

28 June 2024

To Corporate Relations Department. <b>BSE Limited</b> 1st Floor, New Trading Ring, Rotunda Building, P J Tower, Dalal Street, Fort, Mumbai 400 001 <b>BSE Code: 532978</b>	To Corporate Listing Department. <b>National Stock Exchange of India Ltd</b> Exchange Plaza, 5th Floor Plot No.C-1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051 <b>NSE Code: BAJAJFINSV</b>
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Dear Sir/Madam,

**Sub: Business Responsibility and Sustainability Report for FY2024**

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

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

Kindly take the same on record.

Thanking you,  
**Yours faithfully**  
**FOR BAJAJ FINSERV LIMITED**

**UMA SHENDE**  
**COMPANY SECRETARY**  
 Email ID: [investors@bajajfinserv.in](mailto:investors@bajajfinserv.in)  
 Encl.: As Above

**BAJAJ FINSERV LIMITED**

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

**Corporate Office:** 6th Floor, Bajaj Finserv Corporate Office, Off Pune - Ahmednagar Road, Viman Nagar, Pune - 411 014, Maharashtra, India  
 Tel: +91 20 7150 5700 | Fax: +91 20 7150 5792

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

**Corporate ID No.:** L65923PN2007PLC130075 | **Email ID:** [investors@bajajfinserv.in](mailto:investors@bajajfinserv.in)

# Business Responsibility & Sustainability Reporting

## SECTION A: GENERAL DISCLOSURES

### I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L65923PN2007PLC130075	
2.	Name of the Listed Entity	Bajaj Finserv Ltd.	
3.	Year of incorporation	2007	
4.	Registered office address	Bajaj Auto Ltd. Complex Mumbai - Pune Road, Pune - 411035	
5.	Corporate address	6th Floor, Bajaj Finserv Corporate office, off Pune-Ahmednagar Road, Viman Nagar, Pune - 411014	
6.	E-mail	<a href="mailto:investors@bajajfinserv.in">investors@bajajfinserv.in</a>	
7.	Telephone	020 7157 6064	
8.	Website	<a href="https://www.aboutbajajfinserv.com/about-us">https://www.aboutbajajfinserv.com/about-us</a>	
9.	Financial year for which reporting is being done	2023-24	
10.	Name of the Stock Exchange(s) where shares are listed	BSE Ltd. and National Stock Exchange of India Ltd.	
11.	Paid-up Capital	₹ 159.55 crore	
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Name of the person	Uma Shende
		Telephone Number	020 7157 6064
		Email ID	<a href="mailto:uma.shende@bajajfinserv.in">uma.shende@bajajfinserv.in</a>
13.	Reporting boundary	Consolidated basis Collectively referred to as 'BFS Group' (For more details on entities considered for consolidation refer #23 below)	
14.	Name of assurance provider	DNV Business Assurance India Private Ltd.	
15.	Type of assurance obtained	BRSR Core: Reasonable Assurance BRSR Comprehensive (excluding BRSR Core): Limited Assurance	

### II. Products/services

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

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the Group
1	Financial and Insurance Services	Non-Banking Finance Company engaged in lending and allied activities	49.81%
2	Financial and insurance activities	Non-life Insurance Business	24.73%
3	Financial and insurance activities	Life Insurance	25.07%

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

S. No.	Product/Service	NIC Code	% of Total Turnover contributed
1	Other Financial activities: Non-Banking Finance Company engaged in lending and allied activities	65,923	49.81%
2	Non-Life Insurance Business	65,120	24.73%
3	Life Insurance	65,110	25.07%

### III. Operations

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

Location	Number of Plants <sup>#</sup>	Number of Offices <sup>*</sup>	Total
National	0	5,168	5,168
International	0	2	2

\* Includes branches, representative office and corporate offices as at 31st March 2024

<sup>#</sup> Bajaj Finserv Group provides financial services and does not undertake any manufacturing activities

#### 19. Markets served by the entity

##### a. Number of locations

Location	Number
National (No. of States)	28 States and 6 Union Territories
International (No. of Countries)	1

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

NIL. BFS group of companies do not have any export business operations.

##### c. Types of Customers

Bajaj Finserv Group provides financial products and services to meet lifecycle needs of its customers.



#### Finance and Lending

- BFS participates in lending business through its subsidiary – Bajaj Finance Ltd. (BFL). BFL extends its business participation in savings by offering fixed deposits, mutual funds and in distribution of insurance products to its customers.
- BFL operates mortgage business through a subsidiary – Bajaj Housing Finance Ltd., which is engaged in various aspects of housing finance and development. Another BFL subsidiary called Bajaj Financial Securities Ltd. is registered with the SEBI as a stockbroker and depository participant, providing its clients a full suite of investment products and services in an all-in-one digital platform.

#### Insurance

BFS's insurance participation is through (i) Bajaj Allianz General Insurance Company Ltd. (BAGIC) – general insurance (including health insurance); and (ii) Bajaj Allianz Life Insurance Company Ltd. (BALIC) life insurance and retirement plans (together 'Insurance subsidiaries').

Both are unlisted joint ventures with Allianz SE, one of the world's leading composite insurers with over 130 years of existence and having operations in over 70 countries.

#### Non-Life insurance

- BAGIC, our non-life insurance subsidiary, is focussed on retail segments (mass, mass affluent and HNI) and commercial segments (SME and MSMEs (Micro, Small & Medium Enterprises)), while maintaining strong position in large corporate and government business.

#### Life Insurance

- In life insurance, BALIC's strong agency channel and pan-Indian distribution network of 500+ branches, combined with an array of innovative products and features, has enabled it to create a strong retail customer franchise.

## Others

- BFS through its subsidiary, Bajaj Finserv Direct Ltd. (BFDL/ Bajaj Markets), attracts new-to-Finserv customers by creating awareness and discovery of the Finserv brand through the digital medium. It also seeks to enhance the digital footprint of Bajaj Finserv through the offering of select digital technology services.
- BFS through its another subsidiary, Bajaj Finserv Health Ltd. (BFHL), a health tech venture, aims to transform healthcare in India by integrating a fragmented healthcare delivery ecosystem with technology and financial services on a digital platform to bring quality healthcare closer to consumers' reach through products, networks and technology. The Company has recently acquired Vidal Health, which offers Health Third Party Administration and other health management services which expands our service offering and provides BFHL with presence across the healthcare payment spectrum.
- For mutual fund and asset management, BFS through Bajaj Finserv Asset Management Ltd., a subsidiary, has commenced its mutual fund operations in FY2024. The company offers competitive products which are based on innovation through usage of data and tech platforms, business models which are future ready as a differentiated investment strategy.
- Bajaj Finserv Ventures Ltd. is another subsidiary of BFS, which is an investment platform for (i) early to mid-stage venture capital investments and (ii) alternate class of assets.

## IV. Employees

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

#### I. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Employees						
1.	Permanent (D)	92,079	80,562	87%	11,517	13%
2.	Other than Permanent (E)*	46,921	27,935	60%	18,986	40%
3.	Total employees (D+E)	139,000	108,497	78%	30,503	22%

\* Refers to fixed term employees

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Workers*						
1.	Permanent (F)	N.A.	N.A.	N.A.	N.A.	N.A.
2.	Other than Permanent (G)	N.A.	N.A.	N.A.	N.A.	N.A.
3.	Total employees (F+G)	N.A.	N.A.	N.A.	N.A.	N.A.

\* Bajaj Finserv Group does not have any workers across its locations

#### II. Differently abled Employees and workers:

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Differently Abled Employees						
1.	Permanent (F)	44	30	68%	14	32%
2.	Other than Permanent (G)	0	0	0	0	0
3.	Total employees (F+G)	44	30	68%	14	32%

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Differently Abled Workers*						
1.	Permanent (F)	N.A.	N.A.	N.A.	N.A.	N.A.
2.	Other than Permanent (G)	N.A.	N.A.	N.A.	N.A.	N.A.
3.	Total employees (F+G)	N.A.	N.A.	N.A.	N.A.	N.A.

\* Bajaj Finserv Group does not have any workers across its locations

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

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors*	8	1	12.50%
Key Management Personnel**	3	1	33.33%

\* The data pertains to the Company as on 31 March 2024

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

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

Employees	FY2024			FY2023			FY2022		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	24%	35%	26%	25%	43%	27%	31%	44%	33%
Permanent Worker	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

**V. Holding, Subsidiary and Associate Companies (including Joint Ventures)****23. (a) Names of Holding / Subsidiary / Associate companies / Joint Ventures:**

Sr. No.	Name of the Holding / Subsidiary / Associate companies / Joint Ventures (A)	Indicate whether holding / subsidiary/ Associate/ Joint Venture	% of shares held by Bajaj Finserv Ltd. as at 31-Mar-2024	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Bajaj Finserv Ltd.	Holding	-	Refer Note
2	Bajaj Allianz Life Insurance Company Ltd.*	Subsidiary	74.00%	
3	Bajaj Allianz General Insurance Company Ltd.*	Subsidiary	74.00%	
4	Bajaj Finance Ltd.*	Subsidiary	51.34%	
5	Bajaj Housing Finance Ltd.* (100% Subsidiary of Bajaj Finance Ltd.)	Subsidiary	-	
6	Bajaj Financial Securities Ltd. (100% Subsidiary of Bajaj Finance Ltd.)	Subsidiary	-	
7	Bajaj Finserv Direct Ltd. (Balance 19.87% shares are held by Bajaj Finance Ltd.)	Subsidiary	80.13%	
8	Bajaj Finserv Health Ltd.	Wholly-owned subsidiary	100.00%	
9	Bajaj Finserv Mutual Fund Trustee Ltd.	Wholly-owned subsidiary	100.00%	
10	Bajaj Finserv Asset Management Ltd.	Wholly-owned subsidiary	100.00%	
11	Bajaj Finserv Ventures Ltd.	Wholly-owned subsidiary	100.00%	
12	Bajaj Allianz Financial Distributor Ltd.	Joint Venture	50.00%	
13	Bajaj Allianz Staffing Solutions Ltd. (100% subsidiary of Bajaj Allianz Financial Distributor Ltd.)	Joint Venture	-	
14	Snapwork Technologies Private Ltd. (Associate of Bajaj Finance Ltd.)		41.50% **	No
15	Pennant Technologies Private Ltd. (Associate of Bajaj Finance Ltd.)		26.53%**	

\* Material subsidiary of the Company within the meaning of SEBI Listing Regulations.

\*\* On fully diluted basis

Note:

Keeping in mind that the nature and conduct of the businesses across the Group companies are distinct, to the extent relevant, the Company through its Responsible and Sustainable Business Conduct Policy:

- Engages with and enjoins upon its Group companies to participate in the responsible and sustainable business conduct and
- Requires its material subsidiaries to embody a similar policy. Accordingly, the business responsibility initiatives of the subsidiaries and joint ventures could either be similar or distinct depending on the business responsibility initiative under consideration and nature of their respective businesses.

## VI. CSR Details

24.	(i)	Whether CSR is applicable as per section 135 of Companies Act, 2013:	:	Yes
	(ii)	Turnover (in ₹ crore):	:	1,733.91 (Standalone)
	(iii)	Net worth (in ₹ crore):	:	6,673.28 (Standalone)

## 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)	FY2024			FY2023		
		Number of complaints		Remarks	Number of complaints		Remarks
		Filed during the year	Pending resolution at close of the year		Filed during the year	Pending resolution at close of the year	
Communities	Yes	NIL	NIL		NIL	NIL	
Investors (other than shareholders)	Yes	NIL	NIL		NIL	NIL	
Shareholders	Yes	46	NIL		33	NIL	
Employee and workers	Yes	NIL	NIL	N.A.	0	0	N.A.
Customers	Yes	12,547	16	Pending complaints as on 31 March 2024 have been suitably addressed in April, 2024	11951	7	Pending complaints as on 31 March 2023 have been suitably addressed in April, 2023
Value Chain Partners	Yes	NIL	NIL			-	
Others (Government & Regulators)	Yes	NIL	NIL		NIL	NIL	

As a principle, in line with their policies, practices and processes, each of the Company in the Group engages with its stakeholders and strives to resolve differences with them in a just, fair, equitable and consistent manner and if warranted takes corrective measures. There are certain policies such as Protection of Policyholders interest, Whistle-blower policy, POSH policy, etc. which are available on our website and mentioned in the Annexure. Additional policies and SOP are part of our internal documents and are not accessible to public, in addition to the policies available on respective company's website, regarding conduct with stakeholders, including grievance mechanisms.

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

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

Sr. No.	Material identified issue	Indicate whether risk or opportunity	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications -positive or negative
1	Climate Change	Risk and Opportunity	<p><b>Risks</b></p> <p>Climate change can result in claim frequency / severity (non-life insurance) and mortality (life insurance) being higher than expected.</p> <p>Reputational risk emerges in case the Group is unable to meet the stakeholder expectations on climate related disclosures and initiatives.</p> <p><b>Opportunities</b></p> <p>Increased awareness about climate change has accelerated the adoption of environment friendly products such as renewable power, electric vehicles etc., thereby creating an opportunity to finance and insure these class of assets and the eco-system supporting them.</p>	<p>Underwriting policies and procedures are in place to assess and manage the risks. Periodic reviews of underwriting processes are conducted, and its effectiveness is assessed.</p> <p>External models are being used to assess the climate risk concentration across geographies which is used as an input into the underwriting process.</p> <p>Further, reinsurance programmes seek to optimise the retention of risk based on risk retention appetite and capacity of the company.</p> <p>The Group's ESG (Environment, Social &amp; Governance) reporting is now beyond the minimum statutory reporting and is being enhanced year on year.</p>	<p><b>Negative</b></p> <p>Unpredictable adverse events can challenge our assumptions and impact profitability.</p> <p>Conforming with environment related standards and expectations could result in increased expenses.</p> <p><b>Positive</b></p> <p>Being relatively newer class of assets, the Group's experience and depth of balance sheets could allow it to harness these opportunities.</p>
2	Customer Experience	Risk	<p>Given that the Group provides financial services products and services to millions of customers, any undesirable customer experience could result in the loss of customers or even reputational loss.</p>	<p>Listening to customers and driving continuous transformation to provide them with a frictionless experience is what the Group has always strived for. Ethics, transparency, fair practices, and accountability are deeply ingrained and practiced in daily operations, including in dealing with customers. Customer experience is enhanced by offering products and services which meet the needs of customers, as well as adaptation of innovative technology solutions to provide a seamless and an "on the go" customer journey through its digital platforms.</p> <p>Customer experience is monitored on an ongoing basis through root cause analysis of grievance, monitoring of grievance ratios versus peers and carrying out Net Promoter Score (NPS) and Customer Satisfaction studies (CSAT).</p>	<p><b>Negative</b></p> <p>Loss of reputation can result in loss of customer and vice-versa, thereby adversely impacting businesses of the Group.</p> <p><b>Positive</b></p> <p>Superior customer experience through interventions such as high level of digitisation, seamless claims settlement process, CSAT, NPS, etc. aid in enhancing customer trust which can positively impact business sourcing.</p>



Sr. No.	Material identified issue	Indicate whether risk or opportunity	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications -positive or negative
3	Financial Inclusion	Opportunity	The reach of financial products and services is still shallow in India, especially in the mass segment and semi-urban / rural parts of India.	The group's customer reach is achieved through rural distribution networks, adaptation of innovative technology solutions to provide a seamless customer journey through its digital platforms and customised product offering.	<b>Positive</b> Such distribution creates opportunity for the Group to grow in the underpenetrated segments such as rural India, MSME sector, etc.

For further details on materiality for the entity and its responses pertaining to ESG aspects refer to the ESG Report FY2024 available on the company's website.

## 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.

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

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

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

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

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

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

**PRINCIPLE 7:** Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

**PRINCIPLE 8:** Businesses should promote inclusive growth and equitable development.

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

		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
<b>Policy and Management Processes</b>										
1.	a.	<b>Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs (National Guidelines on Responsible Business Conduct). (Yes/No)</b>								
		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b.	<b>Has the policy been approved by the Board? (Yes/No)</b>								
		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c.	<b>Web Link of the Policies, if available</b>								
		Yes, the Company has a policy covering all the principles named 'Responsible and Sustainable Business Conduct Policy'. The said Policy is approved by the Board. Further, the Policy is reviewed by the management periodically and the changes are put forth the Board for their approval.  All our policies are available on our company website with Link: <a href="https://www.aboutbajajfinserv.com/investor-relations-policies-and-codes">https://www.aboutbajajfinserv.com/investor-relations-policies-and-codes</a> For individual policy and their links refer to the Annexure.								
2.		<b>Whether the entity has translated the policy into procedures. (Yes /No)</b>								
		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes



	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/certifications/labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	All policies have been developed based on industry / best practices or as per the regulatory requirements and through appropriate consultation with relevant stakeholders. Further following standards have been adopted by all material subsidiaries: <ul style="list-style-type: none"><li>ISO 27001: Information Security Management System and Business Continuity Management System</li><li>ISO 22301: Business Continuity Management System</li></ul>								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Financial Inclusion <ul style="list-style-type: none"><li>Bajaj Finance Ltd. to open 100 Micro Finance branches.</li><li>BAGIC to open 20 branches in tier 2 and 3 towns (outside of top 50 cities where most industry business concentrated).</li></ul> Human Capital Development- Extension of Environment Health & Safety Management System implemented in the Head Office to more such offices in Pune.  Environment - Environment restoration through tree plantation.  Investments – As committed earlier, more than 90% applicable portfolio of insurance subsidiaries would be assessed for ESG by FY2025.								
6. Performance of the entity against the specific commitments, goals and targets along with reasons in case the same are not met.	All the commitments made in FY2023 are completed / on track: <ul style="list-style-type: none"><li>~80% of applicable portfolio of insurance subsidiaries has been assessed for ESG as at 31 March 2024.</li><li>As part of the pilot, Environment Health &amp; Safety (EHS) Manual has been implemented at Head Office in Pune. ISO Certification on 14001:2015 and ISO 45001:2018 has also been completed for this office.</li><li>As on 31 March 2024 ~76,000 tree plantations completed.</li></ul>								
Governance, Leadership and Oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	Please refer to “Message from the Chairman and the Managing Director” in the ESG report available on the company website. Link (*)								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Name			Sanjiv Bajaj					
	Designation			Chairman & Managing Director					
	DIN			00014615					
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes. <ul style="list-style-type: none"><li>The Company and all its material subsidiaries have their own policies, as approved by their respective Boards, the implementation of which is monitored through their empowered executive committee.</li><li>Such executive committees meet periodically to assess the performance against their business responsibility objectives. Across the group 6 such meetings in aggregate were held during the year.</li></ul>								

**P1 P2 P3 P4 P5 P6 P7 P8 P9**

- Further at the group level, a committee comprising senior executives, including from material subsidiaries, meets periodically and provides directional inputs on business responsibility matters.
- The Company's business responsibility performance is reviewed by the Board of Directors on an annual basis. During the year, in a meeting of the Board of Directors an update was provided, and discussions were held on the sustainable and responsive business conduct initiatives across the Group.
- Further, ESG Risks of the Company and its material subsidiaries were also discussed during the year in respective Company's Risk Management Committee of the Board.

#### 10. Details of Review of National Guidelines on Responsible Business Conduct (NGRBCs) by the Company:

Subject for Review	Indicate whether review was undertaken by: (Director/ Committee of the Board/ Any other Committee)									Frequency: (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Any other Committee*									Any other**								
As a practice, all the policies of the Company are reviewed periodically or on a need basis by First letter capital Department Heads, Business heads, Senior Management personnel and placed before the Board of Directors as and when required. During this assessment, the efficacy of the policies is also reviewed and necessary changes to policies and procedures are implemented.																		
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Committee of the Board									Any other								
The Company is in compliance with the extant regulations as applicable.																		

\* Any Other Committee – Risk Management Committee

\*\* Frequency – Any Other – Need Based

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
	No	No	No	No	No	No	No	No	No
No. Currently no external assessments are being conducted for the policies. However, we ensure that all the policies are reviewed either by the department heads, relevant committee members and/or the Board members internally as applicable regulatory requirements and provisions contained in the respective policies.									

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

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)					N.A.				
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)					N.A.				
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)					N.A.				
Any other reason (please specify)					N.A.				

**P1 SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE**

P2 **PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner**  
P3 **that is Ethical, Transparent and Accountable.**

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

Segment	Total number of training and awareness programmes held	Topics /principles covered under the training and its impact	%Age of persons in respective category covered by awareness programmes
Board of Directors	Apart from BFS and its listed subsidiaries, which carry out familiarisation programmes for its Directors, as required under the SEBI Listing Regulations, even unlisted material subsidiaries on an ongoing basis keep their respective Directors and KMPs abreast on matters relating to the industry, business models, risk metrics, mitigation and management, governing regulations, ESG, information technology including cyber security, their roles, rights and responsibilities and major developments and updates on the Company, etc.		100%
Key Managerial Personnel			100%
Employees other than BoD and KMPs		The BFS Group invests significant time and resources in the training and development of its employees, to help them stay ahead of latest trends and technology. Further, for certain relevant topics periodical awareness programmes are carried out through emails, posters/banners (physical and digital) and other modes of internal communication. Such training/awareness programmes are on array of topics, such as Code of Conduct, Ethics, Cyber Security, Data Privacy, ESG Awareness, Bribery, Corruption and Fraud Prevention, Anti-Money Laundering, Employee Health and Safety, Insider Trading, Prevention of Sexual Harassment, Skill Upgradation, Functional Trainings and etc. During the year, more ~1.00 million hours of logged in trainings were completed by employees on above mentioned topics.	100%

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

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	1	Bajaj Finance Ltd. - Reserve Bank of India (RBI)	8.50 lakh	Reserve Bank of India (RBI) vide order dated 28 September 2023, had imposed a monetary penalty on the Company for non-compliance with the 'Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016' issued by RBI. The Company has taken necessary corrective actions in this respect.	No
Settlement	1-9	NIL	NIL	NIL	NIL
Compounding fee	1-9	NIL	NIL	NIL	NIL

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P9

### Non-Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	1-9	NIL	NIL	NIL
Punishment	1-9	NIL	NIL	NIL

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

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

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

Yes.

BFS Group has zero tolerance towards unethical business practices and prohibits bribery in any form in all its business dealings through various policies, codes and charters.

The Code of Ethics and Personal Conduct (CoEPC) consistently adopted across the Group reiterates our commitment on anti-bribery. All full-time and part-time employees of BFS group companies must adhere to the commitment of integrity and other responsible business conduct principles laid down in CoEPC.

The core policies for anti-money laundering, corruption and bribery, prohibition of child labour, discrimination in any forms are also shared and applicable for our partners and vendors as part of their agreements with Bajaj Finserv Group companies.

Some of these policies, codes and charters are available on the website (refer Annexure).

Further material subsidiaries also have some of additional policies, codes and charters which are available on their respective websites.

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

	FY2024	FY2023	FY2022
Directors	NIL	NIL	NIL
KMPs	NIL	NIL	NIL
Employees	NIL	NIL	NIL

6. Details of complaints regarding conflict of interest:

	FY2024		FY2023		FY2022	
	Number	Remarks	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NIL	NIL	NIL	NIL	NIL
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NIL	NIL	NIL	NIL	NIL

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

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

P1

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

P2

P3

	FY2024	FY2023
Number of days of accounts payables	46	29

P4

P5

**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:**

P6

P7

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P9

Parameter	Metrics	FY2024	FY2023
Concentration of Purchases	a) Purchases from trading houses as % of total purchases	N.A.	N.A.
	b) Number of trading houses where purchases are made from	N.A.	N.A.
	c) Purchases from top 10 trading houses as % of total purchases from trading houses	N.A.	N.A.
Concentration of sales	a) Sales to dealers/distributors as % of total sales	N.A.	N.A.
	b) Number of dealers/distributors to whom sales are made	N.A.	N.A.
	c) Sales to top 10 dealers/ distributors as % of total sales to dealer/ distributors	N.A.	N.A.
Share of RPTs in	a) Purchases (Purchases with related parties/Total Purchases)	2.89%	2.27%
	b) Sales (Sales to related parties/Total Sales)	0.11%	0.10%
	c) Loans & advances (Loans & advances given to related parties/Total loans & advances)	0.02%	0.17%
	d) Investments (Investments in related parties/ Total Investments made)	0.23%	0.08%

## Leadership Indicators

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

BFS Group strives to influence its value chain partners to participate in the responsible and sustainable business conduct depending upon their means and resources.

BFS Group companies carry out awareness / training programmes for its value chain partners (especially agents and other intermediaries), depending on the business needs, stakeholder feedback and regulatory requirements covering various topics. For example, our insurance subsidiaries provide specialised training to their agents which cover various topics such as Code of Conduct, ethics, professional conduct, anti-money laundering, functional and skill upgradation trainings that were knowledge-based. The sessions also include and cover topics such as 'Did you Know' series about products, processes, FAQs, new product launches, know your compliances, existing products, ready-reckoners, sample illustrations, etc.

**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.**

Yes.

BFS and Group companies have zero tolerance towards unethical business practices and ensures adherence to relevant principles including in relation to conflict of interest.

The Company has a separate Code of Conduct for Directors and Senior Management (CoC) which provides that 'Directors and Senior Management shall observe the highest standards of ethical conduct and integrity and shall work to the best of their ability and judgement'.

- P1 The said CoC also requires them to not to engage in any material business relationship or activity, which conflicts with their duties towards the Company. A declaration for the Directors and Senior Management's affirmation to the said CoC is communicated to all stakeholders by the Chairman & Managing Director, through the Annual Report.
- P2
- P3 Further a declaration is signed by the Directors during their appointments / reappointments as an undertaking to the Code of Conduct and disclosures to all possible conflicts of interest and related activities.
- P4
- P5 In addition to the above, the BFS Group CoEPC covers potential areas where conflict of interest may be encountered. It also provides specific guidelines on avoiding and dealing with conflicts of interest and the requirement to disclose potential conflicts of interest by employees. Further, BFS and its material companies have policies on related party transactions, which require all the transactions to be at arm's-length price which are available on their company website or over internal networks for ease of access and knowledge dissemination amongst the Key Management Personnel.
- P6
- P7
- P8
- P9

## **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.

	<b>FY2024</b>	<b>FY2023</b>	<b>Details of improvements in environmental and social impacts</b>
R&D	N.A.	N.A.	Please refer the below note
Capex	N.A.	N.A.	

BFS Group is engaged in financial services businesses. The capital expenditure incurred by the companies involve adoption of systems and processes which involve Information technology and digitalisation.

Multiple processes have been streamlined to enable entire business cycle to improve on their customer servicing by switching to an online mode from a traditional offline setup. Customer interaction is facilitated using technologically (Automation linked digitalisation) towards reducing paperwork and reduction in operational costs that otherwise would have been incurred in physical interactions. Moreover, the Group continues to invest in EVs (Electric Vehicles) and rooftop solar plants, EV charging stations with other potential solutions aimed at reducing its environmental carbon footprint.

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

No

BFS group companies provide financial products and services, and thus neither has a sizeable consumption of any raw material nor produces any tangible goods. Its activities are limited to providing financial solutions to serve the needs of the people. However, the Group nurtures a culture of conservation of resources and encourages innovations that aid in reducing the dependence on natural resources. We have initiated programmes across the group companies for the consumables we procure such as paper (printing paper), cleaning material etc.

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

Given the nature of the business, BFS group companies have limited scope to use recycled material as processed inputs.

BFS group companies disposes e-waste through registered vendors and has obtained certificate of disposal from these vendors.

During the year e-waste and battery waste of 102.41 Metric Tonnes has been treated in scientific and eco-friendly manner by certified vendors for safe disposal.

P1

During the year, as a pilot, we have tracked our waste oil from DG Set for our Head Office. 1.175 metric tonnes of waste oil has been disposed with assistance of a certified recycler as part of our sustainability policies and processes.

P2

P3

Further, as part of continuous effort for waste management and recycling, at our Head Office we have initiated an organic waste converter machine which recycled organic waste and produced 2.72 Metric Tonnes of compost.

P4

P5

**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.**

P6

P7

No

P8

Given the nature of our business, the Extended Producer Responsibility is not applicable to our businesses.

P9

### Leadership Indicators

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

NIC Code	Name of Product/Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link
N.A.					
Given the business operations of BFS group, there are no products or services offered by the entity that qualify for Life Cycle Perspective/Assessments (LCA).					

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

Name of Product/Service	Description of the risk/concern	Action Taken
None other than those identified in Q.26 of "Section A – General Disclosures" above.		

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

Indicate input material	Recycled or re-used input material to total material	
	FY2024	Action Taken
Given the business operations of BFS group, the same is not applicable.		

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

	FY2024			FY2023		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
E-waste	-	66.58	-	-	19.50	-
Plastics (including packaging)	Given the business operations of BFS group, the same is not significant					
Hazardous Waste (mt)	-	1.17	-	-	-	-
Other waste (battery waste)	-	35.83	-	-	-	-

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

Refer essential indicator 3 of this principle.



P1

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

P2

### Essential Indicators

P3

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

P4

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Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities*	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	80,562	80,562	100%	80,562	100%	N.A.	N.A.	80,562	100%	80,562	100%
Female	11,517	11,517	100%	11,517	100%	11,517	100%	N.A.	N.A.	11,517	100%
Total	92,079	92,079	100%	92,079	100%	11,517	100%	80,562	10%	92,079	100%
Other Than permanent employees**											
Male	27,935	3,103	11%	3,103	11%	N.A.	N.A.	N.A.			
Female	18,986	672	4%	672	4%	18,986	100%				
Total	46,921	3,775	8%	3,775	8%	18,986	100%				

\* Wherever required under regulations, Day care facilities are provided

\*\* Being fixed term employees

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

% of workers covered by*											
Category	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Female	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Total	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Other Than permanent Workers											
Male	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Female	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Total	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

\* Bajaj Finserv Group does not have any workers across its locations

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

	<b>FY2024</b>	<b>FY2023</b>
Cost incurred on well-being measures as a % of total revenue of the company	0.11%	0.11%

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

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

\* These benefits are provided to all the employees who are eligible and have opted for the said retirement benefits.

## 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:**

As a principle the Company through its Employee Charter and Human Rights Statement prohibits discrimination against any person with disability in any matter related to employment as per the Right of Person with Disabilities Act, 2016 and Transgender persons (Protection of Rights) Act 2019.

Corporate offices of the Group companies have ramps for easy movement and wheelchair accessible restrooms for especially abled people.

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

The Company through its Employee Charter and Human Rights Statement prohibits discrimination against any person with disability in any matter related to employment as per the Right of Person with Disabilities Act, 2016 and Transgender persons (Protection of Rights) Act 2019.

As enshrined in the 'Responsible and Sustainable Business Conduct Policy', the Company provides remuneration and equal opportunities at the time of recruitment as well as during employment irrespective of age, sex, colour, caste, disability, marital status, ethnic origin, race, religion, sexual orientation, disease (viz. HIV/Aids) or any other status of individuals, thereby presenting an opportunity to excel and grow best suited to the individual's suitability and ability to perform the related work.

Employee Charter and Human Rights Statement is available on our website (refer annexure).

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

Gender	Permanent employees			
	FY2024		FY2023	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	99%	78%	99%	71%
Female	98%	54%	97%	54%
<b>Total</b>	<b>99%</b>	<b>77%</b>	<b>99%</b>	<b>69%</b>

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

	Yes / No (If yes, then give details of the mechanism in brief)
Permanent Workers	N.A.
Other than Permanent Workers	N.A.
Permanent Employees	Yes.
Other than Permanent Employees	BFS Group creates a culture which is fair, open and transparent and where employees can openly present their views. BFS Group transparently communicates its policies and practices such as company plans, compensation, performance metrics, performance pay grids/calculation, career enhancements, compliance etc. BFS Group enables employees to work without fear of prejudice, gender discrimination and harassment. It has zero tolerance towards any non-compliance of these principles.
	A formal grievance mechanism is available to employees to report or raise their concerns confidentially and anonymously, and without fear of any retaliation, along with mechanism to consult on ethical issues through the explicit means provided by CoEPC, Whistle Blower Policy, Prevention of Sexual Harassment Policy and other policies/charters as detailed in the annexures.

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

Category	FY2024			FY2023		
	Total employees /workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective Category (C)	No. of employees / workers in respective category, who are part of association (s) or Union (D)	% (D/C)
Total Permanent Employees	The Company does not have any employee trade union and not in any collective bargaining agreement, although it allows all employees to exercise the lawful right to 'freedom of association'.					
Male						
Female						
Total Permanent Workers	N.A.					
Male						
Female						

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

Category	FY2024					FY2023				
		On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Male	80,562	55,039	68%	72,578	90%	61,075	33,157	88%	49,631	81%
Female	11,517	7,725	67%	10,431	91%	7,645	1,581	89%	5,912	79%
<b>Total</b>	<b>92,079</b>	<b>62,764</b>	<b>68%</b>	<b>83,009</b>	<b>90%</b>	<b>68,720</b>	<b>34,738</b>	<b>88%</b>	<b>54,405</b>	<b>81%</b>

Further, for Health and Safety, BFS Group trains its employees on safety protocols by conducting periodic trainings on fire safety and evacuation drills. During the year fire audits and drills were conducted as part of Safety measures across the offices. Periodical awareness programmes are carried out through emails, posters/ banners (physical and digital) and other modes of internal communication.

As part of the pilot, during the year Environment Health & Safety (EHS) Manual has been implemented at Head Office in Pune. ISO Certification on 14001:2015 and ISO 45001:2018 has also been completed for this office.

The Group companies also initiated exhaustive employee engagement campaigns like “#Stay Healthy #Stay Safe” to imbibe and encourage employees to adopt healthy and safety measures - eating healthy, staying hydrated, using stairs, maintaining right posture, etc.

Various campaigns and collaterals were released to spread awareness among the employees on the pandemic precautions and safety compliances.

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

Category	FY2024*			FY2023*		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Male		100%			100%	
Female		100%			100%	
<b>Total</b>		<b>100%</b>			<b>100%</b>	

\* Performance appraisal was conducted during the year for all the eligible employees as per policy

## 10. Health and safety management system:

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

Yes,

Further, as part of the pilot, during the year Environment Health & Safety (EHS) Manual has been implemented at Head Office in Pune. ISO Certification on 14001:2015 and ISO 45001:2018 has also been completed for this office. Further, extension of EHS Management System implemented in the Head Office to more such offices in Pune is planned in FY2025.

BFS Group also trains its employees on safety protocols by conducting periodic trainings on fire safety and evacuation drills. Periodical awareness programmes are carried out through emails, posters/banners (physical and digital) and other modes of internal communication.

The Group companies also initiated exhaustive employee engagement campaigns like “Forward Karo Care” and “Circle of Care” to imbibe and encourage employees to adopt healthy and safety measures - eating healthy, staying hydrated, using stairs, maintaining right posture, etc. Various campaigns and collaterals were released to spread awareness among the employees on the pandemic precautions and safety compliances.

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

BFS Group provides financial services and does not undertake any manufacturing activity and hence this is not applicable for us.

However, the Company has designed and adopted EHS manuals and procedures to cover environmental aspects and health and safety risks that the facility / property can control and directly manage. Further for those that it does not directly control or manage but over which it can be expected to have an influence an Environment, Health and Safety Manual has been prepared and shared amongst the EHS leaders and champions for further knowledge sharing and awareness through dissemination.

There are no product risks but there are those related to the provision of services like ergonomics in work as well as those associated with the operation of utilities, indoor air quality, lift / elevator safety, fire safety procedures, personnel protective equipment, signages, etc.

Further, our risk assessment also periodically covers incidents that have been noted and immediate steps are taken to mitigate the associated risks.

During the year, no such instances have been noted which necessitated further action. The applicable processes have been briefly described in ‘a’ above

P1

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

P2

Not applicable, as BFS Group does not have any workers.

P3

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

P4

Yes,

P5

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

P6

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

P7

P8

P9

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

Refer 10 (a) above.

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

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

**14. Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	BFS Group strives to keep the workplace environment safe, hygienic and humane, upholding the dignity of the employees. Offices across the Group are internally assessed periodically through surveys, audits, etc. for various aspects of health and safety measures and related working conditions.  As part of pilot implementation for the EHS Management System at Head office in Pune, an external assessment was conducted for health and safety practices and working conditions against which an ISO 14000:2015 and ISO 45001:2018 certification was achieved.
Working Conditions	

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

None

## Leadership Indicators

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

Yes.

All Group companies extend various support and compensatory package in the event of death of permanent employees. Each Company has their own programme and some of these include full month's pay with recovery waivers, iCare fund release, Group Term Life insurance assured amounts, etc.

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

BFS Group strives to influence its partners in the value chain to participate in the responsible and sustainable business conduct depending upon their means and resources. Having said that, there are multiple measures to ensure that statutory dues have been deducted and deposited by them which include contractual commitments, obtaining evidence of payment, review / audit of value chain partners, seeking confirmations of compliance, etc., which depend on the nature of product / services rendered. For example, material subsidiaries on an annual basis select a sample of value chain partners to review their processes and controls, which includes their compliance for deduction and payment of statutory dues.

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

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY2024	FY2023	FY2023	FY2023
Employees	NIL	NIL	NIL	NIL
Workers	N.A.	N.A.	N.A.	N.A.

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

Yes.

The BFS Group invests significant time and resources in the training and development of its employees, help them stay ahead of latest trends and technology. With such trainings, most employees are skilled and tend to be employable upon retirement/termination.

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

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	BFS group expects all its value chain partners to follow extant regulations, including health and safety practices and working conditions.
Working Conditions	

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

In absence of any significant risks / concerns, no need for corrective action plan has been necessitated.

P1

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

P2

### Essential Indicators

P3

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

P4

Individual or group concerned or interested with or impacted by the activities of the businesses and vice versa, now or in the future are identified as key stakeholder by the Group Companies. Based on this, the key stakeholders are shareholders and investors, customers, government and regulators, value chain partners, employees and the society. The Group understands the impact of its policies, decisions, products and services and associated operations on the stakeholders. In line with its policies, practices and processes, the Group engages with its stakeholders and strives to resolve differences with them in a just, fair, equitable and consistent manner, and if warranted takes corrective measures. The Group also engages with relevant stakeholders for enhancing the sustainable and responsible business practices.

P5

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P9

#### 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 & Marginalised Group (Yes/No)	Channels of communication	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholder and Investor	No	Multiple channels – physical and digital including quarterly investor presentations, press releases and communications through stock exchanges, participation in investor conferences, one on one investor meetings etc.	Frequent and need based	To inform about the performance, major developments and other relevant updates regarding the Company and Group
Customer	No	Multiple channels – physical and digital.	Frequent and need based	Servicing throughout the lifecycle of the customer and addressing queries / grievances that the customer may have Intimation of new offerings, etc.
Government and Regulators	No	Multiple channels – physical and digital.	Need based	To provide timely recommendations/ feedback on draft policies, representations before regulators and associations for advancement and improvement of financial services industry in India including enhancement of penetration of financial services.
Value chain Partner	No	Multiple channels – physical and digital including in-person meetings, emails, performance discussions, trainings, company policy/ process communication, periodical meets/ conferences, etc.	Frequent and need based	To enhance the access and understanding of relevant and financial products and services of the Group.
Employees	No	Multiple channels – physical and digital.	Daily	To create a thriving, safe and inclusive workplace for its employees and providing merit-based opportunities for professional development and growth.



Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
Society	Yes	Multiple channels – physical and digital.	Frequent and need based	To promote social welfare activities for inclusive growth, fair and equitable development and well being of society through our business functioning. Awareness of financial services performance & offerings.

## 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.

The Group companies to the extent considered necessary and permitted by regulations, ensure transparent communication and access to relevant information about its decisions that impact relevant stakeholders, keeping in mind the need to protect confidential competitive plans and information. Engagement with stakeholders is a continuous process, as part of the Group's business activities. The Board of Directors are updated on various developments arising out of such engagement and they provide their guidance / inputs on such matters. Through various committees, the Board and the KMP are provided regular updates on feedback received from stakeholders, these include, but are not limited to:

- The Risk Management Committee of the Board
- The Board approved ESG Committee.

The engagement is generally driven by the responsible business functions, with senior executives also participating based on the need of the engagement.

### 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.

Continuous engagement with stakeholders helps in aligning expectations, thereby enabling the Group to better serve its stakeholders. The Company personnel interact with various stakeholders to understand the evolvment and relevance of ESG topics, their impact and expectations from the Group. Based on such interactions, the Group has over the last few years enhanced its reporting on business responsibility and has also started certain new initiatives. The Group believes that it is still learning the evolving aspects of ESG and lays significant importance to such interactions. For example, our BFS HO has initiated a pilot to implement a EHS project for environment, health and safety activities.

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

BFS Group companies through their CSR policies have taken up various initiatives and activities for the benefit of different segments of the society, with focus on the marginalised, poor, needy, deprived, under-privileged and differently abled persons.

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

P2 **Essential Indicators**

P3 **1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

P5

Category	FY2024			FY2023		
	Total (A)	No. of employees /workers covered (B)	% (B/A)	Total (C)	No. of employees /workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	92,079	90,005	98%			Refer note below
Other than Permanent	NIL	NIL	NIL	NIL	NIL	NIL
<b>Workers</b>						
Permanent	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Other than Permanent	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

Note: From FY 2024 the BFS Group has separately started recording the information in respect of training on human rights issues and has accordingly been reported.

Our commitment to employees' rights is enshrined in the Employee Charter- Human Rights Statement of the respective Company – which sets out what employees can reasonably expect from the company (Employee Rights) and the responsibilities and qualities that are expected from them while performing their duties (Employee Responsibilities).

It also lays down the principles of equal opportunity and non-discrimination, anti-corruption and bribery, prohibition of forced and child labour, transparency, safe healthful and harassment-free workplace, amongst others.

BFS Group companies uses various mediums to create awareness on ESG initiatives (including human rights) for its employees through use of social media as well as internal communication channels- Intranets, HR bulletins, Video Snippets, etc.

P9 **2. Details of minimum wages paid to employees and workers, in the following format:**

Category	FY2024					FY2023				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Permanent Employees</b>										
Male	80,562	147	0.20%	80,415	99.80%	65,193	22	0.10%	65,171	99.90%
Female	11,517	6	0.10%	11,511	99.90%	8,147	2	0.10%	8,145	99.90%
<b>Other than Permanent Employees</b>										
Male	27,935	785	2.80%	27,150	97.20%	16,712	885	5.30%	15,827	94.70%
Female	18,986	318	1.70%	18,668	98.30%	9,974	331	3.30%	9,643	96.60%

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

**a) Median remuneration/wages:**

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (In ₹ Cr)	Number	Median remuneration/ salary/ wages of respective category (In ₹ Cr)
Board of Directors (BoD)*	7	0.44	1	0.60
Bord of Directors Executive (CMD)	1	31.67	0	
Key Managerial Personnel	1	12.76	1	0.70
Employees other than BoD and KMP	97,705	0.06	15,088	0.05

\* All Non-Executive Directors are entitled to same sitting fees and commission. Differences in remuneration arise because of the number of meetings attended as per their memberships of different committees

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

	FY2024	FY2023
Gross wages paid to females as % of total wages	9.10%	8.50%

**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

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

While BFS Group aims to not have a situation that leads to any grievance; should such a situation arise, BFS Group has a well-defined Grievance redressal mechanism for its employees. A formal grievance mechanism is available to all employees, to report or raise their concerns confidentially and anonymously, without fear of any retaliation. The Group regards respect for human rights as one of its fundamental and core values and strives to support, protect and promote human rights to ensure that fair and ethical business and employment practices are followed.

BFS Group believes that every workplace shall be free from violence, harassment, intimidation and / or any other unsafe or disruptive conditions, either due to external or internal threats. Accordingly, BFS Group has aimed to provide reasonable safeguards for the benefit of employees at the workplace, while having due regard for their privacy and dignity.

BFS Group also has zero tolerance towards and prohibits all forms of slavery, coerced labour, child labour, human trafficking, violence or physical, sexual, psychological or verbal abuse. As a matter of policy, BFS Group does not hire any employee or engage with any agent or vendor against their free will.

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

P1  
P2  
P3  
P4  
**P5**  
P6  
P7  
P8  
P9

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

	FY2024			FY2023		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	38	5	The pending cases as on 31 March 2024 will be resolved as per respective Company's policy.	14	1	The pending cases as on 31 March 2023 are in process of resolution as per respective Company's policy.
Discrimination at workplace	NIL	NIL		NIL	NIL	
Child Labour	NIL	NIL		NIL	NIL	
Forced Labour/ Involuntary Labour	NIL	NIL		NIL	NIL	
Wages	NIL	NIL		NIL	NIL	
Other human rights related issues	NIL	NIL		NIL	NIL	

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

	FY2024	FY2023
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	38	14
Complaints on POSH as a % of female employees/workers	0.31%	0.17%
Complaints on POSH upheld	21	10

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

A formal grievance mechanism is available to all employees to report or raise their concerns confidentially and anonymously, without fear of retaliation, along with mechanism to consult on ethical issues through the explicit means provided by CoEPC, employee charter, disciplinary action committee reviews, Whistle Blower and vigil mechanism policies. BFS Group prohibits retaliation against any employee who reports in good faith any suspected or potential violation of the Code of ethics and professional conduct of the Company which includes aspects of discrimination and harassment.

It is the duty of every Employee to report instances of possible CoEPC violations that they are aware of.

At BFS Group, sharing a concern about the code honestly and in good faith, even if it turns out to be unfounded – is never an excuse for any kind of retaliation. The BFS Ethics Officers will ensure CoEPC investigations are conducted in a fair and confidential manner and that there will not be any adverse impact on Employees who highlight possible CoEPC violations in good faith. BFS also prohibits retaliation for using any of BFS's complaint reporting procedures, if made in good faith, or for filing, testifying, assisting or participating in any investigation conducted by a government enforcement agency.

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

The Group appreciates the inherent, universal, indivisible, inalienable and interdependent nature of human rights. The Group strives to percolate these values, through its policies, at all levels in the Group. The company has included ESG specific clauses which covers the general human rights parameters in the vendor contracts.

P1

**10. Assessments for the year**

P2

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

P3

Child labour

P4

Forced/involuntary labour

P5

Sexual harassment

P6

Discrimination at workplace

The Group follows the relevant laws as applicable.

P7

Wages

P8

Others – please specify

P9

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

No corrective actions pertaining to Question 9 was necessitated by the Group during the year under review.

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

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

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

N.A.

**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?**

As a principle the Company through its Employee Charter and Human Rights Statement prohibits discrimination against any person with disability in any matter related to employment as per the Right of Person with Disabilities Act, 2016 and Transgender persons (Protection of Rights) Act 2019.

**4. Details on assessment of value chain partners****% of value chain partners (by value of business done with such partners) that were assessed**

Sexual Harassment

Discrimination at workplace

Child Labour

Forced Labour/  
Involuntary Labour

Wages

Others – please specify

Refer note below.

Note: The vendor agreements are aligned with all legal and regulatory compliance requirement as determined by business and law of the land. The Group expects and strives to influence its value chain partners to adhere to the same values, principles and business ethics upheld by the Group in all their dealings. No specific assessment in respect of value chain partners has been carried out other than certain elements covered in annual review of processes and controls of select sample of value chain partners by material subsidiaries.

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

No corrective actions pertaining to Question 4 was necessitated by the Group during the year under review.

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

P2 **Essential Indicators**

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

P4	Parameter	Unit of measurement	FY2024	FY2023
P5	<b>From Renewable sources</b>			
P6	Total electricity consumption (A)	Gigajoules	2,566	1,446
P7	Total fuel consumption (B)	Gigajoules	0	0
P8	Energy consumption through other sources (C)	Gigajoules	0	0
P9	<b>Total energy consumed from renewable sources (A+B+C)</b>		<b>2,556</b>	1,446
	<b>From Non-renewable sources</b>			
	Total electricity consumption (D)	Gigajoules	212,465	167,664
	Total fuel consumption (E)	Gigajoules	55,402	49,552
	Energy consumption through other sources (F)	Gigajoules	-	-
	<b>Total energy consumption from non-renewable sources (D+E+F)</b>	Gigajoules	<b>267,867</b>	217,216
	<b>Total energy consumed (A+B+C+D+E+F)</b>		<b>270,423</b>	217,216
	Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)		2.45	2.65
	Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/ Revenue from operations adjusted for PPP)		54.87	59.06
	Energy intensity in terms of physical output		N.A.	N.A.
	Energy intensity (optional) – the relevant metric may be selected by the entity		N.A.	N.A.

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

Yes. DNV Business Assurance India Private Limited

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

N.A.

**3. Provide details of the following disclosures related to water.**

Parameter	FY2024	FY2023
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater/desalinated Water	-	-
(v) Others	-	-
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	-	-
<b>Total volume of water consumption (in kilolitres)**</b>	<b>870,931</b>	<b>704,829</b>
Water intensity per rupee of turnover (Water consumed/turnover)	7.89	8.59
Water intensity (optional)-the relevant metric may be selected by the entity		
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	176.74	190.39
Water intensity in terms of physical output	N.A.	N.A.
Water intensity (optional) – the relevant metric may be selected by the entity	N.A.	N.A.

\* The water consumption is based on the Central Ground Water Authority (CGWA) estimate for water consumption which determines the water availability is at 45 litres per head per working day for offices. The consumption pattern at couple of large offices in the group also approximates to 45 litres per head per working day.

# The intensity is based on average workforce in permanent employees and working days being calculated at 231 days.

**4. Provide the following details related to water discharged\***

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

\* Given the nature of business operations of the BFS Group, water discharge is not being monitored and therefore not reported

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

No



P1 **6. Please provide details of air emissions (other than GHG emissions) by the entity, in the**  
P2 **following format:**

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

P7 Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name  
P8 of the external agency.

P9 **7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY2024	FY2023
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	6,057	14,843
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	42,089	36,793
<b>Total Scope 1 and Scope 2 emissions per rupee of turnover *</b>	Per crore of Consolidated Total Revenue from operations	0.44	0.63
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted Purchasing Power Parity (PPP):</b> Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Per crore rupee of turnover adjusted Purchasing Power Parity	9.77	13.94

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

Yes. DNV Business Assurance India Private Limited

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

The Group has undertaken various projects on environmental sustainability such as ecological restoration, waste management and clean energy projects. 138 windmills of the Company with installed capacity of 65.2 MW generated over 90.4 million units of electricity, which is more than the electricity consumed by the BFS Group. The Group is a net generator of renewable power.

In addition, there are rooftop solar plants installed capacity of 757KWh which has generated 0.7 million units in FY2024.

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

Parameter	FY2024	FY2023
<b>Total waste generated (in metric tonnes)</b>		
Plastic waste (A)	0	0
E-waste (B)	66.58	19.50
Bio-medical waste (C)	0.01	0
Construction and demolition waste (D)	0	N.A.
Battery waste (E)	35.83	NIL
Radioactive waste (F)	0	N.A.
Other Hazardous waste. Please specify, if any (G) DG Set Oil	1.17	NIL
Other Non-hazardous waste generated (H). Please specify if any (Break-up by composition i.e. by materials relevant to the sector)	0	0
<b>Total (A+B+C+D+E+F+G+H)</b>	<b>103.59</b>	<b>19.50</b>

## Section A

## Section B

## Section C

	Parameter	FY2024	FY2023
P1	Waste intensity per rupee of turnover (Total waste generated/Revenue from operations)	0	0
P2	Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated/Revenue from operations adjusted for PPP)	0.02	0.01
P3	Waste intensity in terms of physical output	N.A.	N.A.
P4	Waste intensity (optional) – the relevant metric may be selected by the entity	N.A.	N.A.
P5	For each category of waste generated, total waste recovered through recycling-using or other recovery operations (in metric tonnes)		
P6	Category of waste		
P7	(i) Recycled	103.58	19.50
P8	(ii) Re-used	0	0
P9	(iii) other recovery operations	0	0
	<b>Total</b>	<b>103.58</b>	<b>19.50</b>
	<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
	Category of waste		
	(i) Incineration	0	0
	(ii) Landfilling	0	0
	(iii) Other disposal operations	0	0
	<b>Total</b>	<b>0</b>	<b>0</b>

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

Yes, DNV Business Assurance India Private Limited

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

Given the nature of the business, there is no usage of hazardous and toxic chemicals by the Group companies.

**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:**

No

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

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

Based on the nature of business, the Group is following applicable environmental norms as per the required guidelines in India for necessary compliance.

## Leadership Indicators

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

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

Name of the area: N.A.

Nature of operations: N.A.

Water withdrawal, consumption, and discharge in the following format

	Parameter	FY2024	FY2023
P1	<b>Water withdrawal by source (in kilolitres)</b>	-	-
P2	(i) Surface water	-	-
P3	(ii) Groundwater	-	-
P4	(iii) Third party water	-	-
P5	(iv) Seawater/desalinated Water	-	-
P5	(v) Others	-	-
<b>P6</b>	<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	-	-
	<b>Total volume of water consumption (in kilolitres)</b>	-	-
P7	Water intensity per rupee of turnover (Water consumed / turnover)	-	-
P8	Water intensity (optional) - the relevant metric may be selected by the entity	-	-
P9	Water discharge by destination and level of treatment (in kilolitres)	-	-
	(i) Into Surface water	-	-
	No treatment -	-	-
	With treatment - please specify level of treatment	-	-
	(ii) Into Groundwater	-	-
	No treatment -	-	-
	With treatment - please specify level of treatment	-	-
	(iii) Into Seawater	-	-
	No treatment -	-	-
	With treatment - please specify level of treatment	-	-
	(iv) Sent to third parties	-	-
	No treatment -	-	-
	With treatment - please specify level of treatment	-	-
	(v) Others	-	-
	No treatment -	-	-
	With treatment - please specify level of treatment	-	-
	<b>Total water discharged (in kilolitres)</b>	-	-

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

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

Parameter	Unit	FY2024	FY2023
<b>Total Scope 3 emissions</b> (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	28,753	18,747
<b>Total Scope 3 emissions per rupee of turnover</b>	Per crore of Consolidated Total Income	0.26	0.23
<b>Total Scope 3 emission intensity (optional) - the relevant metric may be selected by the entity</b>		N.A.	N.A.

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

Yes, DNV Business Assurance India Private Limited

## 3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.

N.A.

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

Responsible waste treatment or disposal is an area of focus for our group. We have implemented a systematic process for collecting, segregating of different type of waste at source across the premises and as a pilot implemented an organic waste management process at Head Office in Pune. An organic waste converter – composting machine is being used to process organic waste collected from the premises as part of waste to wealth initiative waste into smaller, decomposable particles. This process results in nutrient nutrient-rich compost, providing a circular and self-sufficient solution.

Our facility generated ~2.72 Metric Tonnes of nutrient-rich compost for FY2024. The compost is used in gardening area of Bajaj Finserv Head Office premises, promoting sustainable practices for available green spaces with the building.

Also there is an active rainwater harvesting facility at the Head Office. Through the season an average of over ~2000 KL was reused in maintaining green spaces in the office premises.

**5. Does the entity have a business continuity and disaster management plan?**

Yes.

All material subsidiaries have Business Continuity Plan (BCP, strategies and framework) which is also compliant with applicable regulatory requirements. BCP envisages the disruptive events, their probability and impact on business operations which is assessed through business impact analysis. These aim to eliminate or minimise any potential disruption to critical business operations. The BCP includes Disaster Recovery procedures to quickly recover from an emergency.

A Business Continuity Plan (BCP) envisages likely disruptive events, their probability and impact on business operations. These are assessed through business-impact analysis to counter threats and challenges pertaining to information security, cyber security, and fraud.

The Group companies are compliant with the following:

- ISO 27001:2013 Information Security Management System
- ISO 22301:2012 Business Continuity Management System

Annual BCP drills are conducted to ensure that the BCP is effective given the current nature of business processes, infrastructure, personnel, etc. For more details, refer Section on Other Disclosures (\*) in material companies Annual Reports.

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

Given the nature of the business, there has been no significant adverse impact to the environment.

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

NIL

P1

## PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

P2

### Essential Indicators

P3

1. a. Number of affiliations with trade and industry chambers/ associations.
- 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.

P5

P6

P7

Sr. No.	Name of the Trade and Industry Chambers Associations	Company Name	Reach of Trade and Industry Chambers / Associations (State / National)
1	Confederation of Indian Industry	BFS, BAGIC, BALIC	International
2	World Economic Forum	BFS	International
3	General Insurance Council	BAGIC	National
4	Indo German Chamber of Commerce		International
5	Council for Insurance Ombudsmen	BAGIC, BALIC	National
6	Insurance Information Bureau of India	BALIC	National
7	Life Insurance Council	BALIC	National
8	Internet and Mobile Association of India	BFDL	National

P8

P9

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

Name of authority	Brief of the case	Corrective action taken
No corrective action was necessitated by the Group during the year under review		

### Leadership Indicators

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

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

BFS Group maintains regular engagement with the Government agencies and regulators and stands committed to providing timely and accurate information, suggestions and recommendations, feedback on draft policies, etc., as and when required. It keenly participates in putting forward views on the setting of new industry standards or regulatory developments pertaining to the financial services industry.

While making recommendations, in line with our policy, we attempt to balance the interest of various stakeholders. The senior executives of BFS Group engage with RBI, SEBI, IRDAI and other regulators on a periodic basis or as and when required. This enables the BFS Group to understand their areas of focus and concerns.

All interactions with the Government and regulators are done by authorised officials of the respective company. BFS is a member of World Economic Forum and Confederation of Indian Industries (CII), through which it actively engages in policy advocacy.

BFS and its subsidiaries are members of various trade and industry chambers, associations, councils and such other collective platforms ('forums'). We proactively contribute to the discussions and resolutions within the scope of these forums. Refer section Stakeholder Engagement.

**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.**

During the year there were no projects which required Social Impact Assessment as per applicable laws.

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

N.A.

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

The Bajaj Group Companies have various mechanisms to receive and redress feedback from of various stakeholders.

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

Amt ₹ In crore	FY2024	FY2023
Directly sourced from MSMEs/small producers	8.43%	9.80%
Sourced directly from within the district and neighbouring districts	N.A.	N.A.

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

Location	FY2024	FY2023
Rural	1.60%	1.20%
Semi-urban	7.70%	8.00%
Urban	24.40%	25.00%
Metropolitan	66.40%	65.80%

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

Details of negative social impact identified	Corrective action taken
N.A.	

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

Sr. No.	State	Aspirational District*	₹ in crore
1	Rajasthan	Sirohi	0.92
2	Maharashtra	Gadchiroli	0.07
3	Odisha	Dhenkanal	0.34
4	Odisha	Rayagada	0.41
5	Chhattisgarh	Bastar	0.50
6	Jharkhand	Ranchi	0.98
7	Uttarakhand	Hardwar	0.02

\* Amount allocated to the aspirational district is for the complete MOU period of the project/s and not for the year under consideration.

- P1 **3.** (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups? (Yes/No)
- P2 (b) From which marginalised /vulnerable groups do you procure?
- P3 (c) What percentage of total procurement (by value) does it constitute?
- P4 Not Applicable

P5 **4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge.**

Sr. No	Intellectual Property based on traditional knowledge	Owned / Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
P6				
P7				
P8				
		Not Applicable		

P9 **5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Name of authority	Brief of the Case	Corrective action taken
	No corrective actions pertaining to above mentioned parameters was necessitated by BFL Group during the year under review	

**6. Details of beneficiaries of CSR Projects:**

Sr. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable & marginalised groups
1	<b>Child</b>	<b>1.25 million</b>	<b>100</b>
1.1	Education	0.47 million	100
1.2	Health	0.15 million	100
1.3	Physical & Intellectual Disability	0.18 million	100
1.4	Prevention of Mortality	0.43 million	100
1.5	Protection	0.02 million	100
2	<b>Youth</b>	<b>0.25 million</b>	<b>100</b>
2.1	Livelihood Initiatives	0.12 million	100
2.2	PWD Skilling	0.01 million	100
2.3	Skilling for Employment	0.11 million	100
2.4	Skilling for Self -Employment / Enterprise	0.01 million	100
<b>Total Beneficiary*</b>		<b>1.50 million</b>	<b>100</b>

\* The beneficiaries are estimated for full project period and not for the financial year under consideration.

Beneficiaries are from vulnerable and marginalised groups, as all the CSR initiatives and activities taken up at the various work centres and locations benefit different segments of the society, with focus on the marginalised, poor, needy, deprived, under-privileged and differently abled persons. For more details on the CSR initiatives undertaken during the year, Section Empowering society in the ESG Report available on company website.



**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.**

Timely and appropriate customer grievance redressal is imperative. In fact, we aim to reduce the grievances learning from our experiences, through root cause analysis. The Group's dealings with its customers are professional, fair and transparent. BFS Group has a robust customer/policy holders services governance framework and same are enumerated under the section of Customer centricity.

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

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

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

Some of the initiatives in this regard are:

	FY2024			FY2023		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data Privacy	NIL	NIL	None	NIL	NIL	None
Advertising						
Cyber- security						
Restrictive Trade practices						
Unfair Trade practices	12,547	16	Pending complaints as on 31 March 2024 have been suitably addressed in April 2024	10,551	7	Pending complaints as on 31 March 2023 have been suitably addressed in April 2023
Others						

Some of the initiatives in this regard are:

- The BFS Group companies, through their charters, policies etc., communicate customer rights, company commitments, grievance redressal mechanism and ombudsman scheme, as applicable. These emphasise our commitment to fair practices by maintaining transparency in products and services offered.
- Dedicated customer complaint reduction units are in place, to review the grievance redressal mechanism under oversight of the Boards of respective material subsidiaries.
- Customer grievances are also reviewed with focus on identification of root cause, corrective action plans and customer service initiatives.
- Detailed customer grievance handling mechanism is further enumerated under section Customer centricity of the Report as well as on respective company websites.

P1

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

P2

P3

P4

P5

P6

P7

P8

P9

	Number	Reasons for recall
Voluntary recalls		
Forced recalls		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,

Each of the material subsidiaries in the Group has adopted an information security framework to establish, implement, monitor and constantly improve its information security posture. We focus on privacy of customer information and data security. The material subsidiaries of the Company are compliant with ISO 27001:2013 Information Security Management System. They also comply with the applicable regulatory framework and guidelines (viz. RBI's Master Direction – Information Technology Framework for the NBFC Sector, IRDAI's Guidelines on Information and Cyber Security for Insurers, etc).

In case of material subsidiaries, IT Security related projects and operations are reviewed by a committee, under oversight of Board of respective companies. These committees meet at least on a half-yearly frequency. Dedicated teams manage cyber security programme and operations for digital initiatives. For more details refer Information security, cyber security and fraud controls of the ESG report or the Risk Framework as details in the Annual Reports under Section of Other Disclosures for Bajaj Finserv Ltd. and the material companies.

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

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

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

- Number of instances of data breaches: NIL
- Percentage of data breaches involving personally identifiable information of customers: NIL
- 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).

BFS Group companies envisage to be an Omnipresent financial services provider company that enabling its existing and new customer to engage, transact and be serviced online to offline and vice versa.

Information relating to various financial services provided by the BFS Group is available on the Company's website, <https://www.aboutbajajfinserv.com/about-us>

In addition, the Group companies actively use various social media and digital platforms to disseminate information on its products suite. Alternatively, website navigation to the other companies is available from Bajaj Finserv Homepage (Link: <https://www.aboutbajajfinserv.com/>)

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

As a responsible corporate citizen, it is imperative to not just do business with customers, but also educate them and make them more aware of what could be good or bad for them, frauds, addressing their questions on financial products, etc. Each Group company has a mechanism to inform customers on usage of products offered. Continuous and contextual communication across the customer lifecycle through – press releases, yearly customer engagements, company website and blogs, social media campaigns, use of video content, on- ground activities, participation in insurance awareness programmes – GIC, Product awareness Campaigns, awareness campaigns during the pandemic, webinars, feature based audio-visual content for ease of understanding, etc. have helped us educate and create awareness amongst our customers and society at large.

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

Tech-led seamless customer experiences have been the hallmark of our businesses. Each business is unique and so is its approach towards enhancing customer experience. But the core objectives that tie them together stay the same – simplification of processes, ease of use and quick and appropriate response. The importance of information security, cyber security and fraud controls cannot be over-emphasised in this technological age. The need for robust control over these areas find a dominant place in our information technology framework. These controls obviate disruptions and security threats endangering loss of customer data and disruption in business operations.

In line with the IRDAI regulation, the insurance subsidiary companies shall give two-month advance notice in newspaper before re-allocation or closure of branch office and the same also published on the website.

All material subsidiaries have business continuity strategy and framework which is also compliant with applicable regulatory requirements. Business Continuity Plan (BCP) envisages the likely disruptive events, their probability and impact on business operations which is assessed through business impact analysis.

All material subsidiaries have business continuity strategy and framework which is also compliant with applicable regulatory requirements. Business Continuity Plan (BCP) envisages the likely disruptive events, their probability and impact on business operations which is assessed through business impact analysis.

The Business Continuity Plan (BCP) are regularly assessed through business-impact analysis to counter threats and challenges pertaining to information security, cyber security, and fraud. The BFS Group material companies are compliant with the following:

- ISO 22301:2012 Business Continuity Management System
- ISO 27001:2013 Information Security Management System

**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,

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

The BFS Group companies through their charters, policies, etc. communicate the customer rights, company commitments, grievance redressal mechanism and ombudsman scheme, as applicable which emphasise our commitment to fair practices by maintaining transparency in products and services offered.

Yes. The material subsidiaries carry out various surveys on regular basis for continuous listening to customers and driving continuous transformation to provide them a frictionless experience.

# Independent Assurance Statement

## Introduction

DNV Business Assurance India Private Limited ('DNV'), has been commissioned by Bajaj Finserv Limited (Corporate Identity Number L65923PN2007PLC130075, hereafter referred to as 'BFS' or 'the Company') to undertake an independent assurance of the Company's disclosures in Business Responsibility and Sustainability Report (hereafter referred as 'BRSR'). The disclosures include the 9 core attributes of BRSR as per Annex I of SEBI circular dated 12 July 2023 and the rest non-financial quantitative disclosures in BRSR (Annexure II of SEBI circular dated 12 July 2023).

## Reporting standard/framework

The disclosures have been prepared by BFS in reference to:

- BRSR Core – Framework for assurance and ESG disclosures for value chain as per SEBI (Securities and Exchange Board of India) Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023.
- BRSR reporting guidelines (Annexure II) as per SEBI Circular No. SEBI/HO/CFD/CMD-2/P/CIR/2021/562 dated May 10, 2021, and incorporated Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023.
- Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard.

## Assurance Methodology/Standard

This assurance engagement has been carried out in accordance with DNV's VeriSustain™ protocol (v6.0), which is based on our professional experience and international assurance practice, and the international standard in Assurance Engagements, ISAE 3000 (revised) - *Assurance Engagements other than Audits or Reviews of Historical Financial Information*. DNV's VeriSustain™ Protocol has been developed in accordance with the most widely accepted reporting and assurance standards. Apart from DNV's VeriSustain™ protocol (v6.0), DNV team has also followed ISO 14064-3 - *Specification with guidance for the verification and validation of greenhouse gas statements* to evaluate indicators wrt. Greenhouse gases disclosures.

## Intended User

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

## Level of Assurance

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

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

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

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

## Scope, Boundary and Limitations

### Scope

The scope of our engagement includes independent

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

- Principle 3: Essential Indicator 1-a, 2, 5, 8, 9, 13
- Principle 5: Essential Indicator 1, 2, 6, 7
- Principle 6: Essential Indicator 1,3,7,9\* ; Leadership Indicator 2\*\*
- Principle 8: Essential Indicator 5; Leadership Indicator 6
- Principle 9: Essential Indicator 3,7

\*Total water consumption is derived from "National Building Code (NBC) - Bureau of Indian Standards (BIS), 2016 - Estimation of Water Requirement for Drinking and Domestic Use" - "45 litres per person per working day". \*\*Scope 3 GHG emissions are reported for Categories 1, 6 and 9 as per GHG Protocol.

### Boundary of our assurance work:

Boundary covers the performance of BFS and its 9 subsidiaries & 2 Joint Ventures as mentioned below and having operations in India and falling under the direct operational control of the Company's Legal structure.

1. Bajaj Allianz Life Insurance Company Limited (BAGIC)
2. Bajaj Allianz General Insurance Company Limited (BALIC)
3. Bajaj Finance Limited (BFL)
4. Bajaj Finserv Direct Limited (BFDL)
5. Bajaj Housing Finance Limited (BHFL)
6. Bajaj Financial Securities Limited (BFSL)
7. Bajaj Finserv Ventures Limited (BFVL)
8. Bajaj Finserv Asset Management Limited (AMC)
9. Bajaj Finserv Health Limited (BFHL/EBH)
10. Bajaj Allianz Financial Distributor Limited (BAFDL) -JV
11. Bajaj Allianz Staffing Solutions Limited (BASSL) -JV

Based on the agreed scope with the Company, the boundary of verification covers the operations of BFS and its subsidiaries across all locations in India.

### Limitation(s):

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

The assurance scope has the following limitations:

- The assurance engagement considers an uncertainty of  $\pm 5\%$  based on materiality threshold for estimation/measurement errors and omissions.
- DNV has not been involved in evaluation or assessment of any financial data/performance of the company. DNV opinion on specific BRSR Core indicators (ref- for total revenue from operations; Principle 3, Question 1(c) of Essential Indicators for Spending on measures towards well-being of employees and workers - cost incurred as a % of total revenue of the company; Principle 8, Question 4 of Essential Indicators, Principle 1, Question 8 of Essential Indicators and Principle 1, Question 9 of Essential Indicators) relies on the third party audited data. DNV does not take any responsibility of the financial data reported in the audited financial reports of the Company.
- The assessment is limited to data and information within the defined Reporting Period. Any data outside this period is not considered within the scope of assurance.
- Data outside the operations specified in the assurance boundary is excluded from the assurance, unless explicitly mentioned otherwise in this statement.
- The assurance does not cover the Company's statements that express opinions, claims, beliefs, aspirations, expectations, aims, or future intentions. Additionally, assertions related to Intellectual Property Rights and other competitive issues are beyond the scope of this assurance.
- The assessment does not include a review of the Company's strategy or other related linkages expressed in the Report. These aspects are not within the scope of the assurance engagement.
- The assurance does not extend to mapping the Report with reporting frameworks other than those specifically mentioned. Any assessments or comparisons with frameworks beyond the specified ones are not considered in this engagement.
- Aspects of the Report that fall outside the mentioned scope and boundary are not subject to assurance. The assessment is limited to the defined parameters.
- The assurance engagement does not include a review of legal compliances. Compliance with legal requirements is not within the scope of this assurance, and the Company is responsible for ensuring adherence to relevant laws.
- The assurance engagement is based on the assumption that the data and information provided by the Company are complete, sufficient and authentic.

### Assurance process

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

<b>BRSR Core Indicators - Reasonable level of Assurance</b>	<b>Rest non-financial quantitative disclosures in BRSR Report - Limited Level of Assurance</b>
Reviewed the disclosures under BRSR Core, encompassing the framework for assurance consisting of a set of Key Performance Indicators (KPIs) under 9 ESG attributes. The format of BRSR Core is used as a basis of reasonable level of assurance	Reviewed the disclosures under BRSR reporting guidelines. Our focus included general disclosures, management processes, principle wise performance (essential indicators, and leadership indicators) and any other key metrics specified under the reporting framework. The BRSR reporting format used a basis of limited level of assurance.
Evaluation of the design and implementation of key systems, processes and controls for collecting, managing and reporting the BRSR Core indicators	Understanding the key systems, processes and controls for collecting, managing and reporting the non-financial quantitative disclosures in BRSR report.
Assessment of operational control and reporting boundaries	Walk-through of key data sets. Understand and test, on a sample basis, the processes used to adhere to and evaluate adherence to the reporting principles.
Seek extensive evidence across all relevant areas, ensuring a detailed examination of BRSR Core indicators. Engaged directly with internal stakeholders to gather insights and corroborative evidence for each disclosed indicator.	Collect and evaluate documentary evidence and management representations supporting adherence to the reporting principles.
Interviews with selected senior managers responsible for management of disclosures and review of selected evidence to support environmental KPIs and metrics disclosed in the Report. We were free to choose interviewees and interviewed those with overall responsibility of monitoring, data collation and reporting the selected indicators.	Interviews with the senior managers responsible for management of disclosures. We were free to choose interviewees and interviewed those with overall responsibility of monitoring, data collation and reporting the selected indicators.
DNV audit team conducted on-site audits for data testing and also, to assess the uniformity in reporting processes and also, quality checks at different locations of the Company. Sites for data testing and reporting system checks were selected based on the %age contribution each site makes to the reported indicator, complexity of operations at each location (high/low/medium) and reporting system within the organization. Sites selected for audits are listed in Annexure-II.	DNV audit team conducted on-site audits for corporate offices and sites. Sample based assessment of site-specific data disclosures was carried out. We were free to choose sites for conducting our assessment.
Conduct a comprehensive examination of key material aspects within the BRSR Core framework supporting adherence to the assurance based on applicable principles plus specified data and information.	Reviewed the process of reporting as defined in the assessment criteria.

In both the cases, DNV teams conducted the:

- Verification of the data consolidation of reported performance disclosures in context to the Principle of Completeness.
- Verification of the consolidated reported performance disclosures in context to the Principle of Completeness as per DNV's VeriSustain™ protocol (v6.0) for reasonable level verification for the disclosures.

## Conclusion

### Reasonable level of Assurance- BRSR 9 Core Attributes

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

### Limited Level of Assurance- BRSR Reporting Format

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

## Statement of Competence and Independence

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

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

**Purpose and Restriction on Distribution and Use**

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

For DNV Business Assurance India Private Limited

Ankita Parab Lead Verifier, Sustainability Services, DNV Business Assurance India Private Limited, India.	Kakaraparthi Venkata Raman Assurance Reviewer, Sustainability Services, DNV Business Assurance India Private Limited, India.
Assurance Team : Anjana Sharma , Chandan Sarkar , Anamika Kumari , Himanshu Babbar	

20/06/2024, Mumbai, India.

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

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



## Annex I

### Verified Data

Sr. No.	Attribute	Parameter	Unit of Measures	Assured Values
1	Green-house gas (GHG) footprint Greenhouse gas emissions may be measured in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard*	Total Scope 1 emissions	MT of CO <sub>2</sub> e	6057
		Total Scope 2 emissions	MT of CO <sub>2</sub> e	42089
		Total Scope 1 and Scope 2 emission intensity per rupee of turnover	MT CO <sub>2</sub> e/ Revenue from operations in ₹ Cr	0.44
		Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	MT CO <sub>2</sub> e/ Revenue from operations in ₹ Cr adjusted to PPP	9.77
		Total Scope 1 and Scope 2 emission intensity in terms of physical output	MT CO <sub>2</sub> e/ Consolidated Total Loan Portfolio in ₹ Cr	-
2	Water footprint	Total water consumption**	KL	870931
		Water consumption intensity	KL/ Revenue from operations in ₹ Cr	7.89
			KL / Revenue from operations in ₹ Cr adjusted for PPP	176.74
		Water intensity in terms of physical output	KL/ Consolidated Total Loan Portfolio in ₹ Cr	-
		Water Discharge by destination and levels of Treatment	KL	Not reported
3	Energy footprint	Total energy consumed	Giga Joules (GJ)	2,70,423
		% of energy consumed from renewable sources	In % terms	0.95
		Energy intensity	GJ/ Revenue from operations in ₹ Cr	2.45
			GJ/ Revenue from operations in ₹ Cr adjusted for PPP	54.87
			GJ/ Consolidated Total Loan Portfolio in ₹ Cr	-
4	Embracing circularity - details related to waste management by the entity	Battery waste	MT	35.83
		E-waste	MT	66.58
		Other Hazardous Waste	MT	1.17
		Biomedical Waste	MT	0.010
		Total	MT	103.59
		Waste intensity per rupee of turnover from operations	MT/ Revenue from operations in ₹ Cr	0
		Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)	MT / Revenue from operations in ₹ Cr adjusted for PPP	0.02
		Waste intensity	MT/ Consolidated Total Loan Portfolio in ₹ Cr	-
		Total waste recovered through recycling, re-using or other recovery operations		
		(i) Recycled	MT	103.58
		(ii) Re-used	MT	-
		Total	MT	-
		Total waste disposed by nature of disposal method		
		(i) Incineration	MT	-
		(ii) Landfilling	MT	-
		Total	MT	-

5	Enhancing Employee Wellbeing and Safety	Spending on measures towards well-being of employees and workers - cost incurred as a % of total revenue of the company	In % terms	0.11%
		Details of safety related incidents for employees and workers (including contract-workforce e.g. workers in the company's construction sites)	Number of Permanent Disabilities	Nil
			Total recordable work-related injuries	Nil
			Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Nil
			No. of fatalities	Nil
6	Enabling Gender Diversity in Business	Gross wages paid to females as % of wages paid	In % terms	9.1%
		Complaints on POSH	Total Complaints on Sexual Harassment (POSH) reported	38
			Complaints on POSH as a % of female employees / workers	0.31%
			Complaints on POSH upheld	21
7	Enabling Inclusive Development	Input material sourced from following sources as % of total purchases -and from within India	Directly sourced from MSMEs/ small producers (In % terms - As % of total purchases by value)	8.43%
			Directly sourced from within India	-
		Job creation in smaller towns - Wages paid to persons employed in smaller towns (permanent or non-permanent /on contract) as % of total wage cost	Location	
			Rural	1.6%
			Semi-urban	7.7%
			Urban	24.4%
8	Fairness in Engaging with Customers and Suppliers	Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events	In % terms	Nil
		Number of days of accounts payable	(Accounts payable *365) / Cost of goods/services procured	46
9	Open-ness of business	Concentration of purchases & sales done with trading houses, dealers, and related parties Loans and advances & investments with related parties	Purchases from trading houses as % of total purchases	NA
			Number of trading houses where purchases are made from	NA
			Purchases from top 10 trading houses as % of total purchases from trading houses	NA
			Sales to dealers / distributors as % of total sales	NA
			Number of dealers / distributors to whom sales are made	NA
			Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	NA
			Share of RPTs (as respective %age) in	
			Purchases	2.89%
			Sales	0.11%
			Loans & advances	0.02%
			Investments	0.23%

**Note:**

\*Emission factors used and their references, assumptions considered are mentioned in the 'GHG Inventory Report', 2024 prepared by Bajaj Finserv Group, which is applicable to BFS. Calculation of Scope 1 GHG emissions are based on conversion factors, emission factors considered in 2006 IPCC Guidelines for National Greenhouse Gas Inventories, IPCC sixth assessment report. Scope 2 GHG emissions for Indian operations are calculated based on the Grid

Electricity EF - Central Electricity Authority, Govt. of India, CO<sub>2</sub> baseline database for Indian Power Sector, version 19, December 2023 EF considered (including RES & Captive power injection into grid) is 0.716 kgCO<sub>2</sub> per kWh. For purchased electricity non grid with HSD as source of energy generation emission factor 0.70 tCO<sub>2</sub>/MWh is considered. [https://cea.nic.in/wp-content/uploads/baseline/2024/04/User\\_Guide\\_Version\\_19.0.pdf](https://cea.nic.in/wp-content/uploads/baseline/2024/04/User_Guide_Version_19.0.pdf) For fuel rate average consideration, [https://ppac.gov.in/uploads/page-images/1711513222\\_b64a426eaac364980b78.pdf](https://ppac.gov.in/uploads/page-images/1711513222_b64a426eaac364980b78.pdf) accessed on date 27th March 2024, is referred.

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

## Annex II

### Sites selected for audits

Sr. no.	Site	Location
1.	Corporate offices of BFS	Pune
2.	Offices/Branches- on-site visits	<p>BFL offices- Finserv House, Pune Goregaon, Mumbai Thane, Mumbai Salt Lake, Kolkata Somajigunda, Hyderabad Residency road, Bangalore Brookfield, Bangalore</p> <p>BHFL offices- Goregaon, Mumbai HO, Pune</p> <p>BAGIC- Mumbai- Prabhadevi, Andheri Pune- Bajaj House HO, Bajaj Finserv Hyderabad office Kolkata- Mani Square Bangalore - Rajajinagar</p> <p>BALIC- Mumbai- Sion, Andheri Pune- Pune (BFS) Hyderabad office Kolkata- Kolkata 1 Bangalore - Bangalore-1, Rajajinagar</p>
3.	Offices/Branches- (with in-person meeting with data owners during on-site visits to the offices mentioned in Sr. No. 2)	<p>BFL offices- Mumbai- 50000472, Chembur- FD, Andheri- 50000468, Dadar, Thane- Thane FD, Thane off roll, New Bhiwandi Pune- PTP, Mantri, Weikfield A &amp; B, Wakdewadi additional- Pune Nashik Bangalore- 50000085, Whitefield, NR trident, KR Puram, New Sahakarnagar, Rajajinagar, Prestige Building Hyderabad- Somajiguda, Banjarahills, Begumpet, Kothapet Kolkata- Rash Behari, Habra, Dankuni</p> <p>BHFL offices- Mumbai -Andheri, Thane, Mira road, Andheri 3rd</p> <p>BFSL- Pune, HO</p> <p>BAGIC- Mumbai- Borivali, Fort, Panvel, Vashi, Banca Sion, Sion, Ghatkopar, Thane, Kalyan Pune- Marvel Edge, PCMC, Pune RO Sangli, Satara, Solapur, Kolhapur, Jalgaon, Nashik, Aurangabad, Ahmednagar, Vardhaman Hyderabad- Warangal, Karimnagar, Mahabubnagar Kolkata- Rajarhat, New Market, Siliguri Bangalore - Hebbal, Hubli, Mangalore</p> <p>BALIC- Mumbai- Fort, Borivali, Thane, Vashi, Prabhadevi, Pune- Pune-1, Baner (Aundh), Pune (P00), Pune-BFS, Kolhapur, Nashik Hyderabad- Warangal, Karimnagar, Mahabubnagar Kolkata- Howrah 1, Burdwan, Kolkata (K91). Kolkata (UUK) Bangalore - Bangalore-2, Marathalli, Residency Road Marathalli, Residency Road Mysore (Karnataka), Mangalore (Karnataka), Hubli</p>

4.	Remote Audits	<p>BFL offices- Chennai- Raheja Towers, Spencer Plaza, Egmore Delhi-East office, South office, Janakpuri (5B/3), New Delhi office</p> <p>BHFL offices- Thane- Thane Additional, Kalyan, Virar, Virar additional Nagpur Nashik Aurangabad Pune- Baner, Chinchwad, NIBM, NIBM additional, Sinhgad road, Wagholi, Wakdewadi, Wakdewadi additional</p> <p>BAGIC- Chennai- Arumbakkam 5th Floor and 6th Floor, Madurai, Pondicherry, Coimbtore Delhi- Motinagar, CP, Nehru Palace</p> <p>BALIC- Rajasthan- Jaipur, Jodhpur, Chittorgarh Delhi- Delhi 1, Pitampura, Moti Nagar, Jasola, Lajpat Naga</p>
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# Independent Verification Statement

## Introduction

DNV Business Assurance India Private Limited ('DNV') has been commissioned by the management of Bajaj Finserv Limited (Corporate Identity Number L65923PN2007PLC130075) to carry out a verification of its Greenhouse Gas ('GHG') emissions data of Bajaj Finserv Limited (hereafter mentioned as 'BFS' and 'the Company') and its 9 subsidiaries & 2 Joint Ventures (collectively mentioned as 'BFS Group') for the period 1st April 2023 to 31st March 2024 (FY 2023-24). BFS has prepared its GHG data in bespoke spreadsheets based on the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard with the emission factors sourced from the Intergovernmental Panel on Climate Change's (IPCC) Sixth Assessment Report, The UK Department for Environment, Food and Rural Affairs (Defra) Central Electricity Authority, Govt. of India and India GHG Program, 2014.

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

## Intended User

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

## Level of Verification

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

## Responsibilities of the Company and DNV

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

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

## Scope, Boundary and Limitations of Verification

### Scope

The scope of work agreed includes the following:

- Verification of GHG Scope 1 and Scope 2 emissions data from various activities for FY 2023-24 for reasonable level of verification
  - Scope 1 emissions due to combustion of fossil fuels and other emissions, such as
    - Combustion of high-speed diesel (HSD) for diesel generators
    - Fuel consumed by company-owned vehicles.
    - HFC releases from air conditioners
    - CO<sub>2</sub> released due to use of CO<sub>2</sub>-based fire extinguishers
  - Scope 2 emissions due to purchased electricity from national grids in India and purchase of electricity from other sources
- Verification of GHG Scope 3 emissions data from various activities for FY 2023-24 for limited level of verification
- Other Indirect GHG emissions (Scope 3 emissions) arising from value chain covering three categories as per the Greenhouse Gas Protocol's Corporate Value Chain (Scope 3) Accounting. Categories reported are-
  - C1: Purchased Goods and Services- procurement of office supplies
  - C6: Business Travel- air, road & train travel, hotel stay and guest house stay
  - C9: Downstream transportation and distribution- relocation, freighting courier

## Boundary

Boundary covers the performance of BFS and its 9 subsidiaries & 2 Joint Ventures mentioned below; have operations in India that fall under the direct operational control of the Company's Legal structure.

1. Bajaj Allianz Life Insurance Company Limited (BAGIC)
2. Bajaj Allianz General Insurance Company Limited (BALIC)
3. Bajaj Finance Limited (BFL)
4. Bajaj Finserv Direct Limited (BFDL)
5. Bajaj Housing Finance Limited (BHFL)
6. Bajaj Financial Securities Limited (BFSL)
7. Bajaj Finserv Ventures Limited (BFVL)
8. Bajaj Finserv Asset Management Limited (AMC)
9. Bajaj Finserv Health Limited (BFHL/EBH)
10. Bajaj Allianz Financial Distributor Limited (BAFDL) JV
11. Bajaj Allianz Staffing Solutions Limited (BASSL) JV

Based on the agreed scope with the Company, the boundary of verification covers the operations of BFS Group across all locations in India.

## Limitation(s):

- The verification engagement considers an uncertainty of  $\pm 5\%$  based on materiality threshold for estimation/measurement errors and omissions.
- DNV has not been involved in evaluation or assessment of any financial data/performance of the company and its subsidiaries.
- The assessment is limited to data and information within the defined Reporting Period. Any data outside this period is not considered within the scope of verification.
- Data outside the operations specified in the verification boundary is excluded from the verification, unless explicitly mentioned otherwise in this statement.
- The verification engagement is based on the assumption that the data and information provided by the Company are complete, sufficient and authentic.
- No external stakeholders were interviewed as part of this verification engagement.

## Verification Methodology:

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

We carried out the following activities:

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

## Conclusion

### Reasonable level of verification- Scope 1 & 2 GHG emissions

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



**Limited Level of verification- Scope 3 GHG emissions**

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

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

**GHG Emissions for BFS Group**

Scope details	Total GHG Emissions (tCO <sub>2</sub> e) for FY 2023-24
Scope 1 Direct GHG emissions (Scope 1 emissions) covering combustion of high-speed diesel (HSD) for diesel generators, fuel consumed by company-owned vehicles, HFC releases from air conditioner, CO <sub>2</sub> released due to use of CO <sub>2</sub> -based fire extinguishers	6057
Scope 2 Indirect GHG emissions (Scope 2 emissions) covering consumption of purchased electricity for its facilities and units (from national grid in India and other sources)	42,089
Scope 3 other Indirect GHG emissions (Scope 3 emissions) covering <ul style="list-style-type: none"> <li>C1: Purchased Goods and Services- procurement of office supplies</li> <li>C6: Business Travel- air, road &amp; train travel, hotel stay and guest house stay</li> <li>C9: Downstream transportation and distribution- relocation, freighting courier</li> </ul>	28,753
<b>Total Scope 1, Scope 2 &amp; Scope 3 Emissions</b>	<b>76,899</b>

Note:

1. Emission factors used and their references, assumptions considered are mentioned in the 'GHG Inventory Report', 2024 prepared by Bajaj Finserv Group, which is applicable to BFS Group.
2. Calculation of Scope 1 GHG emissions are based on conversion factors, emission factors considered in 2006 IPCC Guidelines for National Greenhouse Gas Inventories, IPCC sixth assessment report and GHG protocol cross sector emission factors.
3. Scope 2 GHG emissions for Indian operations are calculated based on the Grid Electricity EF - Central Electricity Authority, Govt. of India, CO<sub>2</sub> baseline database for Indian Power Sector, version 19, December 2023 EF considered (including RES & Captive power injection into grid) is 0.716 kgCO<sub>2</sub> per kWh. For purchased electricity non grid with HSD as source of electricity generation, emission factor 0.70 tCO<sub>2</sub>/MWh is considered. [https://cea.nic.in/wp-content/uploads/baseline/2024/04/User\\_Guide\\_Version\\_19.0.pdf](https://cea.nic.in/wp-content/uploads/baseline/2024/04/User_Guide_Version_19.0.pdf)
4. For fuel rate average consideration, [https://ppac.gov.in/uploads/page-images/1711513222\\_b64a426eac364980b78.pdf](https://ppac.gov.in/uploads/page-images/1711513222_b64a426eac364980b78.pdf) accessed on date 27th March 2024, is referred.
5. Calculation of Scope 3 GHG emissions are based on emission factors considered in India GHG Program <https://indiaghgp.org/transport-emission-factors> - for train and road transport, for hotel stay & guest houses- <https://ecommons.cornell.edu/server/api/core/bitstreams/220e2386-fac7-4985-8825-a901176b161f/content>

**Statement of Competence and Independence**

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

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

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

## Purpose and Restriction on Distribution and Use

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

For DNV Business Assurance India Private Limited

Ankita Parab Lead Verifier, Sustainability Services, DNV Business Assurance India Private Limited, India.	Kakaraparthi Venkata Raman Verification Reviewer, Sustainability Services, DNV Business Assurance India Private Limited, India.
Assurance Team : Anjana Sharma , Chandan Sarkar , Anamika Kumari , Himanshu Babbar 20/06/2024, Mumbai, India.	

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

## Annexure I

### GHG Emissions for BFS Group

Total GHG Emissions (tCO <sub>2</sub> e) for FY 2023-24	Scope details		
	Scope 1 Direct GHG emissions*	Scope 2 Indirect GHG emissions**	Scope 3 other Indirect GHG emissions ***
<b>BFS</b>	38.75	1661.58	101.73
<b>BHFL</b>	377.32	2128.20	949.89
<b>BFSL</b>	19.80	779.84	104.26
<b>BAGIC</b>	179.58	4616.89	3078.59
<b>BALIC</b>	920.59	6217.24	7217.65
<b>BFL_CF</b>	4387.48	25038.90	12666.80
<b>BFL_AF</b>	0	960.92	1571.28
<b>EBH</b>	98.60	494.44	98.19
<b>AMC</b>	35.38	57.78	2878.60
<b>BFDL</b>	0.01	133.26	0.37
<b>BFVL</b>	0	0	85.87
<b>BFS Group</b>	<b>Total Scope 1, Scope 2 &amp; Scope 3 Emissions</b>		
	<b>6057</b>	<b>42089</b>	<b>28753</b>

\*Scope 1 Direct GHG emissions (Scope 1 emissions) covering combustion of high-speed diesel (HSD) for diesel generators, fuel consumed by company-owned vehicles, HFC releases from air conditioner, CO<sub>2</sub> released due to use of CO<sub>2</sub>-based fire extinguishers

\*\* Scope 2 Indirect GHG emissions (Scope 2 emissions) covering consumption of purchased electricity for its facilities and units (from national grid in India and other sources)

\*\*\* Scope 3 other Indirect GHG emissions (Scope 3 emissions) covering

- C1: Purchased Goods and Services- procurement of office supplies
- C6: Business Travel- air, road & train travel, hotel stay and guest house stay
- C9: Downstream transportation and distribution- relocation, freighting courier

## Annexure II

### Sites selected for audits

Sr. no.	Site	Location
1.	Corporate offices of BFS	Pune
2.	Offices/Branches- on-site visits	<p>BFL offices- Finserv House, Pune Goregaon, Mumbai Thane, Mumbai Salt Lake, Kolkata Somajigunda, Hyderabad Residency road, Bangalore Brookfield, Bangalore</p> <p>BHFL offices- Goregaon, Mumbai HO, Pune</p> <p>BAGIC- Mumbai- Prabhadevi, Andheri Pune- Bajaj House HO, Bajaj Finserv Hyderabad office Kolkata- Mani Square Bangalore - Rajajinagar</p> <p>BALIC- Mumbai- Sion, Andheri Pune- Pune (BFS) Hyderabad office Kolkata- Kolkata 1 Bangalore - Bangalore-1, Rajajinagar</p>
3.	Offices/Branches- (with in-person meeting with data owners during on-site visits to the offices mentioned in Sr. No. 2)	<p>BFL offices- Mumbai- 50000472, Chembur- FD, Andheri- 50000468, Dadar, Thane- Thane FD, Thane off roll, New Bhiwandi Pune- PTP, Mantri, Weikfield A &amp; B, Wakdewadi additional- Pune Nashik Bangalore- 50000085, Whitefield, NR trident, KR Puram, New Sahakarnagar, Rajajinagar, Prestige Building Hyderabad- Somajiguda, Banjarahills, Begumpet, Kothapet Kolkata- Rash Behari, Habra, Dankuni</p> <p>BHFL offices- Mumbai -Andheri, Thane, Mira road, Andheri 3rd</p> <p>BFSL- Pune, HO</p> <p>BAGIC- Mumbai- Borivali, Fort, Panvel, Vashi, Banca Sion, Sion, Ghatkopar, Thane, Kalyan Pune- Marvel Edge, PCMC, Pune RO, Pune (BFS), Sangli, Satara, Solapur, Kolhapur, Jalgaon, Nashik, Aurangabad, Ahmednagar, Vardhaman Hyderabad- Warangal, Karimnagar, Mahabubnagar Kolkata- Rajarhat, New Market, Siliguri Bangalore - Hebbal, Hubli, Mangalore</p> <p>BALIC- Mumbai- Fort, Borivali, Thane, Vashi, Prabhadevi, Pune- Pune-1, Baner (Aundh), Pune (P00), Pune-BFS, Kolhapur, Nashik Hyderabad- Warangal, Karimnagar, Mahabubnagar Kolkata-</p>

		Howrah 1, Burdwan, Kolkata (K91). Kolkata (UUK) Bangalore - Bangalore-2, Marathalli, Residency Road Marathalli, Residency Road Mysore (Karnataka), Mangalore (Karnataka), Hubli
4.	Remote Audits	<p>BFL offices- Chennai- Raheja Towers, Spencer Plaza, Egmore Delhi-East office, South office, Janakpuri (5B/3), New Delhi office</p> <p>BHFL offices- Thane- Thane Additional, Kalyan, Virar, Virar additional Nagpur Nashik Aurangabad Pune- Baner, Chinchwad, NIBM, NIBM additional, Sinhgad road, Wagholi, Wakdewadi, Wakdewadi additional</p> <p>BAGIC- Chennai- Arumbakkam 5th Floor and 6th Floor, Madurai, Pondicherry, Coimbtore Delhi- Motinagar, CP, Nehru Palace</p> <p>BALIC- Rajasthan- Jaipur, Jodhpur, Chittorgarh Delhi- Delhi 1, Pitampura, Moti Nagar, Jasola, Lajpat Naga</p>

## Annexures

### Codes and Policies:

The following are the Codes and Policies which is accessible through our company website with Link: <https://www.aboutbajajfinserv.com/investor-relations-policies-and-codes>.

Sr. No	NGRBC - Principle wise Policies	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	<a href="#">Responsible and Sustainable Business Conduct Policy</a>	✓	✓	✓	✓	✓	✓	✓	✓	✓
2	<a href="#">Prevention of Sexual harassment at workplace (Prevention, Prohibition &amp; Redressal)</a>	✓		✓		✓				
3	<a href="#">Disciplinary action and grievance redressal</a>	✓		✓		✓				
4	<a href="#">Fair practices code</a>	✓			✓					✓
5	<a href="#">Vigil mechanism / Whistle Blower Policy</a>	✓		✓		✓				
6	<a href="#">Corporate Social Responsibility (CSR) Policy</a>	✓			✓				✓	
7	<a href="#">Policy on Materiality of and dealing with Related Party Transactions</a>	✓								
8	<a href="#">Code of Ethics and Personal Conduct</a>	✓		✓						
9	<a href="#">Employee Charter – Human Rights</a>	✓		✓	✓					✓
10	<a href="#">Remuneration Policy</a>	✓		✓		✓				
11	<a href="#">Code of Conduct for Directors and Senior Management</a>	✓								
12	<a href="#">Board Evaluation Criteria</a>	✓								
13	<a href="#">CII Code of Conduct</a>	✓		✓						

### Material Companies:

Other than the policies placed on the Company's website certain policies of the Company are internal documents and are not accessible to the public. The NGRBC policy and practices are followed by all the material subsidiaries wherever applicable to the company through their policies and accompanying processes. Publicly accessible policies of material subsidiaries are available on their respective websites:

1. BFL: <https://www.aboutbajajfinserv.com/finance-investor-relations-policies-and-codes>
2. BHFL: <https://www.bajajhousingfinance.in/policies-and-documents>
3. BAGIC: <https://www.bajajallianz.com/about-us/corporate-policy.html>
4. BALIC: <https://www.bajajallianzlife.com/about-us.html>

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

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

#### Principle 1 :

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



#### Principle 2 :

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



#### Principle 3 :

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



#### Principle 4 :

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



#### Principle 5 :

Businesses should respect and promote human rights.



#### Principle 6 :

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



#### Principle 7 :

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



#### Principle 8 :

Businesses should promote inclusive growth and equitable development.



#### Principle 9 :

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

