv House, Pune Goregaon, Mumbai Thane, Mumbai Salt Lake, Kolkata Somajigunda, Hyderabad Residency road, Bangalore Brookfield, Bangalore</p> <p>BHFL offices- Goregaon, Mumbai HO, Pune</p>
3.	Offices/Branches- (with in-person meeting with data owners during on-site visits to the offices mentioned in Sr. No. 2)	<p>BFL offices- Mumbai- 50000472, Chembur- FD, Andheri- 50000468, Dadar, Thane- Thane FD, Thane off roll, New Bhiwandi Pune- PTP, Mantri, Weikfield A & B, Wakdewadi additional- Pune Nashik Bangalore- 50000085, Whitefield, NR trident, KR Puram, New Sahakarnagar, Rajajinagar, Prestige Building Hyderabad- Somajiguda, Banjarahills, Begumpet, Kothapet Kolkata- Rash Behari, Habra, Dankuni</p> <p>BHFL offices- Mumbai -Andheri, Thane, Mira road, Andheri 3rd</p> <p>BFSL- Pune, HO</p>
4.	Remote Audits	<p>BFL offices- Chennai- Raheja Towers, Spencer Plaza, Egmore Delhi-East office, South office, Janakpuri (5B/3), New Delhi office</p> <p>BHFL offices- Thane- Thane Additional, Kalyan, Virar, Virar additional Nagpur Nashik Aurangabad Pune- Baner, Chinchwad, NIBM, NIBM additional, Sinhgad road, Wagholi, Wakdewadi, Wakdewadi additional</p>

INDEPENDENT VERIFICATION STATEMENT

Introduction

DNV Business Assurance India Private Limited ('DNV') has been commissioned by the management of Bajaj Finance Limited (Corporate Identity Number L65910MH1987PLC042961) to carry out a verification of its Scope 1, Scope 2 and Scope 3 Greenhouse Gas ('GHG') data of Bajaj Finance Limited (hereafter mentioned as 'BFL' and 'the Company') and its 2 subsidiaries (collectively mentioned as 'BFL Group') for the period 1st April 2023 to 31st March 2024 (FY 2023-24). BFL has prepared its GHG data in bespoke spreadsheets based on the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard with the emission factors sourced from the Intergovernmental Panel on Climate Change's (IPCC) Sixth Assessment Report, The UK Department for Environment, Food and Rural Affairs (Defra) Central Electricity Authority, Govt. of India and India GHG Program, 2014

DNV has carried out this customized verification engagement in accordance with DNV's Verisustain™ protocol (v6.0). Apart from DNV's Verisustain™ protocol (v6.0), DNV team has also followed ISO 14064-3 - Specification with guidance for the verification of GHG emissions. The verification was carried out during the period February 2024 - June 2024 by a team of qualified sustainability and GHG assessors.

Intended User

The intended user of this verification statement is the Management of Bajaj Finance Limited ('the Management').

Level of Verification

- Reasonable Level of verification for Scope 1 & 2 GHG emissions and
- Limited Level of verification for the Scope 3 GHG emissions (Categories 1, 6 and 9)

Responsibilities of the Company and DNV

The Management of the Company is responsible for the collection, analysis, aggregation, calculations and presentation of data and information related to its GHG assertions and also responsible for ensuring the maintenance and integrity of its website and any referenced disclosures on their website.

In performing this verification assessment, DNV's responsibility is to the Management of the Company; however, this statement represents our independent opinion. We disclaim any liability or co-responsibility for any decision a person or entity would make based on this verification statement.

Scope, Boundary and Limitations of Verification

Scope

The scope of work agreed includes the following:

- Verification of GHG Scope 1 and Scope 2 emissions data from various activities for FY 2023-24 for reasonable level of verification
 - Scope 1 emissions due to combustion of fossil fuels and other emissions, such as
 - » Combustion of high-speed diesel (HSD) for diesel generators
 - » Fuel consumed by company-owned vehicles.
 - » HFC releases from air conditioners
 - » CO2 released due to use of CO2-based fire extinguishers
 - Scope 2 emissions due to purchased electricity from national grids in India and purchase of electricity from other sources

- Verification of GHG Scope 3 emissions data from various activities for FY 2023-24 for limited level of verification
 - Other Indirect GHG emissions (Scope 3 emissions) arising from value chain covering three categories as per the Greenhouse Gas Protocol's Corporate Value Chain (Scope 3) Accounting. Categories reported are-
 - » C1: Purchased Goods and Services- procurement of office supplies
 - » C6: Business Travel- air, road & train travel, hotel stay and guest house stay
 - » C9: Downstream transportation and distribution- relocation, freighting courier

Boundary

Boundary covers the performance of BFL and its 2 subsidiaries viz., Bajaj Housing Finance Limited (BHFL) (Corporate Identity Number U65910PN2008PLC132228) and Bajaj Financial Securities Limited (BFSL) (Corporate Identity Number U67120PN2010PLC136026) operations in India that fall under the direct operational control of the Company's Legal structure. Based on the agreed scope with the Company, the boundary of verification covers the operations of BFL Group across all locations in India.

Review of emission sources under BFL Group's operational control including review of the Company's internal GHG inventory and processes related to the collection and collation of its GHG emissions sources.

Limitation(s):

- The verification 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 and its subsidiaries.
- 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 verification.
- Data outside the operations specified in the verification boundary is excluded from the verification, unless explicitly mentioned otherwise in this statement.
- The verification engagement is based on the assumption that the data and information provided by the Company are complete, sufficient and authentic.
- No external stakeholders were interviewed as part of this verification engagement.

Verification Methodology:

We planned and performed our verification work to obtain the evidence we considered necessary to provide reasonable & limited level of verification. In case of limited level of verification, we adopted a risk-based approach towards selection of samples for assessing the robustness of the underlying data management system, information flow and controls.

We carried out the following activities:

- Desk review of the Scope 1, Scope 2 and Scope 3 emissions activity and associated data for the period - 1st April 2023 - 31st March 2024 captured in bespoke spreadsheets.
- Review of the standard operating procedures ('SOPs') for GHG Management System as well as the Company's GHG data management processes used to generate, aggregate, and report the GHG data, as well as assessment of the completeness, accuracy and reliability of the data.
- Reviews of GHG data aggregation system in place including formats, assumptions, as well as associated emission factors and calculation methodologies.
- Sampling of activity data for verification in line with the requirements for verification.
- Onsite visits to corporate office and selected branches/sites in India as listed out in Annexure II for verifying the identified activities and emission sources and related evidence at the site level on a sample basis.
- Interaction with key managers and data owners to review data systems related to the GHG inventory including reviews of emission factors and assumptions used in calculation methodology.

Conclusion

Reasonable level of verification- Scope 1 & 2 GHG emissions

On the basis of our verification methodology and scope of work agreed upon, DNV is of the opinion that, in all material aspects, the reported Scope 1 & 2 GHG emissions as brought out below and in Annexure I are materially correct and fair representation of Scope 1 & 2 GHG emissions of BFL Group for the reporting period.

Limited Level of verification- Scope 3 GHG emissions

On the basis of our verification methodology and scope of work agreed upon, nothing has come to our attention to suggest that the GHG emissions as brought out below and in Annexure I are not materially correct and is not a fair representation of the Scope 3 GHG emissions of BFL Group for the reporting period.

In both cases, some data inaccuracies identified during the verification process were found to be attributable to transcription, interpretation and aggregation errors and the errors have been corrected.

GHG Emissions for BFL Group

Scope details	Total GHG Emissions (tCO2e) for FY 2023-24
Scope 1 Direct GHG emissions (Scope 1 emissions) covering combustion of high-speed diesel (HSD) for diesel generators, fuel consumed by company-owned vehicles, HFC releases from air conditioner, CO2 released due to use of CO2-based fire extinguishers	4,784.59
Scope 2 Indirect GHG emissions (Scope 2 emissions) covering consumption of purchased electricity for its facilities and units (from national grid in India and other sources)	28,908.06
Scope 3 other Indirect GHG emissions (Scope 3 emissions) covering <ul style="list-style-type: none"> • C1: Purchased Goods and Services- procurement of office supplies • C6: Business Travel- air, road & train travel, hotel stay and guest house stay • C9: Downstream transportation and distribution- relocation, freighting courier 	15,292.23
Total Scope 1, Scope 2 & Scope 3 Emissions	48,984.88

Note:

1. Emission factors used and their references, assumptions considered are mentioned in the 'GHG Inventory Report', 2024 prepared by Bajaj Finserv Group, which is applicable to BFL Group.
2. Calculation of Scope 1 GHG emissions are based on conversion factors, emission factors considered in 2006 IPCC Guidelines for National Greenhouse Gas Inventories, IPCC sixth assessment report and GHG protocol cross sector emission factors.
3. Scope 2 GHG emissions for Indian operations are calculated based on the Grid Electricity EF - Central Electricity Authority, Govt. of India, CO2 baseline database for Indian Power Sector, version 19, December 2023 EF considered (including RES & Captive power injection into grid) is 0.716 kgCO2 per kWh. For purchased electricity non grid with HSD as source of electricity generation, emission factor 0.70 tCO2/MWh is considered.
https://cea.nic.in/wp-content/uploads/baseline/2024/04/User_Guide_Version_19.0.pdf
4. For fuel rate average consideration, https://ppac.gov.in/uploads/page-images/1711513222_b64a426eac364980b78.pdf accessed on date 27th March 2024, is referred.
5. Calculation of Scope 3 GHG emissions are based on emission factors considered in India GHG Program <https://indiaghgp.org/transport-emission-factors> - for train and road transport, for hotel stay & guest houses-
<https://ecommons.cornell.edu/server/api/core/bitstreams/220e2386-fac7-4985-8825-a901176b161f/content>

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 IE³ 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 during the verification engagement and maintain independence wherever required by relevant ethical requirements. 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 except for this Verification Statement for internal use of Bajaj Finance Limited. DNV maintains complete impartiality toward stakeholders interviewed during the verification process. To the best of our knowledge, we did not provide any services to Bajaj Finance Limited in the scope of verification for the reporting period that could compromise the independence or impartiality of our work.

Purpose and Restriction on Distribution and Use

This verification statement, including our conclusion has been prepared solely for the exclusive use and benefit of the 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 verification statement. The usage of this verification statement shall be governed by the terms and conditions of the contract between DNV and BFL and DNV does not accept any liability if this statement is used for an alternative purpose from which it is intended, nor to any third party in respect of this verification statement. No part of this verification statement shall be reproduced, distributed or communicated to a third party without prior written consent.

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

For DNV Business Assurance India Private Limited

Ankita Parab
Lead Verifier,
Sustainability Services,
DNV Business Assurance India Private Limited, India.
Chandan Sarkar (Verifier)
Anamika Kumari (Verifier)
Himanshu Babbar (Verifier)
11/06/2024, Mumbai, India.

Assurance Reviewer,
Sustainability Services,
DNV Business Assurance India Private Limited, India.

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Annexure I

GHG Emissions for BFL Group

Scope details	Total GHG Emissions (tCO ₂ e) for FY 2023-24		
	BFL	BHFL	BFSL
Scope 1 Direct GHG emissions (Scope 1 emissions) covering combustion of high-speed diesel (HSD) for diesel generators, fuel consumed by company-owned vehicles, HFC releases from air conditioner, CO ₂ released due to use of CO ₂ -based fire extinguishers	4,387.48	377.31	19.80
Scope 2 Indirect GHG emissions (Scope 2 emissions) covering consumption of purchased electricity for its facilities and units (from national grid in India and other sources)	25,999.43	2,128.20	780.42
Scope 3 other Indirect GHG emissions (Scope 3 emissions) covering <ul style="list-style-type: none"> • C1: Purchased Goods and Services- procurement of office supplies • C6: Business Travel- air, road & train travel, hotel stay and guest house stay • C9: Downstream transportation and distribution- relocation, freighting courier 	14,238.08	949.89	104.26
Total Scope 1, Scope 2 & Scope 3 Emissions	44,624.99	3,455.40	904.48

Annexure II

Sites selected for audits

Sr. no.	Site	Location
1.	Corporate offices of BFL	Pune
2.	Offices/Branches- on-site visits	<p>BFL offices- Finserv House, Pune Goregaon, Mumbai Thane, Mumbai Salt Lake, Kolkata Somajigunda, Hyderabad Residency road, Bangalore Brookfield, Bangalore</p> <p>BHFL offices- Goregaon, Mumbai HO, Pune</p>
3.	Offices/Branches- (with in-person meeting with data owners during on-site visits to the offices mentioned in Sr. No. 2)	<p>BFL offices- Mumbai- 50000472, Chembur- FD, Andheri- 50000468, Dadar, Thane- Thane FD, Thane off roll, New Bhiwandi Pune- PTP, Mantri, Weikfield A & B, Wakdevadi additional- Pune Nashik Bangalore- 50000085, Whitefield, NR trident, KR Puram, New Sahakarnagar, Rajajinagar, Prestige Building Hyderabad- Somajiguda, Banjarahills, Begumpet, Kothapet Kolkata- Rash Behari, Habra, Dankuni</p> <p>BHFL offices- Mumbai -Andheri, Andheri 3rd, Belapur</p> <p>BFSL- Pune, HO</p>
4.	Remote Audits	<p>BFL offices- Chennai- Raheja Towers, Spencer Plaza, Egmore Delhi-East office, South office, Janakpuri (5B/3), New Delhi office</p> <p>BHFL offices- Thane- Thane, Thane Additional, Kalyan, Virar, Virar additional, Mira road Nagpur Nashik Aurangabad Pune- Baner, Chinchwad, NIBM, NIBM additional, Sinhgad road, Wagholi, Wakdevadi, Wakdevadi additional</p>

Annexure 2: Mapping United Nations Sustainable Development Goals (UNSDG)

We have mapped our initiatives under the BSRR principles to the United Nations Sustainable Development Goals

Principle 1 :

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



Principle 2 :

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



Principle 3 :

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



Principle 4 :

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



Principle 5 :

Businesses should respect and promote human rights.



Principle 6 :

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



Principle 7 :

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



Principle 8 :

Businesses should promote inclusive growth and equitable development.



Principle 9 :

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

