



Muthoot Finance Limited

Registered Office :
2nd floor, Muthoot Chambers,
Opp. Saritha Theatre Complex,
Banerji Road, Ernakulam - 682 018
Kerala, India.
CIN : L65910KL1997PLC 011300

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Ref: SEC/MFL/SE/2024/5864

September 7, 2024

National Stock Exchange of India Ltd.
Exchange Plaza
Plot No. C/1, G Block, Bandra - Kurla Complex,
Bandra (E), Mumbai - 400 051
Symbol: MUTHOOTFIN

**Department of Corporate Services
BSE Limited**
P.J. Tower, Dalal Street
Mumbai - 400 001
Scrip Code: 533398

NSE IFSC Limited (NSE IX)
Unit 1201, Brigade, International Financial
Center, 12th Floor, Building No. 14-A, GIFT
SEZ Gandhinagar,
Gujarat 382 355

Dear Sir/Madam,

Sub: **Business Responsibility and Sustainability Report – FY 2023-24**

We herewith enclose a copy of the Business Responsibility and Sustainability Report for the financial year 2023 – 24.

For **Muthoot Finance Limited**

Rajesh A
Company Secretary
ICSI Membership No. FCS 7106

Annexure 3

Business Responsibility and Sustainability Report FY 2023-24

Foreword

BRSR Overview

Section A: General Disclosures

Section B: Management and Process Disclosures

Section C: Principle-wise Performance Disclosure

Principle 1	Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent, and accountable
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 their 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

SECTION A: GENERAL DISCLOSURES

I. Details of listed entity

1.	Corporate Identity Number (CIN) of the listed entity	L65910KL1997PLC011300
2.	Name of the listed entity	MUTHOOT FINANCE LIMITED
3.	Year of Incorporation	1997
4.	Registered office address	2ND FLOOR MUTHOOT CHAMBERS OPP SARITHA THEATRE COMPLEX ERNAKULAM, KERALA - 682018
5.	Corporate address	2ND FLOOR MUTHOOT CHAMBERS OPP SARITHA THEATRE COMPLEX ERNAKULAM, KERALA - 682018
6.	E-mail	mails@muthootgroup.com
7.	Telephone	4842394712
8.	Website	https://www.muthootfinance.com/
9.	Financial year for which reporting is being done	2023 – 24
10.	Name of the Stock Exchange(s) where shares are listed	BSE & NSE
11.	Paid-up Capital	INR 4,01,46,16,760
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries in the BRSR report	Rajesh A 4846690255 rajesh_warrier@muthootgroup.com
13.	Reporting boundary	Standalone basis
14.	Name of assurance provider	Tibu & Niyas Chartered Accountant G1, National Residency, Metro Pillar 449, NH 47, Bank Jn.; Edappally, Office : 0484 - 2960489
15.	Type of assurance obtained	Limited Assurance

II. Products/services

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

Sl. No.	Description of Main Activity	Description of Business Activity	% Of Turnover of the entity
1.	Financial Service	Non-Banking Financial Services	95.99%

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

Sl. No.	Product/Service	NIC Code	% Of Total Turnover Contributed
1.	Financial Service	64990	95.99%

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	4854	77	4931
International	0	0	0

19. Markets served by the entity

a. Number of locations

Locations	Number
National (No. of states)	29
International (No. of Countries)	0

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

Not applicable

c. A brief on types of customers

Through 4800+ branches, we serve a large customer base pan-India. We provide personal loans and business loans secured by gold jewelry, or Gold Loans, primarily to individuals who possess gold jewelry but are not able to access formal credit within a reasonable time, or to whom credit may not be available at all, to meet unanticipated or other short-term liquidity requirements. Our customers are diverse and usually include small businesses, vendors, traders, farmers, and salaried individuals who avail our credit services for convenience and easy accessibility to meet their requirements. Customers can avail our credit services in lieu of gold ornaments like gold jewelry. Our retail loan offerings primarily consist of Gold Loans, with a maximum term of 12 months.

IV. Employees

20. Details as at the end of the Financial Year:

a. Employees and Workers (including differently abled):

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES						
1	Permanent (D)	28286	21252	75.13%	7034	24.87%
2	Other than Permanent (E)	0	0	0	0	0
3	Total Employees (D+E)	28286	21252	75.13%	7034	24.87%
WORKERS						
4	Permanent (F)	0	0	0	0	0
5	Other than Permanent (G)	0	0	0	0	0
6	Total Workers(F+ G)	0	0	0	0	0

b. Differently abled Employees and workers:

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	0	0	0	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total Differently abled Employees (D+E)	0	0	0	0	0
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	0	0	0	0	0
5.	Other than Permanent (G)	0	0	0	0	0
6.	Total differently abled Workers (F+ G)	0	0	0	0	0

21. Participation/Inclusion/Representation of women

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors (BOD)	14	1	7.14%
Key Management Personnel (other than BOD)	02	0	0

22. Turnover rate for permanent employees and workers

Particulars	FY 2023-24 (Turnover rate in current FY)			FY 2022-23 (Turnover rate in previous FY)			FY2021-22 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
	Permanent Employees	34%	37%	35%	41%	26%	38%	35%	24%
Permanent Workers	NA	NA	NA	NA	NA	NA	NA	NA	NA

V. Holding, Subsidiary, and Associate Companies (including joint ventures)

23. (a) Names of holding/subsidiary / associate companies / joint ventures

Sl. No.	Name of the holding/ subsidiary/associate companies/ joint ventures (A)	Indicate whether Holding/Subsidiary/ Associate Company/ 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	ASIA ASSET FINANCE PLC	Subsidiary	72.92 %	No
2	MUTHOOT HOMEFIN (INDIA) LIMITED	Subsidiary	100.00%	No
3	MUTHOOT INSURANCE BROKERS PRIVATE LIMITED	Subsidiary	100.00%	No
4	BELSTAR MICROFINANCE LIMITED	Subsidiary	63.86%	No
5	MUTHOOT MONEY LIMITED	Subsidiary	100.00%	No
6	MUTHOOT TRUSTEE PRIVATE LIMITED	Subsidiary	100.00%	No
7	MUTHOOT ASSET MANAGEMENT PRIVATE LIMITED	Subsidiary	100.00%	No

VI. CSR Details

24. (i) Whether CSR is applicable as per Section 135 of Companies Act, 2013: Yes

(ii) Turnover (in Rs.): 126940 million

(iii) Net worth (in Rs.): 242903 million

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 redressal policy)	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	The company has a grievance redressal policy outlining the process and procedure for capturing and addressing grievances of all the various stakeholders.	0	0	No complaints were received	0	0	No complaints were received
Investors (Other than shareholders)	The policy can be found on our website, on the below weblink: https://cdn.muthootfinance.com/sites/default/files/pdf/Grievance-Redressal-Policy-for-Stakeholders.pdf	5	0	No complaints pending to be resolved	18	0	No complaints pending to be resolved
Shareholders		19	0	No complaints pending to be resolved	6	1	Pending complaints were resolved after closure of FY 2022-23
Employees and workers		241	0	No complaints pending to be resolved	768	7	
Customers		916	5	Pending complaints were resolved after closure of FY 2023-24	997	1	
Value Chain Partners		0	0	No complaints were received	0	0	No complaints were received
Other (Please specify)		0	0	No complaints received	0	0	No complaints were received

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

Sl. 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 opportunity (Indicate positive or negative implications)
1.	Customer Relationship	Opportunity	Fostering strong customer relationships has always been of crucial importance to Muthoot Finance Limited. By placing importance on meeting the unique needs of customers, cultivating enduring connections, building trust, and exceeding expectations in delivering value.	Customer needs, preferences and concerns are prioritised through all aspects of the business. Muthoot Finance leverages technology to improve the efficiency of service provided to the extensive customer base of 200,000 across the country.	Positive implications: 1. Increased customer loyalty 2. Enhanced brand reputation
2.	Business Ethics	Risk/ Opportunity	Strong business ethics can give the company a competitive advantage and improve stakeholder trust. Unethical business actions such as corruption and fraud can lead to long-term financial instability.	Muthoot Finance Limited has a clearly defined Code of Conduct and policies for ethical practices (e.g., Anti-bribery and anti-corruption policy and the Code of fair practices).	Positive implications: 1. Improved stakeholder trust 2. Enhanced brand reputation 3. Mitigation of reputation and legal risks Negative implication: 1. Reputational damage 2. Legal consequences 3. Employee dissatisfaction
3.	Corporate Governance	Risk/ Opportunity	Corporate governance enhances every aspect of business, from strategic decision-making to daily business operations. Effective governance is crucial in sustaining the success of the company.	By ensuring the diverse Board composition in terms of age, gender, skill set and experiences, its functioning and decision-making are enhanced.	Positive implications: 1. Strengthened decision-making 2. Operational efficiency 3. Improved stakeholder trust Negative implications: 1. Inadequate decision-making 2. Stakeholder distrust

Sl. 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 opportunity (Indicate positive or negative implications)
4	Talent Attraction & Retention	Opportunity	Attracting skilled individuals by establishing the company as an employer of choice. And retaining employees by offering mentorship, skilling, and performance incentives are crucial to maintaining a long-term competitive edge.	A structured onboarding process, offering competitive compensation and benefits, and promoting a work environment that is both diverse and inclusive ensures low attrition rate and increased productivity.	Positive implications: <ol style="list-style-type: none"> Higher productivity and innovation Stronger employee loyalty Operational efficiency
5	Access to Finance	Opportunity	Enhancing the ability of individuals from marginalized communities and small businesses to obtain financial services at affordable costs and under reasonable terms.	Muthoot Finance Limited has financial literacy initiatives for the underprivileged and targets the financially underserved population as primary customers.	Positive implications: <ol style="list-style-type: none"> Improved community relationship Enhanced brand reputation
6	Risk Management	Risk/ Opportunity	An efficient internal audit system, surveillance system and control system, to ensure the safety of the company's assets and the longevity of business operations.	A robust Risk Management Committee is present to periodically review and assess potential risks. The Committee also forms the Risk Mitigation Plan based on the identification of key risks.	Positive implication: <ol style="list-style-type: none"> Protection from potential risks and non-compliance issues Enhanced brand reputation Negative implications: <ol style="list-style-type: none"> Increased costs due to frequent regulatory requirements

Sl. 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 opportunity (Indicate positive or negative implications)
7	Resource Efficiency	Risk/ Opportunity	Optimizing the use of natural resources in business operations to minimize environmental impact. This involves the sustainable management and utilization of resources like water, energy, and materials.	Initiatives to encourage the use of renewable energy by installing solar panels and EV charging points in select locations. MFL has also taken initiatives to make the offices more energy efficient by switching to LED lamps and inverter ACs	<p>Positive implication:</p> <ol style="list-style-type: none"> 1. Reduced consumption of non-renewable energy, water, paper, and other material 2. Reducing costs spent on energy, water, and other material 3. Improved sustainability ratings <p>Negative implications:</p> <ol style="list-style-type: none"> 1. Increased costs of operations
8	Disclosures	Risk/ Opportunity	Transparent reporting of a company's environmental, social, and governance (ESG) performance. It involves providing stakeholders with comprehensive information on the organization's sustainable practices, risks, and impacts, and fostering accountability	MFL regularly publishes information on its practices and risks in the annual report and BRSR report, and regular newsletters for areas such as CSR	<p>Positive implications:</p> <ol style="list-style-type: none"> 1. Improved stakeholder trust 2. Enhanced brand reputation 3. Mitigation of reputational and legal risks <p>Negative implication:</p> <ol style="list-style-type: none"> 1. Reputational damage 2. Legal consequences

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	
Policy and management processesh										
1. a. Whether your entity's policy/policies cover each principle and its core element of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
c. Web Link of the Policies, if available	https://www.muthootfinance.com/de-of-conduct	https://cdn.muthootfinance.com/sites/default/files/Sustainable-Sourcing-and-Preferential-Procurement-Policy.pdf	https://cdn.muthootfinance.com/sites/default/files/Diversity-Inclusion-and-Equity-Opportunity-Policy.pdf	https://cdn.muthootfinance.com/sites/default/files/Grievance-Redressal-Policy-for-Stakeholders.pdf	https://cdn.muthootfinance.com/sites/default/files/Human-Rights-Policy.pdf	https://cdn.muthootfinance.com/sites/default/files/Environmental-Social-&Governance-(ESG)-Framework.pdf	https://cdn.muthootfinance.com/sites/default/files/Environmental-Social-&Governance-(ESG)-Framework.pdf	https://cdn.muthootfinance.com/sites/default/files/Policy-on-Responsible-Advocacy.pdf	https://cdn.muthootfinance.com/sites/default/files/Sustainable-Sourcing-and-Preferential-Procurement-Policy.pdf	https://cdn.muthootfinance.com/sites/default/files/Stakeholders-Engagement-Policy.pdf
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
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.	NGRBC	NGRBC	NGRBC	NGRBC	NGRBC	NGRBC	NGRBC	NGRBC	NGRBC
5. Specific commitments, goals, and targets set by the entity with defined timelines if any	<p>The Company has finalized the following sustainability targets this year, along with a roadmap to successfully achieve them:</p> <p>Environment -</p> <ol style="list-style-type: none"> Increase the use of renewable energy in office buildings Integrate water-efficient technologies in office buildings Create an incentives program for employees switching to EVs and increase the number of existing charging stations Continue to support lake restoration, afforestation and other environmental friendly initiatives <p>Social -</p> <ol style="list-style-type: none"> Improve the Customer Relationship Score Provide annual ESG training to all employees Publish an impact report exploring the Company's role in access to finance for women and underprivileged communities <p>Governance -</p> <ol style="list-style-type: none"> Align with UNGC (United Nations Global Compact) principles on Business Ethics (align strategy and operations with the ten principles of UNGC – human rights, labor, corruption) Establish annual ESG skilling programs for Board of Directors and senior management Align disclosures with RBI's (draft) guidelines on climate-related financial disclosures and the TCFD (Task Force on Climate-related Financial Disclosures) recommendations 								
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 regularly monitors, assesses, and aims to report its performance regarding the above sustainability goals. The implementation of the goals is the responsibility of the respective departments, with regular oversight and review of progress from the ESG Committee.</p>								

Governance, leadership, and oversight

7. Statement by the director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure)

Muthoot Finance is India's largest Gold Loan Financing Company. We are dedicated to creating a positive impact on the environment, our valued customers, employees, and the broader community. Our core values serve as the bedrock for our ESG (Environmental, Social, and Governance) practices, driving growth and empowering communities through our strategic decision-making. These principles are deeply ingrained in our heritage, spanning over 800 years. Our unique motto, 'Unchanging Values in Changing Times,' reflects our unwavering commitment. As an organization, we align our ESG approach with our strategic goals, ensuring a meaningful experience for all stakeholders. Our focus on ESG has transformed our outlook toward business, reinforcing our dedication to the well-being of the communities we serve. Muthoot Finance has made significant strides in energy efficiency by switching to

LED lighting across multiple branches, and by installing solar panels and EV-charging points at select locations. The company's contributions to corporate social responsibility (CSR) efforts have positively impacted over 500,000 beneficiaries. Additionally, MFL has undertaken substantial initiatives to enhance financial literacy and access to finance in rural and financially underserved areas.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).

George Alexander Muthoot

DIN - 00016787

Managing Director

Telephone number: 0484-2394712

Email: md@muthootgroup.com

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.

ESG Committee is responsible for the decision making on sustainability related matters in the Company. The ESG Committee was constituted by the Board of Directors through a board resolution dated August 06, 2021 and reconstituted in the Board meeting held on August, 12, 2022. Terms of reference of the ESG Committee include a) Overseeing Company's policies, practices, and performance with respect to ESG matters b) Overseeing Company's reporting on ESG matters c) Recommending to the Board the Company's overall general strategy with respect to ESG matters d) Approving the report on ESG e) Delegating the authority to do any acts, deeds, and matters relating to ESG.

Refer to Corporate Governance Report for additional information on ESG Committee.

10. Details of Review of NGRBCs by the Company:

Subjects 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 Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Committee of the Board									Annually							
The Company complies with all the statutory requirements as applicable																		

- | 11. Disclosure Questions | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|---|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency. | | | | | | | | | No |

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

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the principles material to its business (Yes/No)									
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)									N.A.
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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

Essential Indicators

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

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors (BOD) Key Managerial Personnel (KMP)	1	- Vision, Mission, Policies and Guiding Principles - Code of Conduct, Ethics - ESG awareness	100%
Employees other than Board of Directors and Key Managerial Personnel (KMPs)	671	Our employees received training on- - Vision, Mission, HR Values, Policies and Guiding Principles, - Grooming Standard, Roles and Responsibilities, - Career Progression, Performance Evaluation, - Staff Welfare Measures, - Do's & Don'ts	83.90% of assigned staff
Workers	NA	NA	NA

2. Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by its directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions in FY 2023-24 (Note: the entity shall make disclosures based on materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website)

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
NIL – In accordance with Materiality Threshold as mentioned under Regulations 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015					
Penalty / Fine	NIL	NA	NIL	NA	NIL
Settlement	NIL	NA	NIL	NA	NIL
Compounding Fee	NIL	NA	NIL	NA	NIL

Non-Monetary					
Particulars	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Imprisonment	NIL	NA	NA	NA	NA
Punishment	NIL	NA	NA	NA	NA

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	NA

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

Yes. Muthoot Finance Limited's 'Anti-Bribery and Anti-Corruption Policy' emphasizes the Zero Tolerance towards bribery and corrupt practices and establishes clear rules to ensure compliance with all applicable anti bribery and anti-corruption laws. The policy provides necessary information and guidance on how to recognize and deal with bribery and corruption issues. The objective of this policy is to ensure that neither MFL nor any of its employees (whether full time permanent or contractual employees and including trainees and interns), agents, associates, vendors, consultants, advisors, representatives, or intermediaries and /or stakeholders, indulge in any acts of 'Bribery' or 'Corruption' in discharge of their official duties towards MFL, either in their own name or in the name of the Company. The detailed policy can be accessed at:

<https://cdn.muthootfinance.com/sites/default/files/files/2024-04/anti-bribery-and-anti-corruption-policy-1.pdf>

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

Segment	FY2023-24 (Current Financial Year)	FY2022-23 (Previous Financial Year)
Directors	0	0
Key Managerial Personnel (KMP)	0	0
Employees	0	0
Workers	0	0

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

Particulars	FY 2023-24 (Current Financial Year)		FY 2022-23 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	NA	0	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	NA	0	NA

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

Not Applicable since no such instances were reported.

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

This would not be applicable due to the nature of business being Financial Services.

	FY 2023-24 Current Financial Year	FY23 (Previous Financial Year)
Number of days of accounts payables	Not Applicable	Not Applicable

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	FY2023-24 (Current Financial Year)	FY2022-23 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	NA	NA
	b. Number of trading houses where purchases are made from	NA	NA
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	NA	NA
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	NA	NA
	b. Number of dealers / distributors to whom sales are made	NA	NA
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	NA	NA
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	NA	NA
	b. Sales (Sales to related parties / Total Sales)	NA	NA
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	0.65%	0.40%
	d. Investments (Investments in related parties / Total Investments made)	76.87%	74.50%

Leadership Indicators

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

Under MFL's Sustainable Sourcing and Preferential Procurement Policy, MFL encourages value chain partners to undertake ESG training and ensure that they are aware of the latest norms and regulations. The company also supports value chain partners in raising awareness through training programs, and transparent communication of their ESG approach. This covers topics on ethics including adherence to human rights laws, ethical business conduct, anti-bribery and anti-corruption.

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.

The Company has put in place a Code of Conduct for Directors and Senior Management. This code for Directors and Senior Management is intended to focus the Board and Senior Management on areas of ethical risk, provide guidance to Directors and Senior Management to help them recognize and deal with ethical issues, provide mechanisms to report unethical conduct and to help foster a culture of honesty and accountability. The Board of Directors has adopted the Code of Conduct and the Directors and senior managers are expected to adhere to the standards of care, loyalty, good faith, and the avoidance of conflicts of interest that follow.

The code of conduct can be accessed at <https://www.muthootfinance.com/code-of-conduct>

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.**

Particulars	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)	Details of improvements in environmental and social impacts
Research and Development (R&D)	0%	0%	No R&D on environmental initiatives held during the year
Capex	0%	0%	<p>Digitalisation initiatives such as Loan@Home Video KYC, AI powered chat engine, BBPS (Bharath Bill Payment System) interface for transactions, iMuthoot have helped create a positive E&S impact. The company has other ongoing initiatives which have helped curb emissions and also resulted in energy savings:</p> <ul style="list-style-type: none"> Office CFL bulb to LED light replacements (completed in FY 2021-22) Conventional tube light signboards substituted with LED glow sign boards (started in 2016) Three windmills (combined capacity of 3.75 MW) operating in Tamil Nadu for the last 16-17 years. Installed approximately 700 Inverter ACs in the Branches reducing the Power Consumption and also the R32 Refrigerant used in these ACs have Low Global Warming potential (GWP) and is considered as more environment friendly to the earlier Refrigerant gas being used. (An ongoing process)

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

Yes

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

MFL operates in the NBFC sector, providing financial products and services with minimal consumption of raw materials, which could be sourced locally or sustainably. Recognizing the importance of conservation and reduced dependence on natural resources, the company follows procedures such as using second-hand laptops, LED lamps, and used furniture to help reduce environmental stress. Additionally, MFL has made significant strides in energy efficiency by switching to LED lighting across multiple branches and installing solar panels and EV-charging points at select locations.

MFL's Sustainable Sourcing and Preferential Procurement Policy also states that the company aims for preferential procurement of goods and services that are sustainable, energy-efficient and locally sourced (from within the same district).

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.**

Reclamation of products for reusing, recycling, disposing at E-o-L is not applicable for the sector in which MFL operates.

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.

Extended Producer Responsibility does not apply for the sector in which MFL operates.

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?

MFL operates in the NBFC sector and mainly deals with Gold Loans and other financial services. Lifecycle assessments of products or services does not apply to the sector MFL operates in.

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.

The company operates in the NBFC sector providing financial products and services. No environmental or social concerns are associated with the use of its offerings.

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).

MFL uses refurbished laptops and furniture in its operations however, the data of percentage of the material is not available.

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

Essential Indicators:

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

Category	Total (A)	% of employees covered by									
		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	21252	8036	38%	0	0%	0	0%	0	0%	0	0%
Female	7034	2823	40%	0	0%	7034	100%	0	0%	0	0%
Total	28286	10859	38%	0	0%	7034	25%	0	0%	0	0%
Other than Permanent Employees											
Male	0	0	0%	0	0%	0	0%	0	0%	0	0%
Female	0	0	0%	0	0%	0	0%	0	0%	0	0%
Total	0	0	0%	0	0%	0	0%	0	0%	0	0%

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

Category	Total (A)	% of Workers covered by									
		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	0	0	0%	0	0%	0	0%	0	0%	0	0%
Female	0	0	0%	0	0%	0	0%	0	0%	0	0%
Total	0	0	0%	0	0%	0	0%	0	0%	0	0%
Other than Permanent Workers											
Male	0	0	0%	0	0%	0	0%	0	0%	0	0%
Female	0	0	0%	0	0%	0	0%	0	0%	0	0%
Total	0	0	0%	0	0%	0	0%	0	0%	0	0%

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

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Cost incurred on well- being measures as a % of total revenue of the company	0.18%	0.13%

2. Details of retirement benefits, for Current Financial year and Previous Financial Year¹.

Benefits	FY2023-24 (Current Financial Year)			FY2022-23 (Previous Financial Year)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	96%	NA	Y	97%	NA	Y
Gratuity	100%	NA	Y	100%	NA	Y
ESI	53%	NA	Y	60%	NA	Y

¹ The numbers for FY2022-23 have been updated for better representation.

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.

Most of MFL's existing offices are situated on the Ground Floor, making them easily accessible. Additionally, some branches within shopping complexes or malls have convenient access via ramps and elevators. Although these branches may not currently offer specific facilities for differently abled individuals, MFL is actively planning to ensure accessibility in upcoming branches and offices.

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. <https://cdn.muthootfinance.com/sites/default/files/pdf/Diversity-Inclusion-and-Equal-Opportunity-Policy.pdf>

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

Gender	Permanent employees		Permanent Workers	
	Return to work rate	Retention Rate	Return to work rate	Retention Rate
Male	NA	NA	NA	NA
Female	94%	62%	NA	NA
Total	94%	62%	NA	NA

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

Particulars	Yes/No
Permanent Employees	Grievances if any are shared by employees to mail Id as provided - employeerelation@muthootgroup.com
Other than Permanent Employees	Grievances if any are shared by employees to mail Id as provided - employeerelation@muthootgroup.com
Permanent Workers	Permanent worker category is not applicable for MFL.
Other than Permanent Workers	Other than Permanent worker category is not applicable for MFL.

If Yes, then give details of the mechanism in brief:

The company has a grievance redressal policy outlined the process and procedure for capturing and addressing grievances of all the various stakeholders including employees. The policy can be found on our website, on the below weblink : <https://cdn.muthootfinance.com/sites/default/files/pdf/Grievance-Redressal-Policy-for-Stakeholders.pdf>

7. Membership of employees and workers in association(s) or Unions recognized by the listed entity

Category	FY2023-24 (Current Financial Year)			FY2022-23 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total 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	Employees do not have any representative union or association					
Male						
Female						
Total Permanent Workers	NA					
Male						
Female						

8. Details of training given to employees and workers² :

Category	FY2023-24 (Current Financial Year)					FY2022-23 (Previous Financial Year)				
	Total (A)	On Health and safety measures		On Skill Upgradation		Total (D)	On Health and Safety		On Skill Upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	21252	18743	88%	8227	39%	21837	15691	72%	13511	62%
Female	7034	4964	71%	3026	43%	5436	3370	62%	2981	55%
Total	28286	23707	84%	11253	40%	27273	19061	70%	16492	87%
Workers										
Male	0	0	0%	0	0%	0	0%	0	0%	0
Female	0	0	0%	0	0%	0	0%	0	0%	0
Total	0	0	0%	0	0%	0	0%	0	0%	0

² The numbers for FY2022-23 have been updated for better representation.

9. Details of performance and career development reviews of employees and workers³ :

Category	FY2023-24 (Current Financial Year)			FY2022-23 (Previous Financial Year)		
	Total (A)	No.(B)	% (B/A)	Total (C)	No.(D)	% (D/C)
Employees						
Male	21257	16551	78%	21837	16065	74%
Female	7034	4269	61%	5436	3196	59%
Total	28286	20820	74%	27273	19261	71%

Category	FY2023-24 (Current Financial Year)			FY2022-23 (Previous Financial Year)		
	Total (A)	No.(B)	% (B/A)	Total (C)	No.(D)	% (D/C)
Workers						
Male	0	0	0%	0	0%	0
Female	0	0	0%	0	0%	0
Total	0	0	0%	0	0%	0

³Note on performance and career development reviews of employees: The numbers for FY2022-23 have been updated from the previous year for better representation.

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 of such system?

Yes, MFL has implemented an organization-wide Health and Safety system in alignment with the ESG framework policy. The key areas of focus include creating a secure and healthy work environment devoid of discrimination. All MFL branches are equipped with basic first-aid kits, and the company also arranges complimentary medical health checkups. Additionally, employees receive periodic Health and Safety training through the "Regional Learning Centers" and "Muthoot Management Academies" to stay informed about the latest developments in this field. MFL also ensures that employees have access to health and well-being programs and are covered by health insurance, and regular medical check-ups for employees over 55 years of age. In addition, a safe working environment is ensured through the presence of stringent POSH trainings and an Internal Complaints Committee (ICC).

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

The company has always emphasized on the importance of health and safety at workplaces. Periodic trainings are conducted to update employees on the various potential risks & hazards in an office environment, such as air quality, noise level, lighting, fire hazards, safe usage of stairs/elevators and basic first aid training. Additionally, there is a robust security system established based on the organization's seven-layer security transformation plan detects anomalies swiftly and responds instantly, thus ensuring that the security imperatives of a pan-India NBFC like us is carried out seamlessly.

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

Yes, guidelines are in place for reporting work-related hazards for employees. Furthermore, there are mock drills and safety trainings conducted periodically to create a general awareness among the organization's employees.

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

Yes, employees have access to non-occupational medical and healthcare services.

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

Safety Incident / Number	Category	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (Per one million-person hours worked)	Employees	Nil	Nil
	Workers	Nil	Nil
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	Nil	Nil
No. of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil

*Including in the contract workforce

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

The company is dedicated to fostering a safe and supportive work environment for its employees. It provides guidance on occupational health and safety, as well as comprehensive healthcare benefits and medical coverage. As part of the NBFC sector, the company has implemented the following measures:

1. Ensuring a Green Glass environment in all branches.
2. Air-conditioning all offices to maintain stable air quality and thermal comfort.
3. Supplying a basic first-aid kit in every branch.
4. Conducting regular drills and monitoring safety measures, including fire-fighting equipment.
5. Having at least one security guard at each MFL branch.
6. A seven-layer security transformation plan
7. Periodic training on safety hazards and protocols in the buildings

In addition to this, MFL ensures that the work environment is safe and free from discrimination through stringent POSH and whistleblower mechanism. The Company also has a robust business continuity and disaster recovery plan to prepare for emergency situations.

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

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working Conditions	Nil	Nil	Nil	Nil	Nil	Nil
Health and Safety	Nil	Nil	Nil	Nil	Nil	Nil

14. Assessments for the year:

Safety Incident /Number	% of your plants and offices that were assessed (By entity or statutory authorities or third parties)
Health and safety practices	Periodic assessments on fire safety and fire-fighting equipment at offices
Working Conditions	Periodic assessments of the HVAC system for optimal working conditions and maintenance of thermal comfort index.

MFL team is working on devising a mechanism to monitor such assessments on fire safety, fire-fighting equipment, mock drills, HVAC checks etc. and will be reporting it in the coming years.

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 and safety practices and working conditions.

Not Applicable

Leadership Indicators

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

Yes

Details of Compassionate payment in the event of death of an employee while in employment ranges from Rs. 75,000 to Rs. 3 Lakhs.

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

The company has established an ESG policy and recognizes the importance of collaborating closely with its value chain partners and suppliers to enhance ethical and sustainable business practices, thereby boosting overall operational efficiency. The company ensures that all relevant statutory dues related to their value chain partners and suppliers are properly deducted and deposited. The company also has a state-of-the-art compliance management software, which ensures that adherence to over 7,000 compliances across central, state, and various other regulations and statutory guidelines.

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.

MFL places a high emphasis on engaging with stakeholders in a transparent and inclusive manner. To achieve this, a comprehensive process for identifying and engaging stakeholders has been established. The stakeholder identification and engagement process involves recognizing and prioritizing individuals and groups who influence, are interested in, or are affected by MFL's operations.

These stakeholders include those dependent on MFL's activities and products, those who impact MFL's strategy or operations, core operational participants, and entities with operational, commercial, legal, or moral responsibilities. Key stakeholders are classified as employees, customers, investors, suppliers, regulators, and communities.

To ensure unbiased interactions, MFL may involve external third parties, and discussions are scoped and purposed beforehand. The frequency and methods of engagement are periodically reviewed, and stakeholders may receive training for effective participation. Potential risks in stakeholder engagement are analyzed regularly, and strategies are formulated to address them. All discussions, actions, and outcomes are documented and reviewed for continual improvement.

The details of this are available in the Stakeholder engagement policy available online - <https://cdn.muthootfinance.com/sites/default/files/pdf/Stakeholders-Engagement-Policy.pdf>

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 and 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
Customers	No	<ul style="list-style-type: none"> Meetings E-mail Other-Customer events; Customer feedback; Face to face interactions; Periodic customer satisfaction surveys 	Others- Need- based/ Quarterly Or as decided by the committee/Board of Directors from time to time	<p>Customer - centricity is the focal point of our entire business model. We are in the constant process of innovation to ensure that we are able to provide our customers a diversified set of offerings and a seamless and unmatched experience.</p> <p>We also carry out periodic customer satisfaction surveys to gauge any grievances or pain points that they may have, and subsequently working towards its redressal.</p>

Stakeholder Group	Whether identified as Vulnerable and 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
Local communities	No	<ul style="list-style-type: none"> Community Meetings Other - Face to face interactions; Project based discussions; CSR activities 	Others- Need based/ Annually Or as decided by the committee/Board of Directors from time to time	<p>The company follows its core philosophy of social responsibility, through implementation of its CSR policy and positively impacting the community.</p> <p>MFL through its dedicated foundation, focuses its CSR activities into areas of Environmental Development, Projects in Public Interest, Socio - economic development for the poor and underprivileged, Relief & Rehabilitation after natural disasters.</p> <p>We also engage, to ensure that activities in the economic development, society progress and environmental hazards and overall objective of quality of life are carried out diligently.</p>
Employees	No	<ul style="list-style-type: none"> Meetings E-mails SMS Notice board Other - Face to face interactions; Trainings; Periodic engagement surveys 	Others- Need based	<p>Our employees are the biggest drivers of our growth, and we place great emphasis on ensuring that we are able to create an environment devoid of prejudices that focuses on the overall development of our employees. We regularly engage with our employees to discuss areas of improvement and other strategy plans, career progression initiatives.</p>
Vendors & suppliers	Yes	<ul style="list-style-type: none"> Meetings Other - Supplier meets; Project based discussions 	Others- Need based	<p>Advances, financial terms with suppliers, availability of required supplies.</p>
Government authorities & regulatory bodies	No	<ul style="list-style-type: none"> E-mail Meetings Other - Industry and regulatory forums; Need-based one-on-one discussions 	Others- Need- based/ Quarterly Or as decided by the committee/Board of Directors from time to time	<p>Engagements and discussions pertaining to regulations, compliances.</p>
Investors and lenders	No	<ul style="list-style-type: none"> Annual Reports Earnings calls Quarterly corporate governance reports Annual General Meetings Investor Meets 	Others- Need based/ Annually Or as decided by the committee/Board of Directors from time to time	<p>The company periodically apprises and engages with their lenders and investors for updating on performance aspects such as overall growth, profitability, risks, future strategy etc.</p>

Leadership Indicators

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

MFL engages with its investors during earnings calls, quarterly meetings, and Annual General Meetings to share pertinent information and understand their perspectives on MFL's overall strategy. Through its enhanced digitalization strategy, MFL interacts with customers via emails, online meetings, periodic satisfaction surveys, and face-to-face meetings, seeking feedback on various topics including ESG, to tailor solutions and services accordingly. Employees of MFL are engaged through emails, meetings, periodic interactions, SMS, and other communication channels to discuss improvement areas and align their interests with MFL's strategic priorities.

MFL communicates with regulatory agencies at industry and regulatory forums, through emails, and on an as-needed basis via one-on-one meetings to discuss regulations, policies, and compliance matters. Adhering to its core philosophy of social responsibility, MFL engages with communities through various focused CSR activities, holding periodic community meetings to identify their needs and design supportive programs. These methods of engagement with stakeholders helps the Board identify the most relevant issues pertinent to Environment, Social and Governance topics.

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.

For MFL, the stakeholder engagement policy guides consultations through which various environmental and social issues are identified and managed, as well as a feedback and opinion are sought from stakeholders. For example, our engagement with stakeholders and investors helps us identify key ESG material to them and requiring disclosure. These are taken further to be incorporated into policies of the company. MFL have also established an ESG framework policy which broadly provides the company's strategy and overall commitment towards ESG related aspects. In general, the company based on its foundations of a robust Code of Conduct, tries to nurture ethical business and environment-friendly practices while keeping in mind employee wellbeing.

For MFL, the stakeholder engagement policy directs consultations to identify and manage various environmental and social issues, while also gathering feedback and opinions from stakeholders. For instance, engaging with stakeholders and investors helps MFL identify key ESG matters important to them that need disclosure, which are then integrated into the company's policies. Additionally, MFL has established an ESG framework policy outlining the company's strategy and overall commitment to ESG aspects according to the topics that are considered relevant by the stakeholders.

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

MFL implements its CSR strategy through a variety of programs and initiatives aimed at benefiting diverse social groups, particularly focusing on marginalized, vulnerable, and underprivileged communities. MFL also provides financial literacy programs and awareness programs for the financially underserved groups.

Principle 5: Businesses should respect and promote human rights

Essential Indicators

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

Category	FY2023-24 (Current Financial Year)			FY2022-23 (Previous Financial Year)		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	28286	12392	44%	27273	4899	18%
Other than permanent	0	0	0%	0	0	0%
Total	28286	12392	44%	27273	4899	18%

Category	FY2023-24 (Current Financial Year)			FY2022-23 (Previous Financial Year)		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Workers						
Permanent	0	0	0%	0	0	0%
Other than permanent	0	0	0%	0	0	0%
Total	0	0	0%	0	0	0%

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

Category	FY2023-24 (Current Financial Year)					FY2022-23 (Previous Financial Year)				
	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	21257	-	-	21257	100%	21837	-	-	21837	100%
Female	7034	-	-	7034	100%	5436	-	-	5436	100%
Other than permanent										
Male	0	0	0%	0	0	0%	0	0	0%	0
Female	0	0	0%	0	0	0%	0	0	0%	0
Workers										
Permanent										
Male										NA
Female										NA
Other than permanent										
Male										NA
Female										NA

3. Details of remuneration/salary/wages, in the following format:

3. a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/salary/wages of respective category	Number	Median remuneration/salary/wages of respective category
Board of Directors (BoD)	13	23,844,600	1	2,210,000
Key Managerial Personnel (KMP)	2	12,812,276	0	0
Other than BoD				
Employees other than BoD and KMP	21,250	298,752	7,034	2,81,254
Workers	0	0	0	0

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

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Gross wages paid to females as % of total wages	18%	16%

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. All grievances, including human rights related grievances, are addressed through established procedure laid down in the Grievance redressal policy. There exists an Internal Ombudsman for cases where the complaints are wholly or partially rejected. Additionally, a Grievance Resolution Panel or committee may be assembled, comprising a cross-departmental team (CDT) with relevant experience, tailored to address each specific case as needed. The policy can be accessed at <https://cdn.muthootfinance.com/sites/default/files/pdf/Grievance-Redressal-Policy-for-Stakeholders.pdf>.

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

Muthoot Finance is committed to ensuring its operations and relationships do not result in human rights violations. The grievance process includes the following steps:

- Grievances can be reported in person, through letter/email, or over the phone.
- Upon receipt, the grievance will be acknowledged by the grievance owner within three working days.
- Complaints, depending on their nature and severity, can be directed to the appropriate department heads or branch heads.
- The company has established timelines for addressing grievances based on the complaint's nature and severity.
- All complaints will be resolved within a maximum of 21 days.

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

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual harassment	10	0	All complaints were resolved within the year	3	0	Raised complaints were resolved within the year
Discrimination at workplace	0	0		0	0	
Child labour	0	0		0	0	
Forced labour / Involuntary labour	0	0		0	0	
Wages	0	0		0	0	
Other human rights related issues	0	0		0	0	

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

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	10	3
Complaints on POSH as a % of female employees / workers	0.14%	0.04%
Complaints on POSH upheld	2	0

All complaints have been resolved.

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

The company has a robust Vigil mechanism by way of Whistle-blower policy <https://www.muthootfinance.com/vigil-mechanism>

- i. MFL shall promote a workplace which is devoid of harassment, discrimination, threats, mistreatment, intimidation, and victimization. Employees found violating this policy may be subjected to disciplinary procedures.
- ii. The Company will ensure fair treatment of all employees, giving due respect to their personal rights, privacy and dignity.
- iii. The career progression and employment opportunities provided shall be fair and equal.
- iv. Irrespective of the level, title, religion, race, belief, age, caste, color, nationality and ethnic origin, marital status, pregnancy, gender identity, sexual orientation, political affiliation and physical (dis)ability the communication between employees shall be kept respectful.
- v. MFL will ensure maintenance of an environment where employees are always encouraged to work together harmoniously and professionally; employees must not perceive that their background, lifestyle hinders their opportunities for growth and development.

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

The company acknowledges its legal and ethical duty to uphold the human rights of all its stakeholders. MFL is dedicated to ensuring its Human Rights Policy complies with all relevant employment, labor, and human rights laws. This policy extends not only to every employee but also to its value chain partners, encompassing all operational offices and branches of Muthoot Finance Ltd. Consequently, MFL plans to incorporate clauses in its agreements and contracts with value chain partners to ensure adherence to all applicable human rights laws, including assessments on workplace discrimination, prevention of sexual harassment, child labor, forced labor, and minimum wage compliance.

10. Assessments for the year

	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labor	NA
Forced/involuntary labor	NA
Sexual harassment	NA
Discrimination at workplace	NA
Wages	NA
Others- Please specify	NA

11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above.

NA

Leadership Indicators

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

MFL continuously oversees human rights concerns and complaints, ensuring adherence to global human rights standards. This includes preventing sexual harassment, child labor, forced labor, and workplace discrimination. MFL has a whistleblower mechanism and an Internal Complaints Committee (ICC) to address complaints. All complaints raised during the reporting period were resolved by the end of the year.

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

No

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?

A good number of MFL's existing branch offices are situated on the Ground Floor or first floor, making them easily accessible. Additionally, some branches within shopping complexes or malls have convenient access via ramps and elevators. Although these branches may not currently offer specific facilities for differently abled individuals, MFL is committed to ensure accessibility in branches and offices.

Principle 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

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

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
From renewable sources			
Total electricity consumption (A)	GJ	234	Data Not Available
Total fuel consumption (B)	GJ	Data Not Available	Data Not Available
Energy consumption through other sources (C)	GJ	Data Not Available	Data Not Available
Total energy consumption from renewable sources (A+B+C)	GJ	234	Data Not Available
From non-renewable sources			
Total electricity consumption (D) ⁴	GJ	1,03,318	2,94,819
Total fuel consumption (E)	GJ	13,446	11,297
Energy consumption through other sources (F)	GJ	Data Not Available	Data Not Available
Total energy consumed from non-renewable sources (D+E+F)	GJ	1,16,764	3,06,117
Total energy consumed (A+B+C+D+E+F)	GJ	1,16,999	3,06,117
Energy intensity per rupee turnover (Total energy consumption / Revenue from operations)	GJ/INR	0.00000926	0.0000029
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) ⁵ (Total energy consumed / Revenue from operations adjusted for PPP)	GJ/INR adjusted for PPP	0.0000207	0.0000652
Energy intensity in terms of physical output		Not Applicable	Not Applicable
Energy Intensity (optional)- the relevant metric may be selected		Data Not Available	Data Not Available

⁴There is significant difference between the data for the previous and current year as we have improved our data gathering systems for better accuracy.

⁵ PPP Conversion Rate Source: Report for Selected Countries and Subjects (imf.org)

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 limited assurance has been carried out by M/s Tibu & Niyas Chartered Accountants for FY 2023-24.

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.

No, none of our branches or offices are covered under PAT Scheme

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

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Water withdrawal by source (in kiloliters)		
(i) Surface water	Data Not Available	Data Not Available
(ii) Groundwater	Data Not Available	Data Not Available
(iii) Third party water (KL)	152746	133,805 ⁶
(iv) Seawater / desalinated water	Data Not Available	Data Not Available
(v) Others	Data Not Available	Data Not Available
Total volume of water withdrawal (In kiloliters) (i + ii + iii + iv + v)	152746	133,805
Total volume of water consumption (In kiloliters)		
Water intensity per rupee of turnover (Water consumed / Revenue from operations)	0.00000121	0.00000127
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) ⁷ (Total water consumption / Revenue from operations adjusted for PPP)	0.00000271	0.0000285
Water intensity in terms of physical output	Data Not Available	Data Not Available
Water intensity (optional)- the relevant metric maybe selected by the entity- (KL/FTE)	Data Not Available	Data Not Available

⁶* Standard proxies have been used for this calculation – 20 litres per day per employee has been considered for general purposes (use in toilets, handwash etc.) as per CGWA guidelines and 5 litres has been assumed for miscellaneous purpose. This was subsequently annualised considering 270 working days on an average. Estimation of water requirement for drinking and domestic use <https://cgwa-noc.gov.in/LandingPage/Guidelines/NBC2016WatRequirement.pdf>

⁷ PPP Conversion Rate Source: Report for Selected Countries and Subjects (imf.org)

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 limited assurance has been carried out by M/s Tibu & Niyas Chartered Accountants for FY2023-24

4. Provide the following details related to water discharged:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	Data Not Available	Data Not Available
- With treatment – please specify level of treatment	Data Not Available	Data Not Available
(ii) To Groundwater		
- No treatment	Data Not Available	Data Not Available
- With treatment – please specify level of treatment	Data Not Available	Data Not Available
(iii) To Seawater		
- No treatment	Data Not Available	Data Not Available
- With treatment – please specify level of treatment	Data Not Available	Data Not Available
(iv) Sent to third parties		
- No treatment	Data Not Available	Data Not Available
- With treatment – please specify level of treatment	Data Not Available	Data Not Available
(v) Others		
- No treatment	Data Not Available	Data Not Available
- With treatment – please specify level of treatment	Data Not Available	Data Not Available
Total water discharged (in kiloliters)	Data Not Available	Data Not Available

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.

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

No. Zero Liquid Discharge does not particularly apply to the NBFC sector owing to its limited water consumption.

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

Parameter	Unit	FY24 (Current Financial Year)	FY23 (Previous Financial Year)
NOx	Tonnes	Data Not Available	Data Not Available
SOx	Tonnes	Data Not Available	Data Not Available
Particulate matter (PM)	Tonnes	Data Not Available	Data Not Available
Persistent organic pollutants (POP)	-	Data Not Available	Data Not Available
Volatile organic compounds (VOC)	-	Data Not Available	Data Not Available
Hazardous air pollutants (HAP)	-	Data Not Available	Data Not Available
Others—please specify	-	Data Not Available	Data Not Available

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.

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

Parameter	Unit	FY24 (Current Financial Year)	FY23 (Previous Financial Year)
Total Scope 1 emissions⁸ (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	tCO ₂ e	992	11,643
CO ₂	tCO ₂	Data Not Available	Data Not Available
CH ₄	tCO ₂ e	Data Not Available	Data Not Available
N ₂ O	tCO ₂ e	Data Not Available	Data Not Available
HCFCs	tCO ₂ e	Data Not Available	Data Not Available
HFCs	tCO ₂ e	Data Not Available	Data Not Available
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, FCs, SF ₆ , NF ₃ , if available)	tCO ₂ e	20,548	54,936
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	tCO ₂ e/INR	0.00000017	0.00000052
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)	tCO ₂ e/INR adjusted for PPP	0.00000038	0.000012
Total Scope 1 and Scope 2 emission intensity in terms of physical output		Data Not Available	Data Not Available
Total Scope 1 and Scope 2 emission intensity (optional)- the relevant matric may be selected by the entity	-	Data Not Available	Data Not Available

⁸ There are difference between the data for the previous and current year as we have improved our data gathering systems for better accuracy.

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

Yes. During the year, an independent limited assurance has been carried out by M/s. Tibu & Niyas Chartered Accountants for FY2023-24

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

The company has undertaken some initiatives to curb energy consumption leading to reduction in greenhouse gas emissions

- Using inverters instead of diesel-based power backup systems.
- MFL has three windmills (combined capacity of 3.75 MW) operating in Tamil Nadu for the last 16-17 years.
- Compact Fluorescent Lamps in multiple branches of MFL were replaced with energy efficient LED lamps
- Conventional tube light signboards replaced with LED glow signboards
- Other initiatives such as buying second-hand laptops, used furniture also helps reduce the GHG emissions associated with production of new products.

Resource Efficiency is one of the material ESG topics for MFL and we have undertaken the following targets for the same-

- By 2030, 100% renewable energy in office buildings owned by Muthoot
- By 2025, Integrate water-efficient technologies in all existing buildings (ex. Monitors)
- By 2030, Create an incentives program for employees switching to EVs, and double the number of existing charging stations that have been set up
- From 2024 onwards, continue to support lake restoration and afforestation initiatives
- Going forward MFL aims to initiate more such projects and implement closer monitoring for these.

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

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	Data Not Available	Data Not Available
E-waste (B)	Data Not Available	Data Not Available
Bio-medical waste (C)	Data Not Available	Data Not Available
Construction and demolition waste (D)	Data Not Available	Data Not Available
Battery waste (E)	Data Not Available	Data Not Available
Radioactive waste (F)	Data Not Available	Data Not Available
Other Hazardous waste. Please specify, if any. (G)	Data Not Available	Data Not Available
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	Data Not Available	Data Not Available
Total (A+B + C + D + E + F + G + H)	Data Not Available	Data Not Available
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	Data Not Available	Data Not Available
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	Data Not Available	Data Not Available
Waste intensity in terms of physical output	Data Not Available	Data Not Available
Waste intensity (optional) – the relevant metric may be selected by the entity	Data Not Available	Data Not Available
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
(i) Recycled/Re-used	Data Not Available	Data Not Available
(iii) Other recovery operations	Data Not Available	Data Not Available
Total	Data Not Available	Data Not Available

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
(i) Incineration	Data Not Available	Data Not Available
(ii) Landfilling	Data Not Available	Data Not Available
(iii) Other disposal operations	Data Not Available	Data Not Available
Total	Data Not Available	Data Not Available

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.

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.

Muthoot Finance Ltd. being an NBFC engaged in the service sector, the waste management implications are very limited. It does not particularly apply to the NBFC sector owing to its limited waste generation. However the Company ensures minimum waste generation and is in the process of setting up a robust process for monitoring the same.

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:

Sl. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N) If not, the reasons thereof and corrective action taken, if any.
N.A.			

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
N.A.					

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 there under (Y/N). If not, provide details of all such non-compliances, in the following format:

Sl. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the noncompliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
NA	NA	NA	NA	NA

Leadership Indicators

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

The importance of data security increases as the quantity of data produced and stored continues to grow at unprecedented rates. As a financial organization a security and compliance framework that covers a broad set of requirements are in place. In addition to the existing controls and to meet these requirements, we have successfully implemented adequate controlling measures to safeguard the data. Our data management strategies are aligned in such a way to ensure the data availability and proper data management.

We have successfully implemented onsite storage snapshots for critical data, which can automatically generate a set of pointers to information stored on disk, enabling faster data recovery. Similarly, we have adopted a high availability mechanism in all our critical infrastructure to ensure maximum uptime for end users.

DR Centre: To ensure geographic separation between the Data Center (DC) and Disaster Recovery (DR) site, we have hosted our DC in Bangalore and our DR site in InfoPark Cochin. Adequate measures have been implemented to ensure that the Recovery Point Objective (RPO) and Recovery Time Objective (RTO) are both set to 15 minutes. This ensures business continuity even in the event of data loss or damage during a disaster

DR Plan: In order to ensure the effectiveness of the documented plan, we have successfully conducted a DR Drill. During the drill process all the functional branches and central IT infra, were enabled as the BCP plan and completed live business transactions for a period of one hour.

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.

4

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.

Sl. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National)
1	Federation of Indian Chamber of Commerce & Industries	National
2	Association of Gold Loan Companies	National
3	Confederation Of Indian Industry	National
4	Kerala Non-Banking Finance Companies Association	State

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

Name of authority	Brief of the case	Corrective action taken
N.A		

Principle 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

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

No social impact assessments of projects were undertaken during the year.

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

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

None.

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 INR)
			N.A.		

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

Grievances of various stakeholders including community are addressed as per the Grievance Redressal Policy for Stakeholders available on the company website. MFL offers multiple channels for stakeholders to report grievances, including in-person, by letter or email, over the phone, and via toll-free contact numbers. Complaints against decisions of officials below the Branch Manager are addressed by the Branch Manager. Written complaints can be directed to various company offices or designated email addresses. Telephonic complaints can be registered via company landline or mobile numbers, including toll-free options.

Each grievance should include the complainant's contact details, relationship with MFL, previous complaint history, details of the issue, and any supporting documents. Grievances are acknowledged within three working days and resolved within 21 days. Unresolved issues at the branch level are escalated to higher authorities, and complaints can be directed to an Internal Ombudsman (IO) if rejected, with a decision provided within 30 days. The company's structured grievance redressal system ensures prompt and effective resolution.

Weblink : <https://cdn.muthootfinance.com/sites/default/files/pdf/Grievance-Redressal-Policy-for-Stakeholders.pdf>

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

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	41%	Data Not Available
Directly from within India	100%	Data Not Available

* it only covers Raw Materials

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:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Rural	Data not available	Data not available
Semi-urban	Data not available	Data not available
Urban	Data not available	Data not available
Metropolitan	Data not available	Data not available

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

Leadership Indicators

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

Sl. No.	State	Aspirational District	Amount spent (In INR)
1	Tamil Nadu	Virudhunagar District	50000
2	Punjab	Moga	78668
3	Uttar Pradesh	Chandauli	162910
4	Odisha	Balangir	640880
5	Bihar	Gaya	122500

2. Details of beneficiaries of CSR Projects:

Sl. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Donation of Six Blood Donation Couches and Three visitor chairs to Civil Hospital Blood Bank, Moga, Punjab on 25 th July 2023.	5000	100%
2	Donation of Muthoot Smart Classroom to the Gov-ernment Model Primary School at Madhya Village, Chandauli District, Uttar Pradesh on 5 th Sep 2023.	400	100%
3	Repaired & Renovated two Classrooms that were handed over to the Government UP School Nagaon Agalpur, Block District Bolangir, Odisha on 18 th Sep 2023.	150	100%
4	A Toilet Block was constructed at Government Upper Primary School in Santika village, Bolangir, Od-isha on 18 th Sept 2023.	200	100%
5	Donation of 250 Woolen Blankets to the Needy, Poor, Old, Homeless and Widows in association with IIM Bodh Gaya, Bihar on 9 th Jan 2024.	250	100%
6	Muthoot Vivahasammanam Project Muthoot Vivahasammanam aims at assisting widowed mothers to bear their daughter's marriage expenses. Under the project, the company will provide financial assistance of Rs.50,000/- each to deserving girls from identified communities.	1	100%

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

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

The Company has a dedicated email ID viz. mails@muthootgroup.com and helpline numbers (South 99469 01212), (Rest of India -78348 86464, 88006 75111, 011 46697744) to serve as contact points for raising grievances and complaints. A grievance once received will be acknowledged by the grievance owner, within three working days of the grievance being submitted. The mode of communication shall be in written format, over telephone, e-mail or verbal. Complaints received from Regulators will be resolved by Principal Nodal Officer at Head Office accordingly. The timelines as mandated by the respective regulator will be adhered to, as far as possible.

If a complaint is with respect to a particular branch, customer may contact the Branch Manager (BM) directly or by phone, e-mail, or any other means, to get their grievance redressed. BM shall strive to resolve the complaint within the next working day of receiving the grievance at the branch level itself.

If the grievance is not redressed within the next working day at the branch level itself, a complaint may be lodged to higher authorities. To ensure an effective complaint redressal mechanism, the company has put in place a complaint redressal system for all channel complaints.

To facilitate faster and complete resolution of complaints, a complaint letter /email should contain:

- Complainant's name, address, and contact details (e-mail id, phone / mobile numbers etc.)
- Relationship information of stakeholders with the organization.
- Details of previous complaint / request lodged, if any.
- Details and nature of the complaint.
- Name of the company and branch at which the complainant had encountered the cause of action leading to the complaint.
- Copies of supporting documents, wherever applicable.

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

	As a percentage to total turnover
Environmental and social parameters relevant to the product	N.A.
Safe and responsible usage	N.A.
Recycling and/or safe disposal	N.A.

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

	FY2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	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	
Unfair Trade Practices	0	0			0	
Other- (Loans and advances, Staff Behaviour etc.)	916	5	Complaints stands resolved	1033	1	Complaints were received in the last month of the year. These were resolved successfully immediately after the close of FY 22-23

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

	Number	Reasons for recall
Voluntary recalls	N.A	N.A
Forced recalls	N.A	N.A

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, the data privacy policy can be accessed at <https://www.muthootfinance.com/privacy-policy>

The company collects information from users when they register on the site, submit queries, subscribe to newsletters, respond to surveys, or fill out forms. Users may be asked to provide their name, email address, mailing address, and phone number. The company employs various security measures to protect personal information during its collection, submission, and access. Personal information is not sold, traded, or transferred to outside parties, except trusted third parties who assist in website operations and agree to confidentiality. Information may be released to comply with legal requirements, enforce site policies, or protect rights, property, and safety.

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 corrective action was needed

7. Provide the following information relating to data breaches:

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

Leadership Indicators

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

Website: (<https://online.muthootfinance.com/>), iMuthoot (Mobile App.) and Virtual Payments (option to repay loan through virtual account of loan)

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

The Fair Practices Code of MFL has been designed to give all stakeholders, especially customers, a clear understanding of the company's practices in providing products and services. This code, based on the RBI's "Guidelines on Fair Practices Code for NBFCs" and periodically updated, helps customers make informed decisions about the company's offerings.

Inspirational campaigns like "Sunheri Soch" allowed MFL to reach a wider audience and attract new and potential customers to its flagship Gold Loan product, using both offline and online channels. Another successful campaign, "Haathi Pe Bharosa Karogey Toh Pakka Jeetogey," utilized a multi-media approach through television, print, outdoor, internet, and point of sale, significantly boosting gold loan conversions and digital visibility.

Digital initiatives such as the Gold Unlocker, AI-powered chat engine, iMuthoot, and Muthoot Online were enhanced to provide customers with a seamless and secure digital experience, ensuring assistance is always available.

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

The company engages with customers through various communication channels, ensuring they are informed about the latest services, disruptions, or changes. Depending on the disruption's criticality, communication methods may include digital or offline channels. Information is typically shared via websites, letters, emails, SMS, and MFL's various online apps.

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)

Yes, the company maintains ongoing and transparent communication with its customers, regularly conducting customer satisfaction surveys to address identified issues. Product and service information is readily accessible on the website and at branches. Additionally, branding and marketing campaigns periodically help disseminate this information. Apps like iMuthoot and Muthoot Online further enhance transparency and awareness of products and services. Moving forward, the company plans to conduct annual customer satisfaction surveys to gather feedback on major products and services.

Independent Practitioners' Limited Assurance Report on the Sustainability disclosures in the Business Responsibility and Sustainability Report ("BRSR") of Muthoot Finance Limited (the 'Company') for the period from April 01, 2023 to March 31, 2024

To
The Board of Directors
Muthoot Finance Limited

We have performed a Limited Assurance engagement for Muthoot Finance Limited ("the Company") (Corporate Identity Number L65910KL1997PLC011300) vide our engagement letter dated 1st August 2024, in respect of the Identified Sustainability Information listed below in accordance with the criteria stated in paragraph 3 below. This Sustainability Information is included in the Company's Business Responsibility and Sustainability Report (the "BRSR") incorporated in the Company's Annual Report for the year ended March 31, 2024.

Identified Sustainability Information (ISI)

Our scope of Limited Assurance consists of the Identified Sustainability Information listed in the Annexure I to our report.

Our Limited Assurance engagement was with respect to the year ended March 31, 2024 information only unless otherwise stated and we have not performed any procedures with respect to earlier periods or any other elements included in the BRSR and, therefore, do not express any conclusion thereon.

Criteria

In accordance with the explanation given to us and to the best of our information and belief the company has used the criteria to prepare the Identified Sustainability Information as envisaged in the following below:

- Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 (the "SEBI LODR") as amended;
- 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;
- SEBI Circular SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023, and clarifications thereto issued by SEBI.

Management's Responsibility

The Company's management is responsible for selecting or establishing suitable criteria for preparing the Sustainability Information, taking into account applicable laws and regulations, if any, related to reporting on the Sustainability Information, identification of key aspects, engagement with stakeholders, content, preparation and presentation of the Identified Sustainability Information in accordance with the Criteria. This responsibility includes design, implementation and maintenance of internal controls relevant to the preparation of the Reports and the measurement of Identified Sustainability Information, which is free from material misstatement, whether due to fraud or error.

Inherent limitations

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between companies. Measurement of certain indicators, some of which are estimates, is subject to substantial inherent measurement uncertainty, including, water credit and carbon sequestration. Obtaining sufficient appropriate evidence to support our opinion does not reduce the uncertainty in the amounts and metrics.

Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India (the "ICAI") and the SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023, and its clarifications thereto and have the required competencies and experience to conduct this assurance engagement.

Our firm applies Standard on Quality Control (SQC) 1, Quality Control for firms that Perform Audits and Reviews of Historical Financial Information, and other Assurance and Related Services Engagements. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our Responsibility

Our responsibility is to express a Limited Assurance conclusion on the Identified Sustainability Information listed in Annexure I based on the procedures we have performed and evidence we have obtained. We conducted our engagement in accordance with the Standard on Sustainability Assurance Engagements (SSAE) 3000, "Assurance Engagements on Sustainability Information", and Standard on Assurance Engagements (SAE) 3410 Assurance Engagements on Greenhouse Gas Statements (together the "Standards"), both issued by the Sustainability Reporting Standards Board (the "SRSB") of the ICAI.

These Standards requires that we plan and perform our engagement to obtain Limited Assurance about whether the Identified Sustainability Information are prepared, in all material respects, in accordance with the Criteria. A Limited Assurance engagement involves assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, analytical procedures and agreeing or reconciling with underlying records.

As part of Limited Assurance engagement in accordance with the Standards, we exercised professional judgment and maintained professional skepticism throughout the engagement.

We performed the following procedures among others:

- Reviewed the Identified Sustainable Information (ISI) under Annexure I- BRSR Core, The format of BRSR Core issued by SEBI Circular dated 12th July 2023 is used as 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.
- Assessment of operational control and reporting boundaries.
- 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.
- 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.
- 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.

Exclusions

Our assurance scope excludes the following and therefore we will not express a conclusion on the same:

- Operations of the Company other than those mentioned in the Scope para of the Engagement letter
- Aspects of the BRSR and the data / information (qualitative or quantitative) other than the ISI.
- Data and information outside the defined reporting period i.e., from April 01, 2023 to March 31, 2024.
- The statements that describe expression of opinion, belief, aspiration, expectation, aim, or future intentions provided by the Company.

Limited Assurance Opinion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Identified Sustainability Information listed in Annexure I and presented in the BRSR for the year ended March 31, 2024 are not prepared, in all material respects, in accordance with the Criteria as stated in paragraph 3 above.

Restriction on use

Our Limited Assurance report has been prepared and addressed to the Board of Directors of the Company at the request of the Company solely, to assist the Company in reporting on Company's sustainability performance and activities. Accordingly, we accept no liability to anyone, other than the Company. Our Limited Assurance report should not be used for any other purpose or by any person other than the addressees of our report. We neither accept nor assume any duty of care or liability for any other purpose or to any other party to whom our report is shown or into whose hands it may come without our prior consent in writing.

For Tibu & Niyas

Chartered Accountants

Firm Registration Number : 022021S



Tibu John

Partner

Membership No: 244123

UDIN : 24244123BKABFS1332

Place: Cochin

Date : 03/09/2024

Annexure I – BRSR Core

Identified Sustainability Information subject to Limited Assurance

(Sebi Circular No: SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023)

Sr. No.	BRSR Core Indicator	Description of Indicator
1	Section – C - Principle 6 – Question 1	Total energy consumption from renewable sources Total energy consumption from non renewable sources Total Energy Consumed Energy intensity per rupee turnover Energy intensity per rupee of turnover adjusted for Purchasing Power Parity
2	Section – C - Principle 6 – Question 3	Water withdrawal by source – Surface Water, Ground Water, Third party water (KL), Seawater / desalinated water, Others. Water intensity per rupee of turnover Water intensity per rupee of turnover adjusted for Purchasing Power Parity
3	Section – C - Principle 6 – Question 4	Water discharge by destination and level of treatment
4	Section – C - Principle 6 – Question 7	Details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, FCs, SF ₆ , NF ₃ , if available) Total Scope 1 and Scope 2 emission intensity per rupee of turnover Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)
5	Section – C - Principle 6 – Question 9	Details related to waste management by the entity Total Waste generated : Plastic waste, E- Waste, Bio-medical waste, Construction and demolition waste, Battery waste, Radioactive waste, Waste intensity per rupee of turnover Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) Details related to waste recovered through recycling, re-using or other recovery operations Details related to waste disposed by nature of disposal method – Incineration, Landfilling, Others
6	Section C – Principle 5 – Question E7	Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, including complaints reported, complaints as a % of female employees, and complaints upheld
7	Section C – Principle 1 – Question E9	Concentration of purchases & sales done with trading houses, dealers, and related parties Loans and advances & investments with related parties
8	Section C – Principle 1 – Question E8	Number of days of accounts payable
9	Section C – Principle 8 – Question E5	Job creation in smaller towns
10	Section C – Principle 3– Question E1(c)	Spending on measures towards well-being of employees and workers – cost incurred as a % of total revenue of the Company

Sr. No.	BRSR Core Indicator	Description of Indicator
11	Section C – Principle 3 – Question 11	- Details of safety related incidents for employees and workers (including contract-workforce e.g. workers in the company's construction sites)
12	Section C – Principle 5 – Question E3(b)	Gross wages paid to females as % of wages paid
13	Section C – Principle 8 – Question E4	Input material sourced from following sources as % of total purchases – Directly sourced from MSMEs/ small producers and from within India
14	Section C – Principle 9 – Question 7	- Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events