



# Preserving and Protecting the Environment

## UN SDGs impacted



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**TAPAN SINGHEL**

Managing Director and CEO , Bajaj Allianz General Insurance Co. Ltd

As a responsible insurer, we are developing products for a low carbon economy. BAGIC covered 10% of India's EV market and issued insurance policies for renewable energy projects in FY2025 - a reflection of how ESG is integrated into product design and decision-making.”

# Decarbonising Business

At Bajaj Finserv, we are committed to building environmental resilience by focusing on positive climate action and ecological regeneration. Through scientific, data-driven efforts and responsible business practices, we aim to make a lasting, positive impact on the planet.



## Renewable Power Generation

As part of our commitment to accelerating the low-carbon transition, the Bajaj Finserv Group have been implementing a comprehensive renewable energy strategy.

The Group is a net producer of renewable energy, reflecting its strong commitment to sustainability and clean energy adoption.

**~757 kW**

Capacity of solar panels installed by the BFS Group

**~3.2 lakh**

Units of clean electricity generated in FY2025

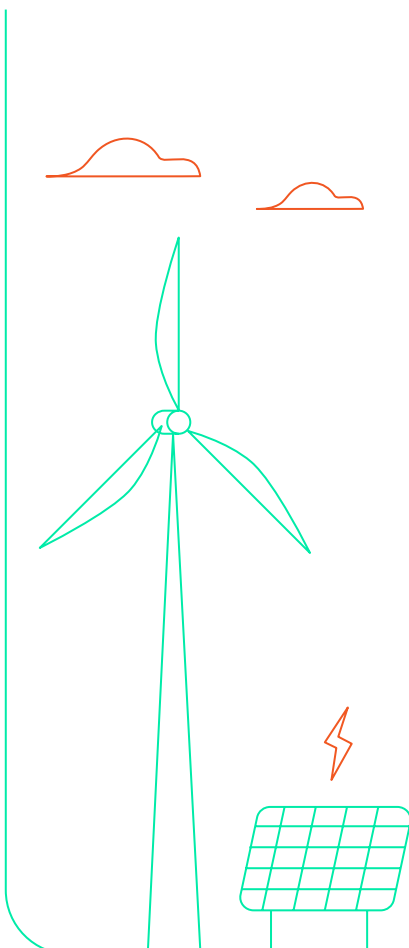
**65.2 MW**

Installed capacity of wind turbines at Satara and Supa, Maharashtra

**~8.4 crore**

Units of green electricity generated in FY2025

By generating more electricity through wind power than it consumes, the Group actively reduces its carbon footprint and supports India's transition to renewable energy.





## PRESERVING AND PROTECTING ENVIRONMENT

# Environmental Performance

### Our Energy Footprint

As a service-driven organisation, we at BFS, recognise the critical role energy plays in delivering our commitments to stakeholders. In FY2025, our energy consumption stood at 330,194.27 GJ (Giga Joules). The major source of energy consumption is grid electricity, which contributes approximately 74%, while the remainder comes from use of fuel and renewable electricity.

# 330,194.27 GJ

Total energy consumption

## 243,154.10 GJ

Purchased electricity from the grid

## 36,137.37 GJ

Energy from Diesel consumption

## 46,454.33 GJ

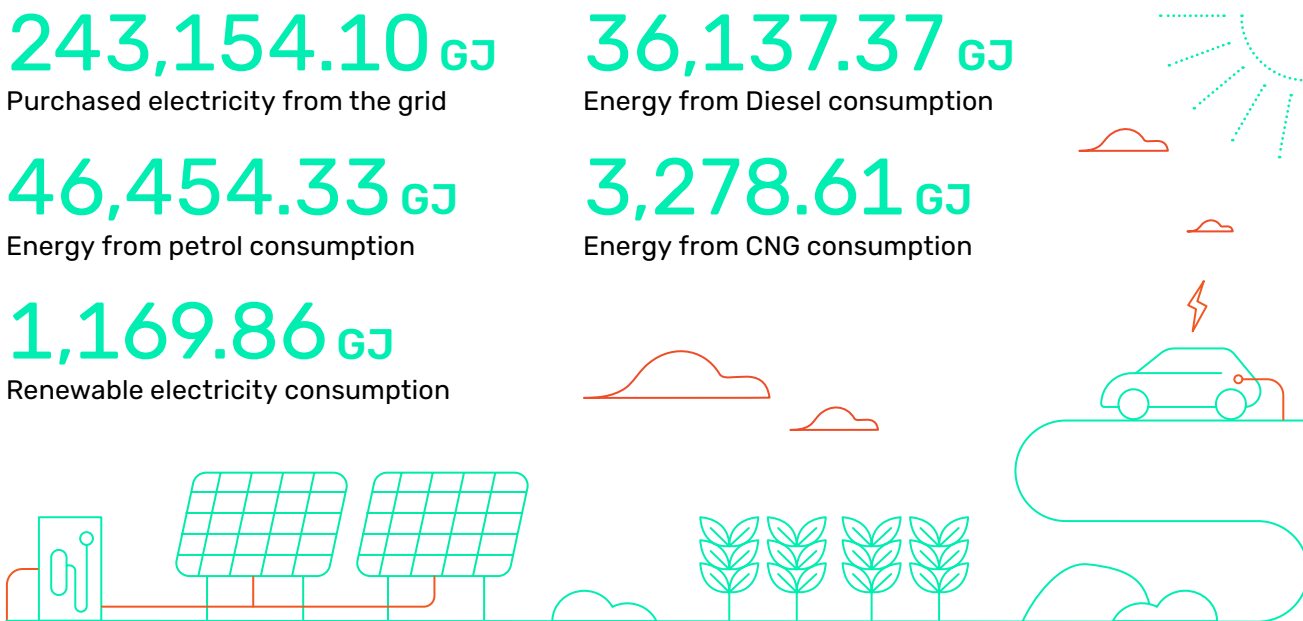
Energy from petrol consumption

## 3,278.61 GJ

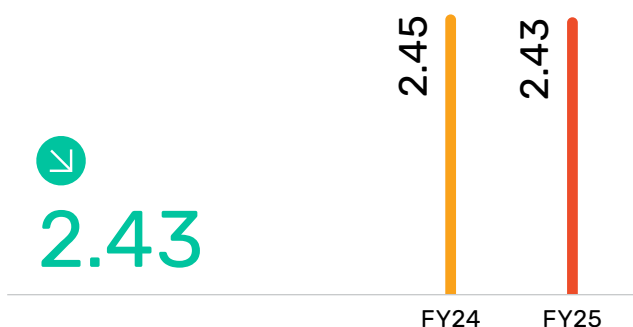
Energy from CNG consumption

## 1,169.86 GJ

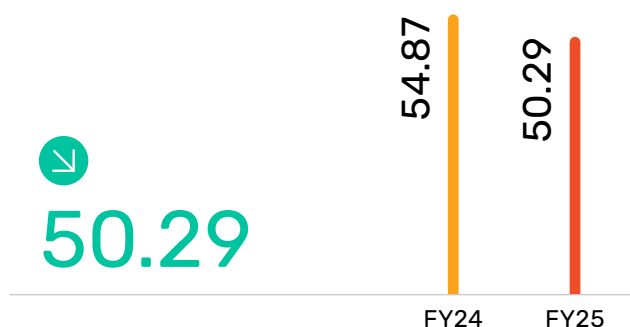
Renewable electricity consumption



**TOTAL ENERGY INTENSITY PER CRORE OF CONSOLIDATED TOTAL REVENUE FROM OPERATIONS**



**TOTAL ENERGY INTENSITY PER CRORE OF CONSOLIDATED TOTAL REVENUE FROM OPERATIONS ADJUSTED FOR PPP**



## Energy Efficiency and Resource Optimisation

The BFS Group is committed to sustainability by reducing energy consumption due to its impact on the climate and broader ecological systems. We aim to operate resource-efficient facilities that enhance the indoor environment through an integrated portfolio of energy efficiency across our group companies. Some such initiatives are:

### Lighting Systems

Phased replacement of conventional lighting with energy-efficient alternatives, expected to result in significant energy savings and a reduction in carbon emissions.

~65%

of our branches are provided with LED light fittings as a standard feature

### Operational Optimisation

We continuously assess and optimise our processes to identify energy-saving opportunities, streamline workflows, and reduce idle time. Accordingly, planned deployment of Retro-Fit Emission Control Devices for diesel generators is being undertaken to mitigate particulate emissions.



### HVAC Optimisation

We promote the use of AC systems with ozone-friendly refrigerants. These refrigerants help prevent ozone depletion, utilising newer technologies that are more energy-efficient to reduce electricity consumption and greenhouse-gas emissions.

### Equipment and Appliance Efficiency

We prioritise energy-efficient equipment and appliances, considering lifecycle costs, certifications, and energy ratings. Regular maintenance and upgrades ensure optimal energy usage. Our new equipment procurement now requires efficiency ratings meeting specified standards.

### Green IT Practices

We advocate for energy-efficient IT hardware, virtualisation, and cloud computing. We also promote digitisation for paperless processing and use AI, ML, and robotics to automate processes and consolidate servers, reducing energy usage in data centres and IT infrastructure. Most of our Companies would be amongst the best in terms of digital adoption vs. peers.





## PRESERVING AND PROTECTING ENVIRONMENT

# Greenhouse Gas (GHG) Emission Management

The Bajaj Finserv Group remains committed to minimising environmental impact and supporting value chain decarbonisation. We focus on reducing GHG emissions through robust measurement protocols and initiatives that promote a low-carbon economy, aligning with global sustainability goals and improving operational efficiency.

Since FY2021, we have reported Group-level GHG emissions, continuously refining our methodology. In FY2025, we published consolidated emissions with Reasonable Assurance, aligned with the GHG Protocol and using emission factors from Inter-governmental panel on climate change (IPCC), Department for Environment, Food and Rural Affairs (DEFRA), Central electricity authority (CEA), and the India GHG Programme.

While our physical footprint has grown with new offices and branches, our emissions intensity has declined through the adoption of energy-efficient infrastructure and climate-conscious planning.



### Our GHG inventory encompasses three emission categories

#### Scope 1 Emissions

Includes emissions from owned and operationally controlled DG sets, company-owned cars, refrigerant used for air conditioning, and CO<sub>2</sub> extinguisher refilling.

#### Scope 2 Emissions

Primarily results from procurement of electricity to sustain our operations.

#### Scope 3 Emissions

In addition to measuring and managing Scope 1 and Scope 2 emissions, the BFS group recognises the significance of Scope 3 emissions in its commitment to comprehensive environmental stewardship. In FY2025, we expanded our Scope 3 GHG disclosures to include Category 3 (Fuel- and Energy-related Activities) and Category 5 (Operational Waste), strengthening accountability in emissions tracking.

### BFS Group's Scope 3 emissions includes

#### Category 1 Purchased Goods and Services

Procurement of office supplies and housekeeping essentials, courier, and relocation of employee's goods.

#### Category 3 Fuel- and Energy-related Activities

Transmission and distribution loss.

#### Category 5 Waste Generated in Operations

E-waste, battery waste, hazardous waste, and biomedical waste generated.

#### Category 6 Business Travel

Travel by air, train, road, hotel stay, and guest house stay.

8,966.20 TCO<sub>2</sub>e

Scope 1

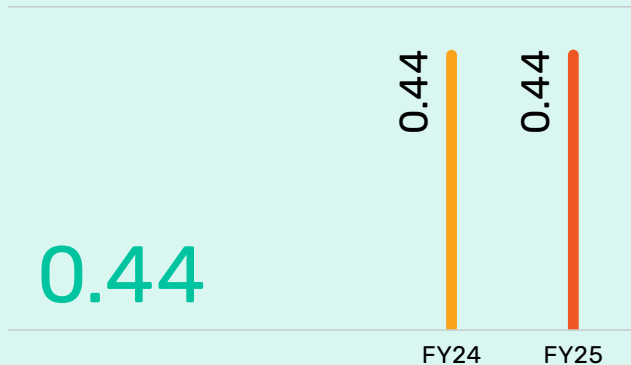
49,490.80 TCO<sub>2</sub>e

Scope 2

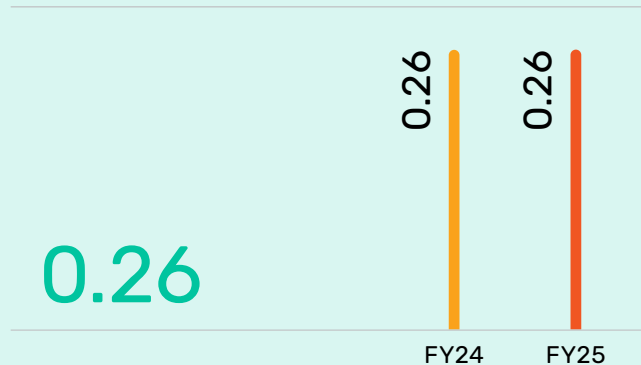
35,337.56 TCO<sub>2</sub>e

Scope 3

#### TOTAL SCOPE 1 AND SCOPE 2 EMISSIONS INTENSITY PER CRORE OF CONSOLIDATED TOTAL REVENUE FROM OPERATIONS



#### TOTAL SCOPE 3 EMISSION INTENSITY PER CRORE OF CONSOLIDATED TOTAL REVENUE FROM OPERATIONS



### Commitment to Carbon Neutrality

Aligned with our long-range strategy, at BFS Group, we are embedding sustainability into operations to support global climate action alongside business goals.

**In partnership with a leading consulting firm, we have developed a carbon neutrality roadmap, to become carbon neutral for Scope 1 and 2 emissions by 2032 – a key milestone in our commitment to a sustainable future.**

## Waste Management

At the Bajaj Finserv Group, environmental responsibility is integral to our operations. In virtue of this approach, we have adopted an integrated waste management framework focused on reduction, segregation, and circularity. Key initiatives include cutting paper and plastic use and systematic source segregation.

**Our flagship 'Waste to Wealth' project at Bajaj Finserv House processes 60-80 kg of organic waste daily, converting it into 12 tonnes of compost annually to maintain office gardens—making the facility self-sustaining and eco-friendly for over 1,800 employees and 200 visitors.**

**We have also partnered with certified waste management vendors to ensure the responsible disposal of e-waste and battery waste, in line with the E-waste (Management) Rules.**

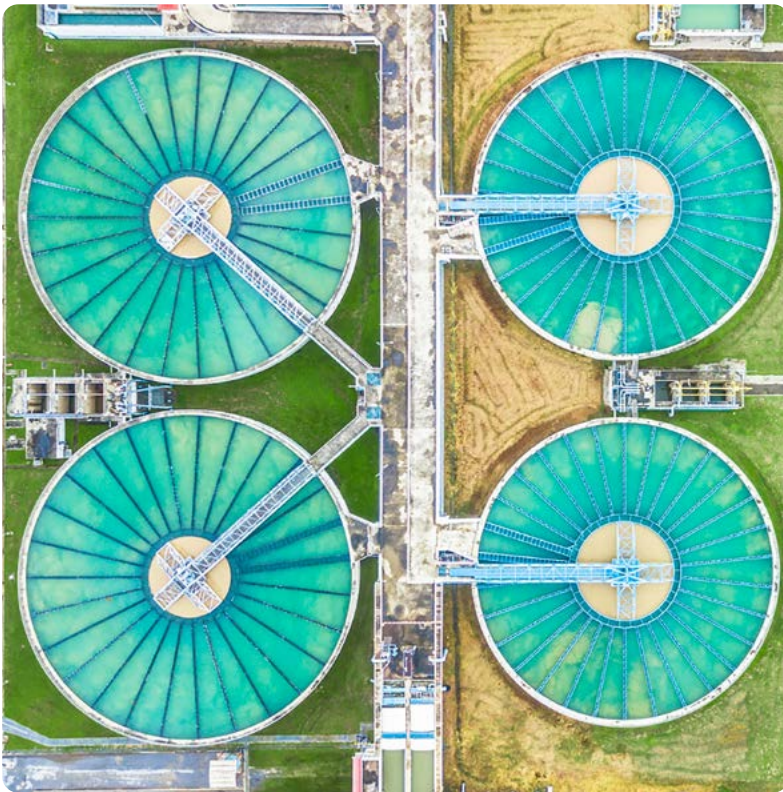


## PRESERVING AND PROTECTING ENVIRONMENT

# Water Management

At Bajaj Finserv Group, we are committed to reducing water consumption through a blend of measures such as sensor-based taps, waterless urinals, rainwater harvesting, and the refurbishment of the Sewage Treatment Plant (STP) at our head office have significantly reduced our dependence on third-party water sources.

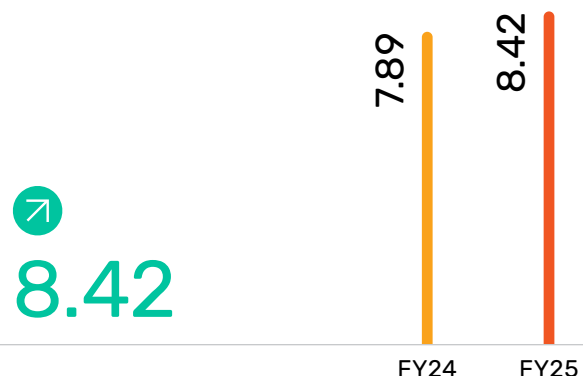
As our operations primarily use water for domestic and drinking purposes, sourced from municipal or authorised providers, we have adopted a phased approach to monitor and measure water usage—starting with larger sites—to enable data-driven optimisation and expand meter coverage over time.



## ~11 lakh kilolitres

Estimated total water usage for FY2025 by BFS Group (computed as per CGWA guidelines)

**TOTAL WATER INTENSITY PER CRORE OF CONSOLIDATED TOTAL REVENUE FROM OPERATIONS**



## Independent Assurance on Environmental Parameters

At the Bajaj Finserv Group, we are committed to transparent ESG disclosures and data reliability. Since FY2022, we have voluntarily sought limited assurance for environmental data, and from FY2024, aligned with **SEBI-BRSR guidelines**, we transitioned to **reasonable assurance** for waste, water, and Scope 1 and 2 emissions, along with voluntary assurance for Scope 3 emissions. Notably, our insurance subsidiaries **BAGIC** and **BALIC** are among the first non-listed insurance companies in India to **fully report ESG metrics as per SEBI-BRSR guidelines** and to obtain limited assurance for BRSR reports and verified GHG emissions (Scope 1, 2, and 3) from FY2023 onwards.

## Green Initiatives: A Model for Environmental Restoration



### Paper Reduction

The BFS Group has saved approximately 610 crore sheets of paper over the last three years, equivalent to preserving nearly 7.3 lakh trees.



### Usage of E-vehicles

Introduced 20 electric vehicles for inter-office shuttles, enhancing air quality and reducing pollution. Achieved ~4.5 lakh km travel and ~1.8 lakh trips in FY2025, avoiding ~52 tonnes of CO<sub>2</sub> emissions.



### Reforestation Efforts

Planted over 6 lakh saplings across India in the last five years, supporting ecological restoration and climate resilience.



### Sustainability Impact

These initiatives reflect the Group's holistic approach to sustainability by reducing waste, promoting biodiversity, and mitigating climate change.



### Sustainable Sourcing

Our lending arm Bajaj Finance Ltd. procured over 86% FSC-Certified Recycled Paper, reinforcing the Group's commitment to responsible procurement.

>6 lakh

Tree saplings planted in the last five years



## PRESERVING AND PROTECTING ENVIRONMENT

# Sustainable Finance: Products with Purpose Encouraging Environmental Stewardship

While we take steps to reduce the impact of our business operations on the environment, it is simultaneously imperative to provide financial products and services to customers that enable them to reduce their environmental impact. As a financial services leader, we recognise that our greatest environmental impact occurs through lending and investment decisions. Through the development of specialised products that accelerate the transition to a low-carbon economy, we can drive systemic change at scale.

## Key Initiatives

### Green Building Financing (BHFL)

- ◆ Disbursed over ₹2,100 crore in FY2025 for 21 green building projects.
- ◆ Supports energy-efficient and environmentally responsible infrastructure aligned with global green certification standards.



### Electric Mobility Financing and Protection

- ◆ BAGIC insured 1.94 lakh EVs, covering over 10% of India's EV market in FY2025.
- ◆ BAGIC launched #EVForAll, offering 11 specialised services, including:
  - EV Helpline, SOS, On-site Charging, Pickup and Drop, Accommodation, Roadside and Minor Repairs, Urgent Message Relay, Legal and Medical Assistance, Taxi Benefits.
- ◆ BFL disbursed over ₹2,000 crore, financing 1.46 lakh+ EVs over the past three years.

### Financing Eco-Friendly Devices (BFL)

- ◆ Disbursed more than ₹4,000 crore, supporting the shift to low-impact, sustainable technologies.

# 12 lakh+

Energy-efficient devices (rated 5-star and above) financed in FY2025

### Renewable Energy Support

- ◆ BAGIC issued 6+ lakh insurance policies in FY2025 for renewable energy projects (solar, wind, hydropower), with Gross Written Premium exceeding ₹251.70 crore.
- ◆ BFL financed 6,000+ solar panel loans totalling ₹23 crore over the past three years.



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**PURAV JHAVERI**  
President (Investments), Bajaj Finserv Ltd.

As our businesses scale, we are taking more decisive actions to safeguard the environment. While carbon neutrality is a significant initiative, we believe the company's foray into green finance and leveraging AI for improved efficiencies will support the transition to a low carbon economy.”

### Launch of environment friendly products (BAGIC)

BAGIC has launched a series of environment friendly products such as **EcoAssure**, a pioneering initiative aimed at integrating sustainability into the insurance sector. This product reflects their commitment to:

- ◆ Promoting environment friendly practices
- ◆ Encouraging green insurance solutions
- ◆ Supporting customers who prioritise sustainability



### Environment Policy

Our lending arm, BFL has adopted an Environmental Policy under which it commits to ensure that funds will not be used to finance certain types of activities such as:

-  Manufacture and marketing of banned drugs.
-  Dealing in narcotics.
-  Dealing in banned wildlife related products.
-  Production and distribution of pornographic material, etc.

