

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L65910MH1987PLC042961	
2.	Name of the Listed Entity	Bajaj Finance Limited (Referred to as 'the Company' / 'BFL')	
3.	Year of incorporation	1987	
4.	Registered office address	Akurdi, Pune - 411 035	
5.	Corporate address	4th Floor, Bajaj Finserv Corporate office, Off Pune-Ahmednagar Road, Viman Nagar, Pune - 411 014	
6.	E-mail	investor.service@bajajfinserv.in	
7.	Telephone	020-71576403	
8.	Website	https://www.bajajfinserv.in/corporate-bajaj-finance	
9.	Financial year for which reporting is being done	2024 - 2025	
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange Limited (NSE Limited)	
11.	Paid-up Capital	₹ 124.17 crore*	
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Name and designation of the person	R Vijay, Company Secretary
		Contact details	020-71576403
		Email ID	vijay.r@bajajfinserv.in
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Consolidated basis (unless otherwise stated) – Collectively referred to as 'BFL Group' which includes Bajaj Finance Limited and its two subsidiaries i.e., Bajaj Housing Finance Limited, and Bajaj Financial Securities Limited (wholly-owned).	
14.	Name of assessment or assurance provider	Assurance provided by SGS India Private Limited	
15.	Type of assessment or assurance obtained	BRSR Core: Reasonable assurance	
		BRSR Non-Core: Limited assurance	

*Net of 616,288 equity shares of ₹ 2 each held in trust for employees under employee stock option plan scheme.

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 entity
1.	Financial and Insurance Services	Engaged in the business of lending, partnership and services, payments and acceptance of deposits	98.85%

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

Sr. No.	Product/Service	NIC Code	% of total Turnover Contributed
1.	Non-Banking Finance Company engaged in lending and allied activities	65923	85.19%
2.	Housing Finance (other credit granting)- Home loan, loan against property and construction funding	65922	13.66%

III. Operations

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

Location	Number of plants	Number of offices	Total
National	NA*	4,263 [#]	4,263
International		Nil	Nil

*BFL Group is not engaged in manufacturing activities.

[#]Includes all the branches and corporate offices of BFL as on 31 March 2025.

19. Markets served by the entity:

a) Number of locations

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

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

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

c) A brief on types of customers:

BFL Group has established a diversified business model with a strong focus on customer acquisition and multiple loans and services offerings, including payments solutions, to meet various financial services needs of our customers. Our product suite is spread across Consumer Lending, Personal Loans, SME Lending, Gold Loan, Auto Financing, Microfinance Lending, Commercial Lending, Rural Lending, Loan against Securities, Mortgages, Public and Corporate Deposits, and Partnership & Services. Our offices are located in Rural and Urban locations enabling us to have a well-diversified asset mix across customer classes and geographies through a combination of secured and unsecured products. BFL Group's customer franchise as on 31 March 2025 stood at 101.82 million and acquired 18.18 million new customers in FY2025.

BFL has a strong geographic presence spread across 4,263 locations across the country, 2,681 including in rural/smaller towns and villages and over 232,000 active distribution points.

The customers are segregated under below given categories:

Borrowers: BFL Group focuses primarily on acquiring mass affluent customers. BFL offers secured and unsecured loans to salaried, self-employed, professionals, MSME and corporate clients. BFL, through its subsidiary Bajaj Housing Finance Limited ('BHFL' or 'Bajaj Housing'), which is registered with the National Housing Bank as a Housing Finance Company (HFC); focuses on mortgage loans to customers.

Depositors: BFL accepts deposits from retail and corporate clients, with retail customers representing the majority of its deposit base.

Broking customers: BFL through its wholly-owned subsidiary i.e., Bajaj Financial Securities Limited ('BFSL', 'BFinsec', 'Bajaj Broking'), which is registered with the Securities and Exchange Board of India (SEBI) as a stockbroker and depository participant, offers broking, depository services, margin trade facility, distribution of mutual funds and PMS to retail and HNI clients.

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

IV. Employees

20. Details as at the end of Financial Year:

a) Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
			EMPLOYEES			
1.	Permanent (D)	64,092	60,128	93.82%	3,964	6.18%
2.	Other than Permanent (E)*	44,650	40,929	91.67%	3,721	8.33%
3.	Total employees (D + E)	108,742	101,057	92.93%	7,685	7.07%

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

*Includes fixed term contract employees.

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

b) 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 (D)	24	18	75.00%	6	25.00%
2.	Other than Permanent (E)	Nil	Nil	Nil	Nil	Nil
3.	Total differently abled employees (D + E)	24	18	75.00%	6	25.00%

Note: Basis disability certificates voluntarily disclosed by employees.

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

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

21. Participation/ Inclusion/ Representation of women

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

Note: The above information pertains only for BFL as on 31 March 2025.

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

22. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY2025			FY2024			FY2023		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	18%	19%	18%	18%	17%	18%	19%	21%	19%
Permanent Workers	NA	NA	NA	NA	NA	NA	NA	NA	NA

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

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

Note 2: The turnover of employees in FY2025 would have been at 16.8% excluding Bajaj Group (Bajaj Holdings & Investment Limited, along with its subsidiaries and associates, including the subsidiaries of its associates) transfer.

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 listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Bajaj Finserv Limited	Holding Company	51.39%	Yes
2.	Bajaj Housing Finance Limited	Subsidiary	88.75%	Yes
3.	Bajaj Financial Securities Limited	Subsidiary	100%	Yes
4.	SnapWork Technologies Private Limited	Associate	41.50%*	No
5.	Pennant Technologies Private Limited	Associate	26.53%*	No

*On a fully diluted basis.

VI. CSR Details

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

(ii) Consolidated Turnover for FY2025 (₹ in crore) - 69,724.78

(iii) Consolidated Net worth for FY2025 (₹ in crore) - 96,692.87

VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY2025			FY2024		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Shareholders	Yes	436	7	5 pending complaints have been resolved by 29 April 2025	38	0	-
Investors (other than shareholders)	Yes	-	-	-	-	-	-
Employees and workers	Yes	Please refer Q.6 under "Essential Indicators" of "P5-Business should respect and promote human rights" for the complaints related to employees.					
Customers	Yes	Please refer Q.3 under "Essential Indicators" of "P9 - Businesses should engage with and provide value to their consumers in a responsible manner" for the complaints related to customers.					
Value Chain Partners	Yes	11	2	All pending complaints have been resolved by 29 April 2025	-	-	-
Communities	Yes	-	-	-	-	-	-
Others	NA	NA	NA	NA	NA	NA	NA

BFL Group, in line with its policies, practices and processes, engages with its stakeholders, and strives to resolve differences raised by them in a fair, equitable, and consistent manner and if warranted takes corrective measures. In addition to the policies available on [Company's website](#), there are certain policies regarding conduct with stakeholders including grievance mechanism, which are internal documents and not publicly available.

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 issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Enhancing Customer Relationship Management	Opportunity	Enhancing customer experience and satisfaction helps BFL expand its customer base, improve customer retention, build a strong brand image, customer loyalty, and satisfy customers' financial goals.	NA	Positive

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	Robust Corporate Governance	Opportunity	Adhering to sound governance practices carry substantial benefits, including strong reputation and building stakeholder trust.	NA	Positive
3	Upholding Business Ethics and Transparency	Opportunity	<p>Exercising ethical business behaviour in business presents opportunities for the following reasons:</p> <ol style="list-style-type: none"> Helps build trust and credibility with stakeholders. Promotes long-term sustainability and growth. Prevents reputational damage, legal problems and loss of business. 	NA	Positive
4	Sustainable Economic Performance	Opportunity	Strives to provide sustainable economic performance that builds confidence among stakeholders, enhance Company's competitive edge, and create a favourable environment for exploring new markets and business ventures, enhance Company's reputation, attracts investments, fosters innovation, and promotes long-term growth.	NA	Positive
5	Data Privacy and Security	Risk	Information is a valuable asset regardless of its source and nature. The importance of information security, cyber security, and fraud controls cannot be over-emphasised in this technological age. Security threats endanger customer data and disrupt business operations coupled with legal liabilities, regulatory investigations, financial penalties and damage to brand and reputation.	<ul style="list-style-type: none"> Led by a strong commitment to protecting the privacy of personal data. Formulated a well-structured Data Privacy Policy. Institutionalised cyber-security policy to protect its information infrastructure on the internet, prevent and respond to cyber threats; reduce vulnerabilities; and minimise damage from cyber incidents. Strong governance process with executive and Board oversight. Preparedness for response to incidents. Awareness programmes and training. 	Negative
6	Strong Brand and Reputation Management	Opportunity	Brand and reputation are crucial assets for any company, serving as pillars of trust and credibility in the industry. A strong brand and highly regarded reputation can differentiate a company from competitors, attracting customers and investors alike.	NA	Positive

Section A

Section B

Section C

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7	Embracing Diversity and Inclusion	Opportunity	<p>Seek to create an inclusive, equitable, culturally competent, supportive and safe environment where our employees model behaviour that enriches our workplace.</p> <p>Committed to embedding equity and inclusion in all our people and business practices. Our practices aim to establish an inclusive culture, that celebrates diversity, is free from discrimination and is based on our Cultural Anchor framework.</p> <p>Adopted an Equal Employment Opportunity and Non-discrimination Policy. Committed to meritocracy-based recruitment and career advancement.</p>	NA	Positive
8	Fostering Human Capital Development	Opportunity	<p>BFL Group strongly believes that "happy customers start with happy employees". We value our people as they power our success. In line with this philosophy, we are committed to attracting, engaging, and retaining the right talent, as it contributes to delivering a superior business performance. We are focused on creating a thriving, safe and inclusive workplace for employees, while keeping them engaged and providing opportunities for professional and personal development and growth.</p>	NA	Positive
9	Regulatory Compliance	Risk	<p>BFL Group works in highly regulated environment. Failure to comply with regulation can lead to stoppage of business, litigations, penalties, sanctions, and reputation loss.</p>	<p>BFL is committed to comply with all applicable laws, regulations, and guidelines set by the regulatory authorities. It prioritises the protection of its customers' interests and data. BFL has a dedicated Chief Compliance Officer (CCO) and a robust compliance unit. Under the CCO's supervision, the compliance function is responsible for identifying and assessing compliance risks, providing guidance on related matters, and compliance monitoring and testing of products before and after the launch, applicable across the organisation.</p>	Negative
10	Prudent Risk Management	Opportunity	<p>BFL is exposed to credit, liquidity, operational, market, interest-rate risk and various other types of risk. The ability to manage various types of risks is critical to our sustainable growth.</p>	NA	Positive

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
11	Enhancing Innovation and Digitisation	Opportunity	Technology-enabled seamless customer experience has been the hallmark of our businesses. Each business is unique; so is its approach towards enhancing customer experience, but the core objectives that tie them together and stay the same are simplification of processes, ease of use, and quick and appropriate responses. In the technology age now, information security, cyber security and fraud controls have become extremely critical. This challenges us to continue innovating to address evolving customer requirements, drive efficiency and adapt our products to attract and retain customers. New technologies offer business opportunities.	NA	Positive
12	Marketing and Selling Practices	Risk	Product governance refers to company's management of the quality of financial products and services offered, as well as the way they are marketed. Retail finance companies are highly exposed to product governance issues, given their business model of lending. Types of misconducts include discriminatory lending practices, false marketing, predatory lending, misleading investors through poor disclosure and illegal foreclosure practices.	The Company has established measures to effectively address product governance issues. BFL follows a strict Code of Conduct (CoC) for its outsourced agents. The CoC prescribes stringent guidelines, such as maintaining privacy of prospective and existing customers, providing accurate product information, telemarketing etiquette, etc.	Negative
13	Promoting Sustainable Finance	Opportunity	Sustainable financing is not only important to address pressing environmental and social challenges but also for creating a more resilient, inclusive and prosperous future for all.	NA	Positive
14	Promoting Employee Health, Safety, and Well-being	Opportunity	Beyond legal and financial considerations, promoting health, safety, and well-being is simply the right thing to do. It shows that the organisation values its employees as individuals. When employees feel safe and healthy at work, they are more likely to be engaged, motivated, and productive. This can lead to higher job satisfaction and lower turnover rates.	NA	Positive
15	Encouraging Financial Inclusion	Opportunity	All individuals and businesses across the country should have easy and seamless access to relevant and affordable financial products and services in a sustainable way. This is essential for them to meet their transactional, payment, saving, credit and insurance needs in a hassle-free manner.	NA	Positive

Section A

Section B

Section C

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
16	Community Relations and Well-being	Opportunity	To build a sustainable ecosystem for the underserved and to help them realise and grow their potential, ensuring social, and economic inclusion for every individual.	NA	Positive
17	Upholding Human Rights	Opportunity	Human Rights risks: The risks that a company's operations/ activities/products pose to people's fundamental human rights. Businesses that properly address human rights issues are likely to have a more productive and more sustainable workforce and avoid legal, operational and financial risks.	NA	Positive
18	Climate Strategy and Emissions Management	Risk	Climate strategy and emissions management are crucial for businesses to manage operational and environmental risks and contribute to a sustainable economy.	The Company, as a responsible corporate citizen, is conscious of direct and indirect impact of its operations on the environment. BFL is committed to reduce any negative impact on the natural environment and climate change. The Company endeavours to integrate sound environmental practices and governance systems in its day-to-day operations to minimise environmental impact.	Negative

Note: For details on the performance metrics and initiatives aligned with the material topics, please refer to materiality assessment topic in Stakeholders' Engagement section of [ESG Report FY2025](#).

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a) Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes (Please refer note below)								
b) Has the policy been approved by the Board? (Yes/No)	Yes. BFL Group has a policy covering all the principles named ' Responsible and Sustainable Business Conduct Policy '. The said Policy is approved by the Board. Further, the Policy is reviewed by the management periodically and the changes are put to the Board for their approval as applicable.								
c) Web-Link of the Policies, if available	https://www.bajajfinserv.in/finance-investor-relations-policies-and-documents								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes. BFL Group has translated the policies and imbibed the same into procedures and practices in the activities of the Company, as applicable.								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes. BFL Group strives to influence its value chain partners to participate in responsible and sustainable business conduct depending upon their means and resources. BFL Group has published comprehensive Supplier's Code of Conduct which extends to its value chain partners. Further, the Board of BFL has approved various policies such as Code of Conduct for Direct Selling Agents (DSA)/Debt Recovery Agents (DRA), Fair Practice Code, Whistle-Blower Policy, etc. to enable participation of its value chain partners in fair and ethical conduct of their business.								
4. Name of the national and international codes/ certifications/ labels/ standards adopted by your entity and mapped to each principle.	All policies have been developed taking into consideration the industry practices and various regulatory requirements and through appropriate consultation with relevant stakeholders. Moreover, BFL is compliant with the ISO 27001:2013 Information security management system and ISO 22301:2012 Business Continuity Management system. BHFL is compliant with ISO 27001:2022 Information security management system. Additionally, the Company's head office is compliant with ISO 14001 (EMS) and 45001 (OHSMS).								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	BFL's commitments for FY2026: <ol style="list-style-type: none"> 1. Tree plantation 2. 20 Microfinance branches opening 3. ISO 14001 (Environmental Management System) and ISO 45001 (Occupational Health and Safety Management System) certifications for 20 locations 4. Implementation of Water Tracking System (WTS) at 40 locations 5. Distribution of improved cookstoves in phases to foster clean energy access 								
6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	BFL Group continually tracks the performance of various ESG initiatives undertaken. These initiatives are also monitored and reviewed by the ESG Committee for the status and progress. Further, as committed for FY2025: <ol style="list-style-type: none"> 1. BFL opened 218 Microfinance branches in FY2025 2. BFL planted around 200,000 saplings during FY2025 3. Implemented Environment, Health, and Safety (EHS) policy for BFL 4. Implemented management approved Climate Risk Policy for BFL 5. Implemented Supplier Code of Conduct across BFL Group 								

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

Governance, Leadership, and Oversight

7.	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (<i>listed entity has flexibility regarding the placement of this disclosure</i>) - Please refer to "Message from the Chairman and the Vice Chairman" in the ESG report at https://www.aboutbajajfinserv.com/impact-environmental-social-and-governance	
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	<p>Name: Rajeev Jain Designation: Vice Chairman (w.e.f. 1 April 2025) DIN: 01550158</p> <p>Name: Anup Saha Designation: Managing Director (w.e.f. 1 April 2025) DIN: 07640220</p>
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.	<p>Yes.</p> <p>BFL has a Board approved ESG Committee consisting of senior management personnel of the Company to monitor various aspects of social, environmental, governance and economic responsibilities of the Company. The said Committee is chaired by Managing Director (w.e.f. 1 April 2025) of the Company.</p> <p>The Company's business responsibility performance is reviewed by the Board of Directors on an annual basis. During the year, the Board of Directors were updated on the sustainable and responsive business conduct initiatives across the BFL Group.</p> <p>In addition, the Board level Risk Management Committee also assesses internal/ external risks pertaining to sustainability as identified.</p>

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																		
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances																		
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.																		

Note: Policies other than those placed on BFL's website (<https://www.bajajfinserv.in/finance-investor-relations-policies-and-documents>) are internal documents and are not accessible to public.

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

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

As the answer to question (1) above is 'Yes', this section is not applicable.

P1 SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

P2
P3
P4
P5
P6
P7
P8
P9

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

Essential Indicators

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

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	% of persons in respective category covered by awareness programmes
Board of Directors*	2	On an ongoing basis, BFL carries out familiarisation programs for its Directors, as required under the SEBI Listing Regulations and keeps the Directors and KMPs abreast on matters relating to the industry, business models, risk metrics, mitigation and management, governing regulations, ESG, information technology including cyber security, their roles, rights and responsibilities and significant developments and updates within the Company. A declaration from the Directors and Senior Management's adherence to the Code of Conduct for Directors and Senior Management is communicated to all stakeholders by the Managing Director, through the Annual Report. Additionally, during its meeting held on 20 March 2025, the Board of Directors conducted a comprehensive review of BFL Group's ESG initiatives, encompassing the following: 1. ESG Regulatory Developments 2. Update on ESG Commitments 3. Key Focus areas of ESG ratings. 4. ESG initiatives undertaken by the Group. 5. Planned projects for next financial year. Impact: Ensure Directors and KMPs stay abreast of various ESG developments, regulatory updates/changes, and other requisite familiarisation programmes. This empowers and fosters a more informed and strategic contribution.	100%
Key Managerial Personnel*			
Employees other than BoDs and KMPs#	1	BFL Group invests substantial time and resources for capacity building of its employees, ensuring they remain at the forefront of the latest trends and technologies. Further, for pertinent topics, periodic awareness programs are carried out through emails, posters/banners (physical and digital) and other modes of internal communication. Such training/awareness programs are on an array of topics including Information Security, BCMS & Data Privacy, Cybersecurity Awareness, Anti Money Laundering and KYC, Dealing with BFS Securities , Code of Ethics & Personal Conduct (CoEPC), Prevention of Sexual Harassment, Whistle-Blower , Mind Your Behaviour (MYB), Environment & Social Governance (ESG), Employee Safety – First Aid and Fire Training, Digital Media Privacy & Security, Digital Media, Interaction with Differently Abled, Interaction with Senior Citizens, Interaction with Expecting Mothers, and Human Rights. Impact: Enhancing ESG awareness to ensure alignment with BFL's upheld ethics and values	100%
Workers		NA	NA

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

*Data pertains to BFL.

#Data pertains to permanent employees.

P1

P2

P3

P4

P5

P6

P7

P8

P9

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 preferred? (Yes/No)
Penalty/ Fine	1	Insurance Regulatory and Development Authority of India (IRDAI)	2 crore	IRDAI has levied a penalty of ₹ 2 crore on Bajaj Finance Limited on 15 July 2024 for non-adherence of IRDAI (Registration of Corporate Agents) Regulations, 2015, (i) with respect to reconciliation of commission and professional fees received and that reported to the Authority; and (ii) with respect to maintenance of records of customer documentation. Further, IRDAI has also issued additional directions to the Company and advised the Company to comply with those directions in a time-bound manner. The Company has taken necessary corrective actions in this respect.	No
Settlement				Nil	
Compounding fee					

Non-Monetary

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

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

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

P1 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.

P2
P3
P4
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Yes. BFL Group has zero tolerance towards unethical business practices and prohibits bribery and corruption in any form in all its business dealings, through necessary policies, codes, and charters. The Code of Ethics and Personal Conduct (CoEPC) consistently adopted across BFL Group reiterates our commitment on anti-bribery and covers all full-time or part-time employees, subject to applicable laws/regulations. All employees of BFL Group must adhere to the commitment of integrity and other responsible business conduct principles laid down in CoEPC. The anti-bribery guidelines cover aspects related to bribes, acceptance of favours, and gifts from vendors/business partners, interacting with Government and Regulators, amongst others.

Further, it reflects our dedication to operate in an open, fair, and accountable manner.

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

The principles of anti-corruption and bribery are also captured in the "Code of Conduct for Directors and Senior Management" and "Supplier's Code of Conduct" for vendors/suppliers.

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

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

	FY2025	FY2024
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	NA	NA

Note: Based on the information available with the Company.

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

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

	FY2025		FY2024	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	Nil	Nil

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

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

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

	FY2025	FY2024
Number of days of accounts payables	18.56	21.19

Note: Data reported on standalone basis. Numbers for FY2024 restated accordingly.

P1

9. Open-ness of business

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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:

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Parameter	Metrics	FY2025	FY2024
Concentration of Purchases	a) Purchases from trading houses as % of total purchases	Nil	Nil
	b) Number of trading houses where purchases are made from	Nil	Nil
	c) Purchases from top 10 trading houses as % of total purchases from trading houses	Nil	Nil
Concentration of sales	a) Sales to dealers / distributors as % of total sales	Nil	Nil
	b) Number of dealers / distributors to whom sales are made	Nil	Nil
	c) Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	Nil	Nil
Share of RPTs In*	a) Purchases (Purchases with related parties / Total Purchases)	3.57%	4.96%
	b) Sales (Sales to related parties / Total Sales)	1.36%	0.69%
	c) Loans & advances (Loans & advances given to related parties / Total loans & advances)*	0.18%	0.06%
	d) Investments (Investments in related parties / Total Investments made)	26.23%	24.45%

*On standalone basis.

#Considered only loans given to related parties.

Note: For more details on related parties transactions, please refer Notes to Standalone Financial Statements 'Disclosure of transactions with related parties as required by Ind AS 24' at page number 289 of this Report.

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

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

Notes:

- BFL Group strives to influence its value chain partners to participate in the responsible and sustainable business conduct depending upon their means and resources. BFL Group carries out awareness and training programmes for its value chain partners (especially agents and other intermediaries), depending on the business needs, stakeholder feedback and regulatory requirements covering various topics.
- BFL and BHFL have a Board approved Code of Conduct policy for its Debt Recovery Agents (DRA), Direct Marketing Agents (DMA) and Direct Selling Agents (DSA). BFL has made CoC acceptance and acknowledgement mandatory for all agents and agencies for accessing our Mobility App.
- BFL Group has enacted Suppliers' Code of Conduct which forms part of the service agreements with vendors/suppliers. This requires suppliers to acknowledge and comply with our policies and procedures as a condition of engagement.
- In November 2022, BFL got its DRA training accreditation from Indian Institute of Banking and Finance (IIBF). BFL has invested in online DRA training infrastructure for agents. After completion of online training, agents appear for a DRA certification test conducted by IIBF. As on 31 March 2025, more than 34,000 participants are DRA certified. We have over 110 facilitators, including more than 70 CAIIB-certified professionals whose profiles have been approved by the Indian Institute of Banking & Finance for delivering DRA training for BFL.
- BFL Group has incorporated ESG linked commitments into vendor contracts.
- BFL conducted an awareness series for the stakeholders through social media channel to create awareness on ESG matters and encouraged them to uphold the same, as applicable.

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

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

- Every Director on the Board is required to make disclosure of his/her interest or concern in other entities (under Section 184 of the Companies Act, 2013) and the parties to which such Director is related (under Section 2(76) of the Companies Act, 2013 and other laws applicable). Such disclosure is required to be made as and when a director attends the first Board Meeting after his/her appointment on the Board and thereafter at every first Board Meeting held in a financial year as well as within 30 days from any change in the disclosure previously given by such Director.
- Director, if interested or concerned in any transaction(s) or arrangement(s) to be entered into by the Company, does not participate in the discussion and approval of the transaction.
- BFL and BHFL have a separate Code of Conduct ('CoC') for Directors and Senior Management which states that 'Directors and Senior Management shall observe the highest standards of ethical conduct and integrity and shall work to the best of their ability and judgement'. The said CoC requires them to not to engage in any business relationship or activity, which conflicts with their duties towards the Company. All the Board members and Senior Management personnel have affirmed compliance with the Code for the year ended 31 March 2025. A declaration to this effect signed by the Managing Director forms a part of this Annual Report.
- BFL and BHFL have also put in place necessary mechanisms and have formulated a Policy on Dealing with Related Party Transactions, keeping in view the requirements under Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the provisions of the Companies Act, 2013. This Policy provides a framework to ensure proper identification, approval, and subsequent modification of Related Party Transactions.
- In addition to the above, BFL Group's CoEPC covers potential areas where conflict of interest may be encountered. It also provides specific guidelines on avoiding and dealing with possible conflicts of interest and the requirement to disclose potential conflicts of interest by employees.

Link: <https://www.aboutbajajfinserv.com/finance-investor-relations-policies-and-codes>

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.**

	FY2025	FY2024	Details of improvements in environmental and social impacts
R&D	-	-	Please refer note below
Capex	47%	40%	

Note: BFL Group is engaged in financial services businesses. The portion of its revenue and capital expenditure that directly contributes to improve the environment and make a social impact largely revolves around its expenses on Information technology whereby the entire business cycle and customer interaction is facilitated technologically resulting in reducing paperwork and costs that otherwise would have been incurred in physical interactions.

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

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

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

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

Wherever feasible, BFL Group strives to incorporate sustainable sourcing in its operations and ensures that energy efficiency standards are considered during the purchase of electronic equipment such as lighting devices, AC's etc. BFL's data centres are certified under Environmental Management System.

Recycled paper turns yesterday's waste into today's resource and offers a greener alternative to traditional paper production. Supporting a sustainable future and healthier planet, BFL Group has procured over 86% of recycled A4 Printing paper.

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

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

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

Accordingly, BFL Group disposes E-waste and Battery waste through registered vendors and receives the certificate of disposal or recycling from them. During the year, E-waste of 34.24 Metric Tonnes and 92.74 Metric Tonnes of Battery waste has been disposed of or recycled in a scientific and eco-friendly manner.

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

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

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Leadership Indicators

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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.
Given the business operations of BFL Group, there are no material 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
NA		

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	
	FY2025	FY2024
Recycled A4 Printing paper as % of Total Printing Paper	86.39%	79.74%

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:

	FY2025			FY2024		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
E-waste	-	25.90	8.34	-	22.51	-
Plastics (including packaging)	Given the business operations of BFL Group, the same is not significant and hence is not tracked.					
Hazardous Waste						
Other waste (Battery waste)	-	86.50	6.24	-	19.35	-

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

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Given the business operations of BFL Group, the same is not applicable.	

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

Essential Indicators

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

	% of employees covered by										
Category	Total (A)	Health insurance		Accident insurance		Maternity benefits*		Paternity benefits*		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
				Permanent employees							
Male	60,128	60,128	100%	60,128	100%	NA	NA	60,128	100%	60,128	100%
Female	3,964	3,964	100%	3,964	100%	3,964	100%	NA	NA	3,964	100%
Total	64,092	64,092	100%	64,092	100%	3,964	100%	60,128	100%	64,092	100%
				Other than Permanent employees							
Male	40,929	40,929	100%	40,929	100%	NA	NA	NA	NA	Nil	Nil
Female	3,721	3,721	100%	3,721	100%	3,721	100%	NA	NA	Nil	Nil
Total	44,650	44,650	100%	44,650	100%	3,721	100%	NA	NA	Nil	Nil

*The female /male employees can avail maternity/paternity leave as per extant instructions in line with Government of India guidelines.

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

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

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

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

	FY2025*	FY2024
Cost incurred on well-being measures as a % of total revenue of the Company	0.10%	0.13%

*Includes Maternity and Paternity benefits.

P1 **2. Details of retirement benefits, for Current FY and Previous Financial Year.**

	FY2025			FY2024		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total employees	Deducted and deposited with the authority (Y/N/ N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total employees	Deducted and deposited with the authority (Y/N/ N.A.)
Benefits						
PF	100	NA	Yes	100	NA	Yes
Gratuity*	100	NA	Yes	100	NA	Yes
ESI	100	NA	Yes	100	NA	Yes
NPS*	100	NA	Yes	100	NA	Yes
Superannuation*	100	NA	Yes	100	NA	Yes

Note 1: Represents benefits provided to all the employees who are eligible/have opted for the said retirement benefits.

Note 2: Data pertains to Permanent employees.

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

*The amount is not deducted from salary.

P3 **3. Accessibility of workplaces**

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

BFL Group has adopted Code of Ethics and Personal Conduct (CoEPC) which promotes equal employment opportunity and non-discrimination along with mutual respect. Additionally, BFL Group through its Equal Employment Opportunity and Non-discrimination policy and Employee Charter – Human Rights Statement prohibits any kind of discrimination against any persons with disabilities in any matter related to employment as per the Right of Person with Disabilities Act. Some of BFL's offices and branches are designed to ensure accessibility for differently abled employees. Additionally, 380+ branches and offices are equipped with wheelchairs, and 3,100+ branches are equipped with magnifying glass to foster an inclusive environment.

P4 **4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

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

Additionally, BFL Group has adopted Equal Employment Opportunity and Non-Discrimination policy in accordance with the provisions of the Rights of Persons with Disabilities Act, 2016 and provides a framework and commitment towards the empowerment of persons with disabilities.

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

As enshrined in the 'Responsible and Sustainable Business Conduct Policy', BFL Group provides equal opportunities at the time of recruitment as well as during employment irrespective of age, sex, colour, caste, disability, marital status, ethnic origin, race, religion, sexual orientation, disease (viz. HIV/AIDS) or any other status of individuals.

These policies promote an environment where everyone in the Company gets an equal opportunity to excel and grow in accordance with the individual's ability and suitability to perform in his/her area of work.

The above policies are available on our website : [Bajaj Finance Investor Relations – Policies and Codes](#)

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

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	99.92%	86.59%	NA	NA
Female	100%	70.21%	NA	NA
Total	99.92%	85.53%	NA	NA

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

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

Yes/No (If Yes, then give details of the mechanism in brief)	
Permanent Employees	<p>Yes. BFL Group strives to create a culture which is fair, open, and transparent and where employees can openly present their views.</p> <p>BFL Group transparently communicates its policies and practices such as plans, compensation, performance metrics, performance pay grids and calculation, career enhancements, compliance, and other processes with all employees in a non-discriminating manner.</p> <p>BFL Group has a Board approved Disciplinary Action Policy (DAP) and Board delegated Disciplinary Action Committee (DAC) to address the grievances of its employees. It enables employees to work without fear of prejudice, gender discrimination and harassment. BFL Group has zero tolerance towards any non-compliance of these principles.</p> <p>BFL Group has 'Code of Ethics and Personal Conduct' (CoEPC), 'Whistle-Blower', 'Prevention of Sexual Harassment' and 'Mind Your Behaviour' framework serving as grievance mechanisms for its employees to report or raise their concerns confidentially and anonymously, and without fear of any retaliation.</p> <p>Additionally, the "Own My Branch" (OMB) programme exemplifies BFL's innovative approach to connecting leadership with employees across its extensive branch network. By facilitating interaction between senior management and branch employees, the OMB program bridges the gap between the head office and regional branches. Each leader is tasked with overseeing two to three branches quarterly, ensuring a seamless execution of leadership vision and fostering trust among employees.</p> <p>Further, BFL has a dedicated helpline number for employees to report their concerns.</p>
Other than Permanent Employees	<p>Yes. BFL Group strives to create a culture which is fair, open, and transparent and where employees can openly present their views.</p> <p>BFL has a Board approved Disciplinary Action Policy (DAP) for Fixed Term Contract Employees (FTCEs) to address their grievances. It enables employees to work without fear of prejudice, gender discrimination and harassment. BFL has zero tolerance towards any non-compliance of these principles.</p> <p>BFL has 'Code of Ethics and Personal Conduct' (CoEPC), 'Whistle-Blower', and 'Prevention of Sexual Harassment' frameworks serving as grievance mechanisms for its employees to report or raise their concerns confidentially and anonymously, and without fear of any retaliation.</p> <p>Further, BFL has a dedicated helpline number for employees to report their concerns.</p>
Permanent Workers and Other than Permanent Workers	NA

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

P1 **7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:**

Category	FY2025			FY2024		
	Total employees/workers in respective category (A)	No. of employees/workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/workers in respective category (C)	No. of employees/workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	BFL Group does not have any employee trade union and is not engaged or involved in any collective bargaining agreement, although it allows all employees to exercise the lawful right to 'freedom of association'.					
Male						
Female						
Total Permanent Workers	NA					
Male						
Female						

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

P3 **8. Details of training given to employees and workers:**

Category	Total (A)	FY2025				Total (D)	FY2024			
		On Skill Upgradation		On Health and Safety			On Skill Upgradation*		On Health and Safety*	
		No.	%				No.	%	No.	%
		(B)	(B/A)	No. (C)	(C/A)		(E)	(E/D)	No. (F)	(F/D)
Employees										
Male	60,128	57,576	95.76%	59,028	98.17%	50,564	45,713	90.41%	46,318	91.60%
Female	3,964	3,780	95.36%	3,782	95.41%	3,248	2,705	83.28%	2,984	91.87%
Total	64,092	61,356	95.73%	62,810	98.00%	53,812	48,418	89.98%	49,302	91.62%

*Includes training provided to employees who left the Company during FY2024.

Note: Data for FY2025 pertains to Permanent employees.

Workers

	FY2025	FY2024
Male		
Female		NA
Total		

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

P4 **9. Details of performance and career development reviews of employees and worker:**

Category	FY2025			FY2024		
	Total (A)*	No.(B)	% (B/A)	Total (C)*	No.(D)	% (D/C)
Employees						
Male	51,960	51,960	100%	45,413	45,413	100%
Female	3,359	3,359	100%	2,902	2,902	100%
Total	55,319	55,319	100%	48,315	48,315	100%
Workers						
Male						
Female						NA
Total						

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

Note: Data pertains to Permanent employees.

*Eligible employees count due for annual performance review.

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

Yes. In FY2025 BFL has implemented occupational health and safety management system (ISO 45001:2018) for our head corporate office.

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

BFL Group trains its employees on safety protocols by conducting periodic trainings on fire safety and evacuation drills for employees. Corporate offices and branch offices are assessed in regards with the electrical systems safety, fire safety, building stability, working conditions, emergency exits, hygiene and sanitation, ventilation, first aid box etc. BFL has nominated fire marshals at selected locations and has a dedicated healthcare centre for corporate office employees. Physical and mental well-being of the employees is at the core of BFL Group’s human resource practices. BFL Group sends periodic internal communication and alerts to employees and conducts various awareness sessions on health and safety related aspects.

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

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

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

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

Yes. BFL Group is engaged in financial services businesses which do not require services of workers. For its employees, BFL has a dedicated Central Emergency Service Desk (CESD) helpline portal which is available 24x7. They can use this portal to register any work-related incidents or hazard and risks.

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

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

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

Safety Incident/Number	Category	FY2025	FY2024
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees*	Nil	Nil
	Workers	NA	NA
Total recordable work-related injuries	Employees*	Nil	Nil
	Workers	NA	NA
No. of fatalities	Employees*	Nil	Nil
	Workers	NA	NA
High consequence work-related injury or ill-health (excluding fatalities)	Employees*	Nil	Nil
	Workers	NA	NA

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

*Currently, tracking is in place for Permanent employees.

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

Refer 10(a) above.

P1 **13. Number of Complaints on the following made by employees and workers:**

P2		FY2025			FY2024		
P3		Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
P4							
P5							
P6	Working Conditions	Nil	Nil	-	Nil	Nil	-
P7	Health & Safety	Nil	Nil	-	Nil	Nil	-

P8 **14. Assessments for the year:**

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

Health and safety practices	Please refer note below
Working Conditions	

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

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

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

Leadership Indicators

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

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

Additional details with respect to the same are provided in 'Human Capital Management' section of ESG report at <https://www.aboutbajajfinserv.com/impact-environmental-social-and-governance>

- B. **Workers** - NA, BFL Group is engaged in financial services businesses which do not require services of workers.

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

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

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- 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	
	FY2025	FY2024	FY2025	FY2024
Employees	Nil	Nil	Nil	Nil
Workers	NA	NA	NA	NA

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

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

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

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

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Please refer note below
Working Conditions	

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

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

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

P1 **PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders.**

P2 **Essential Indicators**

P3 **P4 1. Describe the processes for identifying key stakeholder groups of the entity.**

P5 Individuals or a group of individuals, agencies, institutions who are interested or impacted by the activities of the group's business and vice versa now or in the future are identified as a key stakeholder by the BFL Group. The key stakeholders thus identified are customers, investors, lenders, depositors, government, shareholders, regulators, value chain partners, employees, and society.

P6 BFL Group understands the impact of its policies, decisions, products and services, and associated operations on the key stakeholders. In line with its policies, practices, and processes, BFL Group engages with its stakeholders and strives to resolve differences with them in a fair, equitable and consistent manner and where warranted takes corrective measures.

P7 BFL Group also engages with relevant stakeholders for enhancing sustainable and responsible business practices.

P8 **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 (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholder and Investor	No	Multiple channels including – <ul style="list-style-type: none"> Quarterly investors' presentations and calls Annual General Meeting Press releases Disclosures on stock exchanges Participation in investor conferences Investors' grievance cell Social Media Website Emails/letters, etc. 	<ul style="list-style-type: none"> Annual and Quarterly Need based 	To inform about the performance, major developments, ESG initiatives and other relevant updates regarding BFL Group.
Customer	Yes <ul style="list-style-type: none"> Women Senior Citizen 	Multiple channels including: <ul style="list-style-type: none"> Customer satisfaction surveys Customer feedback Regular interaction with customers Customer helpline Customer grievance cell Social Media channels Email/SMS Website/App 	<ul style="list-style-type: none"> On-going Need based 	Servicing across the lifecycle of the customer, redressal to queries/ grievances that the customer may have, VOCs and surveys, product/ service offerings, ESG initiatives and periodic communication to provide update on various lifecycle events over digital channel.
Government and Regulators	No	Multiple channels including: <ul style="list-style-type: none"> Regulatory filings Compliance statements Meetings, audits Letters E-mails 	<ul style="list-style-type: none"> Periodic Need based 	To provide recommendations or feedback on draft policies, status on adherence to regulatory compliance, and make representations on various subjects before regulators and associations for advancement and improvement of financial services industry in India.

		Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
P4	Stakeholder Group				
P5	Employees	Yes	Multiple channels including:	• On-going	To create a thriving, safe and inclusive workplace for its employees and provide merit-based opportunities for professional development and growth. Additionally, periodic communication to employees on Company's initiatives, policies and awareness.
P6		• Women	• ESAT survey	• Need based	
P7		• Person(s) with Disability	• Human Resources Contact Centre (HRCC)		
P8			• HR pulse assessments		
P9			• Townhall – "Confluence"		
			• Performance appraisals, Rewards and recognition		
			• Trainings, Awareness, Emails		
			• OMB		
			• Employee engagement initiatives		
	Value Chain Partner	No	Multiple channels including:	• On-going	To strengthen collaboration, enhance overall value delivery, and to build strategic, mutually beneficial partnerships across the value chain.
			• In-person meetings	• Need based	
			• Emails		
			• Performance discussions		
			• Trainings/awareness programmes		
			• Policies and processes		
			• Audits		
			• Periodical meets/ conferences – "Samvaad", "Grahak Sampark"		
	Society	Yes	Multiple channels including:	• On-going	To promote social welfare activities for inclusive growth, fair and equitable development, and well-being of society through our business functioning.
			• Media and Press Releases	• Need based	
			• Annual Reports		
			• CSR initiatives		
			• Financial inclusion		

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.

BFL Group to the extent considered necessary and permitted by regulations, ensures 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 BFL Group's business activities. Such engagement is generally driven by the responsible business functions, with senior executives also participating based on the need of the engagement.

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

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

P1 As a matter of full transparency, BFL communicates key strategies of its Long-Range Strategy which
P2 is a 5-year rolling plan with various stakeholders through Investor Presentations, Annual Report,
P3 townhalls with dealers, distributors and employees, and Annual General Meeting presentation. Bajaj
P4 Finserv recently held its first ever Investor Day, where we presented a five year Long-Range Strategy
P5 for its Group Companies. This event marked a key moment in outlining the Company's future plans and
growth trajectory.

P6 **2. Whether stakeholder consultation is used to support the identification and management of**
P7 **environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs**
P8 **received from stakeholders on these topics were incorporated into policies and activities of the entity.**

P9 Yes. The Company personnel interact with key stakeholders to understand the evolution and relevance of
ESG topics, their impact, and expectations from the Company. Based on such interactions, Over the last
few years BFL has, enhanced it's reporting on business responsibility and started certain new initiatives.
BFL Group believes that it is still learning the evolving aspects of ESG and lays significant importance on
such interactions.

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

BFL has identified women (customer and employees), persons with disabilities (customer and employees),
senior citizens customers and local communities as vulnerable and marginalised stakeholder. Below are
the key initiatives and actions taken:

- **Spectrum Policy** - Provides several benefits to women employees relating to safety, cab facility, travel policy, flexible working hours, preferential transfer policy, maternity-linked benefits, crèche benefits, etc.
- **Empowering Women** - We have identified women empowerment as a key focus area, disbursing loans totalling more than ₹ 120,000 crore during last 3 years.
- **Elderly Assistance** - Higher Fixed Deposit (FD) rates for senior citizens - additional interest of 0.40%. Till date approximately 9.7 lakh FDs placed.
- **Women-led Branches** - One of the most notable steps we have taken is the launch of Women-led Branches, within our gold loans department. Since April 2023, we have appointed 146 women branch managers entrusted with key responsibilities. This initiative marks a significant stride towards gender diversity and workplace inclusion.
- **Financial Literacy** - In FY2025, BFL launched its Financial Literacy Programme in rural areas of Rajasthan, Uttar Pradesh, and Bihar. The programme was thoughtfully designed to build awareness on key financial topics, including the importance of financial planning, digital payments, fraud prevention, and insurance. To date, the initiative has positively impacted over 4,300 individuals, equipping them with essential financial knowledge.
- Some of BFL's corporate and branch offices have ramps for easy movement of differently abled people.
- We are committed to equal employment opportunities and strictly prohibit discrimination based on age, sex, disability, and other personal characteristics. Our dedication to inclusivity is reinforced in our Equal Employment Opportunity and Non-discrimination Policy.
- BFS Group (Bajaj Finserv Limited and its subsidiaries) 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. With the guidance of our Board-governed Corporate Social Responsibility (CSR) policy, the BFS Group remains committed to creating value for marginalised communities, through its well-structured programs, contributing to their well-being and sustainable development.

PRINCIPLE 5: Businesses should respect and promote human rights.**Essential Indicators****1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY2025			FY2024		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	64,092	56,991	88.92%	53,782	51,737	96.20%
Other than permanent*	44,650	0	0%	30	0	0%
Total Employees	108,742	56,991	52.41%	53,812	51,737	96.14%
Workers						
Permanent	NA	NA	NA	NA	NA	NA
Other than permanent	NA	NA	NA	NA	NA	NA
Total Workers	NA	NA	NA	NA	NA	NA

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

*Majority FTCEs were onboarded in Q4 FY2025, and they will be included in all mandatory compliance trainings at BFL starting next year.

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

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

BFL runs ESG awareness programs for its employees to create awareness on ESG initiatives for its employees through use of social media as well as internal communication channels.

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

Category	FY2025					FY2024				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent										
Male	60,128	Nil	Nil	60,128	100%	50,547	125	0.25%	50,422	99.75%
Female	3,964	Nil	Nil	3,964	100%	3,235	3	0.09%	3,232	99.91%
Other than Permanent										
Male	40,929	20,886	51.03%	20,043	48.97%	17	NA	NA	NA	NA
Female	3,721	1,736	46.65%	1,985	53.35%	13	NA	NA	NA	NA
Workers*										
Permanent										
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Other than Permanent										
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

*BFL Group is engaged in financial services businesses which do not require services of workers.

P1 **3. Details of remuneration/salary/wages**

P2 **a) Median remuneration / wages:**

	Male		Female	
	Number	Median remuneration/ salary/wages of respective category (₹ in crore)	Number	Median remuneration/ salary/wages of respective category (₹ in crore)
BoD – Whole-time Director/ Executive Director ^{^*}	2	40.71	0	0
BoD – non-executive Directors ^{^*}	8	0.95	1	0.96
Key Managerial Personnel ^{^*}	2	8.48	0	0
Employees other than BoD and KMP [#]	70,241	0.07	4,640	0.07
Workers	NA	NA	NA	NA

*Data pertains to BFL only.

[^]The above remuneration is inclusive of fair value of options granted as per black Scholes model.

[#]Data pertains to Permanent employees of BFL Group

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

P7 **b) Gross wages paid to females as % of total wages paid by the entity, in the following format:**

	FY2025	FY2024
Gross wages paid to females as % of total wages	6.48%	5.90%

Data pertains to Permanent employees.

P8 **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.

P9 **5. Describe the internal mechanisms in place to redress grievances related to human rights issues.**

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

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

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

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

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

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

	FY2025			FY2024		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	10	1	-	9	3	Pending complaints have been resolved by 24 April 2024
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced Labour/ Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-

Note: To prevent and address POSH cases, the Company conducted mandatory training for all employees via digital campaigns, classroom sessions, 'Respectful, Inclusive & Safe Work Environment Awareness Series (RISE)', and OMB, enriched with real-life case studies to enhance awareness.

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

	FY2025	FY2024
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	10	9
Complaints on POSH as a % of female employees / workers	0.18%	0.34%
Complaints on POSH upheld	9*	6

*Pertains exclusively to the complaints raised in FY2025.

Note: Complaints pending resolution in FY2024 were resolved by 24 April 2024.

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

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

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

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

- P1 **9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**
- P2 Yes. BFL Group appreciates the inherent, universal, indivisible, inalienable and interdependent nature of
- P3 human rights.
- P4 BFL Group has a Suppliers' Code of Conduct and adheres to the same, that emphasises the importance
- P5 of human rights. This Code sets clear expectations for suppliers to respect and uphold fundamental
- P6 human rights throughout their operations. It outlines specific guidelines to ensure that labour practices are
- P7 ethical, safe, and non-discriminatory, promoting fair treatment and dignity for all individuals involved in the
- P8 supply chain.
- P9 Accordingly, BFL Group has included ESG specific clauses and reference of Suppliers' Code of Conduct,
- which covers the general human rights parameters in the vendor contracts.

10. Assessments for the year:

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

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

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

Leadership Indicators

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

There have been no significant human rights grievances/ complaints warranting modification/ introduction of business processes. However, we have instituted Suppliers' Code of Conduct, CoEPC, Employee Charter policy that outlines our commitment to Human Rights.

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

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

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

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

Some of BFL's offices and branches are designed to ensure accessibility for differently abled visitors. Additionally, 380+ branches and offices are equipped with wheelchairs, and 3,100+ branches are equipped with magnifying glass to foster an inclusive environment.

P1	4. Details on assessment of value chain partners:	
P2		% of value chain partners (by value of business done with such partners)
P3		that were assessed
P4	Sexual Harassment	
P5	Discrimination at workplace	
P6	Child Labour	
P7	Forced Labour/Involuntary Labour	Please refer note below
P8	Wages	
P9	Others – please specify	

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

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

BFL has a detailed vendor audit checklist as part of its outsourcing compliance framework that is designed to undertake risk assessment of the vendor. Basis the risk assessment, audit findings are classified as satisfactory, critical, non-critical and improvement opportunity.

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:**

P6	Parameter	Unit of Measurement	FY2025	FY2024
P7	From renewable sources			
P8	Total electricity consumption (A)	Gigajoules	733.05	2,155.51
P9	Total fuel consumption (B)	Gigajoules	-	-
	Energy consumption through other sources (C)	Gigajoules	-	-
	Total energy consumed from renewable sources (A+B+C)	Gigajoules	733.05	2,155.51
	From non-renewable sources			
	Total electricity consumption (D)	Gigajoules	175,325.97	145,867.16
	Total fuel consumption (E)	Gigajoules	64,803.22	47,834.12
	Energy consumption through other sources (F)	Gigajoules	-	-
	Total energy consumed from non-renewable sources (D+E+F)	Gigajoules	240,129.19	193,701.28
	Total energy consumed (A+B+C+D+E+F)	Gigajoules	240,862.24	195,856.78
	Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	Gigajoules per crore of consolidated total revenue from operations	3.45	3.56
	Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	Gigajoules per crore of consolidated total revenue from operations adjusted for PPP	71.37	79.79
	Energy intensity in terms of physical output (Total energy consumed / Average FTE)	Gigajoules per average FTE	3.44	4.04
	Energy intensity (optional) - (Total energy consumed / Consolidated total loan portfolio)	Gigajoules per crore of consolidated total loan portfolio	0.59	0.60

Note: For the purpose of calculation of intensity, conversion factor of 20.66 INR/USD has been considered for adjusted purchasing power parity (PPP) as per International Monetary Fund (IMF) FY2025.

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. An independent reasonable assurance has been carried out by SGS India Private Limited for FY2025.

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.

Given the nature of business of BFL Group, the same is not applicable.

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

Parameter	FY2025	FY2024
Water withdrawal by source (in kiloliters)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater/desalinated Water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kiloliters) (i+ii+iii+iv+v)	-	-
Total volume of water consumption (in kiloliters)	856,861.65	573,814.06
Water intensity per rupee of turnover (Total water consumption / Revenue from operations in crore)	12.29	10.44
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations in crore adjusted for PPP)	253.89	233.77
Water intensity in terms of physical output (Total water consumption / Average FTE)	12.22	11.84
Water intensity (optional) – (Total water consumption / Consolidated total loan portfolio in crore)	2.10	1.76

Notes:

- a) The quantity of water (in litres) per employee derived from the available data is in line with CGWA Guidelines- "Estimation of Water Requirement for Drinking and Domestic Use" which provides for "45 litres per person per working day".
- b) Total water consumption is derived considering total average head count, total working days and water requirement per person per working day as specified in point a.
- c) For the purpose of calculation of intensity, conversion factor of 20.66 INR/USD has been considered for adjusted purchasing power parity (PPP) as per International Monetary Fund (IMF) FY2025.

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. An independent reasonable assurance has been carried out by SGS India Private Limited for FY2025.

4. Provide the following details related to water discharged:

Parameter	FY2025	FY2024
Water discharge by destination and level of treatment (in kiloliters)		
(i) To Surface water	-	-
No treatment -	-	-
With treatment – please specify level of treatment	-	-
(ii) To Groundwater	-	-
No treatment -	-	-
With treatment – please specify level of treatment	-	-
(iii) To Seawater	-	-
No treatment -	-	-
With treatment – please specify level of treatment	-	-
(iv) Sent to third parties	-	-
No treatment -	-	-
With treatment – please specify level of treatment	-	-
(v) Others	-	-
No treatment -	-	-
With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	-	-

Note: Currently we do not monitor water discharge.

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. An independent reasonable assurance has been carried out by SGS India Private Limited for FY2025.

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

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

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

Parameter	Please specify unit	FY2025	FY2024
NOx			
SOx			
Particulate matter (PM)			
Persistent organic pollutants (POP)	Please refer note below		
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others-Please specify			

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

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

Yes. An independent limited assurance has been carried out by SGS India Private Limited for FY2025.

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

Parameter	Unit	FY2025	FY2024
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	6,169.13	4,784.59
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	35,483.10	28,908.06
Total Scope 1 and Scope 2 emissions intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO ₂ equivalent per crore of consolidated total revenue from operations	0.60	0.61
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Metric tonnes of CO ₂ equivalent per crore of consolidated total revenue from operations adjusted for PPP	12.34	13.73
Total Scope 1 and Scope 2 emission intensity in terms of physical output (Total Scope 1 and Scope 2 GHG emission / Average FTE)	Metric tonnes of CO ₂ equivalent per average FTE	0.59	0.69
Total Scope 1 and Scope 2 emission intensity (optional) (Total Scope 1 and Scope 2 GHG emission / Consolidated total loan portfolio)	Metric tonnes of CO ₂ equivalent per crore of consolidated total loan portfolio	0.10	0.10

Note: For the purpose of calculation of intensity, conversion factor of 20.66 INR/USD has been considered for adjusted purchasing power parity (PPP) as per International Monetary Fund (IMF) FY2025.

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. An independent reasonable assurance has been carried out by SGS India Private Limited for FY2025.

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

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

- Reducing Paper Consumption: It has been an endeavour of BFL over last many years to keep reducing paper consumption across all its business operations.
- Rooftop Solar Power Generation: BFL is endeavouring to reduce its GHG emissions pertaining to its office activities through installation of rooftop solar power generation capacity. Till date Rooftop solar power plants with an installed capacity of over 620 KW has been commissioned.
- BFL has replaced inter office travel shuttles with 20 Electric Vehicles (EVs).
- BFL is making a significant transformation in its business operations through its 'Omnichannel Strategy' which enables customer with various Do-it-anywhere and Do-it-yourself options for servicing and buying needs thereby reducing the need for travel, resulting in saving in GHG emissions. In FY2025, BFL has seen a decline in walk-ins owing to the increasing digital presence.
- BFL Group has planted more than 545,000 saplings till date.

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

Parameter	FY2025 (in Metric tonnes)	FY2024 (in Metric tonnes)
Total waste generated (in metric tonnes)		
Plastic waste (A)	-	-
E-waste (B)	34.24	22.51
Bio-medical waste (C)	0.02	-
Construction and demolition waste (D)	-	-
Battery waste (E)	92.74	19.35
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any (G)	-	-
Other Non-hazardous waste generated (H). Please specify if any (Break-up by composition i.e by materials relevant to the sector)	-	-
Total (A+B+C+D+E+F+G+H)	127.00	41.86
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations in crore)	0.0018	0.0008
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations in crore adjusted for PPP)	0.038	0.017
Waste intensity in terms of physical output (Total waste generated / Average FTE)	0.002	0.001
Waste intensity (optional) (Total waste generated / Consolidated total loan portfolio in crore)	0.0003	0.0001
For each category of waste generated, total waste recovered through recycling-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	112.40	41.86
(ii) Re-used	-	-
(iii) Other recovery operations	14.58	-
Total	126.98	41.86

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Parameter	FY2025 (in Metric tonnes)	FY2024 (in Metric tonnes)
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0.004	-
(ii) Landfilling	-	-
(iii) Other disposal operations (Safe disposal)	0.018	-
Total	0.022	-

Notes:

- The categories of waste generated, and their treatment bifurcation are provided below:
 - Battery waste: A total of 92.74 metric tonne of waste was generated, of which 86.50 metric tonne was recycled and 6.24 metric tonne was safely disposed of for FY2025.
 - E-waste: A total of 34.24 metric tonne of waste was generated, of which 25.90 metric tonne was recycled and 8.34 metric tonne was safely disposed of for FY2025.
 - Bio-Medical Waste: A total of 22.07 kg of waste was generated, of which 4.24 kg was incinerated, 17.43 kg was autoclaved/shredded, and 0.40 kg was disinfected/mutilated for FY2025.
- For the purpose of calculation of intensity, conversion factor of 20.66 INR/USD has been considered for adjusted purchasing power parity (PPP) as per International Monetary Fund (IMF) FY2025

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. An independent reasonable assurance has been carried out by SGS India Private Limited for FY2025.

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

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

34.24 Metric Tonnes of E-waste and 92.74 Metric Tonnes of Battery waste generated has been handed over to authorised vendors in FY2025. BFL Group has received green, and re-cycling certificates from the respective E-waste and Battery waste handlers.

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

Sr. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any
			NA

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

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

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

Sr. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken if any
	BFL Group is in compliance with all relevant environmental norms applicable to the nature of its business.			

Leadership Indicators

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

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

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

Parameter	FY2025	FY2024
Water withdrawal by source (in kilolitres)		
(i) Surface water		
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater/desalinated Water		
(v) Others		
Total volume of water withdrawal (in kiloliters) (i+ii+iii+iv+v)		
Total volume of water consumption (in kiloliters)		
Water intensity per rupee of turnover (Water consumed/turnover)		
Water intensity (optional)-the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kiloliters)		
(i) Into Surface water		
No treatment -		
With treatment - please specify level of treatment		
(ii) Into Groundwater		
No treatment -		
With treatment - please specify level of treatment		
(iii) Into Seawater		
No treatment -		
With treatment - please specify level of treatment		
(iv) Sent to third parties		
No treatment -		
With treatment - please specify level of treatment		
(v) Others		
No treatment -		
With treatment - please specify level of treatment		
Total water discharged (in kilolitres)		

Given the nature of business, the same is not relevant

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

Yes. An independent limited assurance has been carried out by SGS India Private Limited for FY2025.

P1 **2. Please provide details of total Scope 3 emissions & its intensity, in the following format:**

P2	Parameter	Unit	FY2025	FY2024
P3	Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	20,452.05	15,292.23
P4	Total Scope 3 emissions per rupee of turnover (Total Scope 3 GHG emissions / Revenue from operations)	Metric tonnes of CO ₂ equivalent per crore of consolidated total revenue from operations	0.29	0.28
P5	Total Scope 3 emission intensity in terms of physical output Total Scope 3 emission intensity - (Total Scope 3 GHG emission / Average FTE)	Metric tonnes of CO ₂ equivalent per average FTE	0.29	0.32
P6	Total Scope 3 emissions per crore of consolidated Total Loan Portfolio Total Scope 3 emission intensity - (Total Scope 3 emission / Consolidated total loan portfolio)	Metric tonnes of CO ₂ equivalent per crore of consolidated total loan portfolio	0.05	0.05

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. An independent limited assurance has been carried out by SGS India Private Limited for FY2025.

P7 **3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

Not Applicable.

P8 **4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/ effluent discharge/ waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Rooftop Solar Installation	Rooftop solar at total of 7 locations, with a total capacity of over 620 KW.	Resulting in avoidance of over 145 tCO ₂ e during FY2025.
2.	EV Shuttle	20 environment friendly Electric Vehicles (EVs) for inter-office shuttle services, significantly reducing air pollution and improving local air quality.	Traveling around 4.5 lakh kilometres and completing around 1.8 lakh trips during FY2025 avoiding ~52 tco ₂ e.
3.	Tree Plantation	To restore the environment, promote biodiversity, and mitigate climate change, BFL Group spearheaded a tree plantation initiative that has seen the successful planting of more than 200,000 saplings during the year.	Making a cleaner environment by absorption of Carbon Dioxide.
4.	Digitalisation	Through various initiatives, BFL Group in the last three years, reduced consumption by over 610 crore sheets of paper.	Saving around 7.3 lakh trees over the last three years.
5.	Recycling/Safe disposal of E-waste and Battery waste	BFL Group is dedicated to ensuring that none of its waste ends up in landfills and is fully committed to recycling/safely disposing all E-waste and Battery waste.	Resulting in avoidance of 126.98 tonnes of waste in landfill during FY2025.

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

Yes. BFL has a business continuity strategy and framework (in the form of IT BCP, Operations BCP and Premises BCP) which is also compliant with applicable regulatory requirements and includes disaster management protocols. BCP envisages likely disruptive events, their probability and their impact on business operations which is assessed through business impact analysis. It aims to eliminate or minimise any potential disruption to critical business operations. It also includes Disaster Recovery (DR) procedures to quickly recover from an emergency. Annual BCP and DR drills are conducted to ensure that they are effective under the present business processes, infrastructure, personnel, etc.

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

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

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

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

8. How many Green Credits have been generated or procured:

- a) By the listed entity – Nil
- b) By the top ten (in terms of value of purchases and sales, respectively) value chain partners – Not Assessed

P1 **PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so**
P2 **in a manner that is responsible and transparent.**

P3 **Essential Indicators**

P4 **1. a) Number of affiliations with trade and industry chambers/ associations.**

P5 BFL through its parent company i.e. BFS is a member of 2 trade and industry chambers/ associations.
P6 Additionally, BFSL, a wholly-owned subsidiary of BFL is a member of Bombay Stock Exchange
P7 Brokers' Forum (BBF) and Association of Mutual Funds of India (AMFI). It proactively contributes to
P8 the discussions and resolutions within the scope of these forums.

P9 **b) List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to.**

Sr. No.	Name of the trade and industry chambers/associations	Company Name	Reach of trade and industry chambers/ associations (State/National)
1	Confederation of Indian Industry (CII)	BFS	National
2	World Economic Forum	BFS	International
3	Bombay Stock Exchange Brokers' Forum (BBF)	BFSL	National
4	Association of Mutual Funds of India (AMFI)	BFSL	National

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

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

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

Leadership Indicators

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

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 note below					

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

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

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

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:**

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

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

Sr. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
NA						

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

The BFL Group has various mechanisms to receive and redress grievances of various stakeholders. Additionally local community can share their concerns for BFL at bflcommunitygrievance@bajajfinserv.in. All submissions received through this email are reviewed and handled by the relevant department in compliance with applicable laws and regulations.

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

	FY2025	FY2024
Directly sourced from MSMEs/ small producers	4.57%	7.16%
Directly from within India	99.38%	99.63%

Note: Data reported on standalone basis. Numbers for FY2024 restated accordingly.

- 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	FY2025	FY2024
Rural	3.17%	1.50%
Semi-urban	13.04%	9.37%
Urban	23.36%	25.10%
Metropolitan	60.43%	64.03%

Note 1: Locations are categorised as per RBI Classification System - rural / semi-urban / urban / metropolitan.

Note 2: Above data pertains to Permanent employees.

Leadership Indicators

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

Details of negative social impact identified	Corrective action taken
NA	

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

Sr. No.	State	Aspirational District	Amount spent (In INR)*
1	Andhra Pradesh	Visakhapatnam	1,760,000
2	Assam	Udalguri	11,673,144
3	Bihar	Gaya	2,995,288
4	Jharkhand	Ranchi	1,876,000
5	Kerala	Wayanad	20,000,000
6	Maharashtra	Gadchiroli	25,170,517
7	Maharashtra	Nandurbar	3,420,816
8	Maharashtra	Osmanabad	1,161,450
9	Maharashtra	Washim	579,390
10	Odisha	Dhenkanal	1,668,069
11	Odisha	Gajapati	3,259,461
12	Rajasthan	Dhaulpur	899,902
13	Rajasthan	Jaisalmer	928,421
14	Rajasthan	Karauli	870,874
15	Rajasthan	Sirohi	59,540

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

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

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

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

Not Applicable.

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

Sr. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
		NA		

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

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

6. Details of beneficiaries of CSR Projects:

Sr. No.	CSR Project	No. of persons benefitted from CSR project	% of beneficiaries from vulnerable and marginalised groups
1	Child - Education	557,065	Please refer note below
2	Child - Health	59,904	
3	Child - Physical and Intellectual Disabilities	490,225	
4	Child - Prevention of Mortality	435,050	
5	Child - Protection	70,066	
6	Others - Advocacy	6,210	
7	Others - Education	260	
8	Others - Environment	1,000	
9	Others - Mental Health	13,200	
10	Others - PWD	23,176	
11	Youth - Livelihood initiatives	73,749	
12	Youth - PWD - Skilling	20,341	
13	Youth - Skilling for employment	150,975	
14	Youth - Skilling for enterprise/Self-employment	29,590	

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

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

P3 **Essential Indicators**

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

P5 BFL has a well-defined grievance redressal mechanism covering all products and services offered. There
P6 are multiple self-help and assisted channels available to customers for redressal of their queries. All
P7 customer queries received across all channels are recorded in the BFL Customer relationship management
P8 system and customers are updated on the resolution provided.

P9 There is an escalation hierarchy basis which the customers can escalate to the next level. The details of
the various channels and the escalation hierarchy is displayed on Company website, App and branches.

Further, in line with RBI guidelines, the Company has incorporated the role of an Internal Ombudsman, who
is an independent authority to review the grievances raised by customers.

BFL has in place a dedicated team (Complaint Root Cause Resolution Unit- CRCR) to ensure continuous
study and solutioning of customer complaints. The prime objective of the team is to reduce customer
issues through a combination of data analysis, customer interactions and there by identifying root causes.

For FY2025, BFL has received over 1.65 crore responses from its customers and achieved a CSAT score of
97%.

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

As a percentage to total turnover

Environmental and social
parameters relevant to the
product

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

Safe and responsible usage

Recycling and/or safe
disposals

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

	FY2025			FY2024		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data Privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber- security	0	0	-	0	0	-
Delivery of essential services	0	0	-	0	0	-
Restrictive Trade practices	0	0	-	0	0	-
Unfair Trade practices	0	0	-	0	0	-
Others	5,917	7	4 pending complaints have been resolved by 29 April 2025	6,876	15	Pending complaints have been resolved by 24 April 2024

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Some of the initiatives in this regard are:

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

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

	Number	Reasons for recall
Voluntary recalls		
Forced recalls		NA

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

Yes. BFL 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 Company has 'Data Privacy Policy' in place, same is available on the website of the Company and is applicable to all its subsidiaries. BFL is compliant with ISO 27001:2013 Information security management system. BFL Group is compliant with the applicable regulatory framework and guidelines. BHFL is compliant ISO 27001: 2022 Information security management system. For more details, please refer to section on "Information security, cyber security and fraud controls" section of the [ESG report](#).

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

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

7. Provide the following information relating to data breaches:

- Number of instances of data breaches - 0**
- Percentage of data breaches involving personally identifiable information of customers - 0**
- Impact, if any, of the data breaches - Not Applicable.**

Leadership Indicators

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

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

Further, please refer to 'Management Discussion and Analysis' section at page number 28 of this Report.

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

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

P1 BFL Group has mechanisms to inform customers on usage of products and services offered. Continuous
P2 and contextual communication across the customer lifecycle through – press releases, yearly customer
P3 engagements, Company website and blogs, social media campaigns, use of video content, feature based
P4 audio-visual content for ease of understanding, etc. have helped us educate and create awareness
amongst our customers and society at large.

P5 Further, please refer to ‘Customer Obsession’ section of ESG report at [https://www.aboutbajajfinserv.com/](https://www.aboutbajajfinserv.com/impact-environmental-social-and-governance)
P6 [impact-environmental-social-and-governance](https://www.aboutbajajfinserv.com/impact-environmental-social-and-governance)

P7
P8 **3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

P9 Technology enabled seamless customer experience has been the hallmark of our businesses. Each business is unique and so is its approach towards enhancing customer experience. But the core objectives that tie them together and stay the same are simplification of processes, ease of use and quick and appropriate response. In the current technology age, information security, cyber security, and fraud controls have become extremely critical. The need for robust control over these areas find a dominant place in our information technology framework. These controls obviate disruptions and security threats endangering loss of customer data and disruption in business operations.

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

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

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

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

Annexure: Indicative List of Policies

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

Sr. No.	Principle wise Policies	NGRBC Principles								
		1	2	3	4	5	6	7	8	9
39	Board Diversity Policy*	✓								
40	Fraud Detection Policy*	✓			✓					✓
41	Corporate Audit Services (CAS) – Risk Based Internal Audit (RBIA) Policy Document*	✓								
42	Grievance Redressal Mechanism*	✓			✓	✓				✓
43	Internal Ombudsman SOP*	✓								✓
44	Customer Protections & Grievance Redressal Policy for Prepaid Payment Instruments (PPIs)*	✓			✓					✓
45	Sustainable Business Strategy Framework*	✓			✓					✓
46	Policy for Monitoring End-Use of Funds*	✓								✓
47	Record maintenance and retention policy*	✓								✓
48	Risk Management Policy*	✓								
49	Investment and Market Risk Policy*	✓								
50	Asset Liability Management Policy*	✓								
51	Business Continuity Management Policy *	✓								✓
52	Policy on dealing in securities of Group Companies*	✓								
53	Remuneration policy#	✓		✓		✓				
54	Password procedure policy*	✓		✓						
55	Online Security*	✓		✓	✓					✓
56	Business Continuity Policy – Operations*	✓								
57	Compliance Policy*	✓								
58	Corporate Governance Policy#	✓								
59	Framework for Corporate Governance in Subsidiary companies*	✓								
60	Institutional mechanism for prevention of insider trading*	✓								
61	Internal Capital Adequacy Assessment Process Policy (ICAAP)*	✓								
62	Policy for compensation of Key Managerial Personnel and SMT*	✓								
63	Retirement Policy*			✓						
64	Code of conduct for directors and senior management#	✓								
65	Information Security policy*	✓								✓
66	Information technology policy*	✓								✓
67	IT outsourcing policy*	✓								✓
68	Information and cyber security policy for insurance platform*	✓								✓
69	Cyber Crisis Management Policy*	✓								✓
70	Incident Management Plan*	✓								✓
71	IS Audit Policy*	✓								✓
72	Information Security Management Systems Change Management*	✓								✓
73	Liquidity Risk Management Framework*	✓								
74	Policy for Appointment of Statutory Auditors#	✓								
75	Policy on Preservation of Documents*	✓								✓
76	IT Asset Disposal Policy*						✓			
77	Policy on levy of Fees & Charges to customers*	✓								✓
78	Distance Learning Program Policy*			✓		✓				
79	Employee cares fund*	✓		✓		✓				
80	Group Digital Media Governance Policy for Employees*	✓		✓						

Sr. No.	Principle wise Policies	NGRBC Principles								
		1	2	3	4	5	6	7	8	9
81	Performance Management Policy*	✓		✓		✓				
82	Social Media Governance Policy*	✓								
83	Spectrum Policy*	✓		✓		✓				
84	Spouse Working as Consultant Policy*	✓		✓		✓				
85	Environment, Health and Safety (EHS) Manual#	✓		✓		✓	✓			
86	Leaders as trainer policy*			✓						
87	Celebration Framework*			✓						
88	Certified Trainer Policy*			✓						
89	Code of Conduct Policy*	✓		✓		✓				
90	Higher Education Policy*			✓						
91	Job Rotation Policy*	✓								
92	Interest Rate Risk and Currency Risk Hedging Policy*	✓								
93	Resource Planning Policy*	✓								
94	Policy on the manner of soliciting and servicing insurance products*	✓								✓
95	Operational Risk Management Policy*	✓								
96	Information Security Management Systems-Cloud Operations Policy and Procedure*	✓								
97	Suppliers' code of conduct#	✓	✓		✓	✓				
98	Financial Prudence Policy "Mind your finances" *	✓		✓						
99	Environment, Health, and Safety (EHS) Policy*	✓		✓		✓	✓			

*Internal Document

#Accessible to Public

INDEPENDENT ASSURANCE STATEMENT

Independent Assurance Statement to Bajaj Finance Limited on its Business Responsibility and Sustainability Reporting (BRSR) for the FY 2024-25

The Board of Directors,

Bajaj Finance Limited,

4th Floor, Bajaj Finserv Corporate office,
off Pune Ahmednagar Road, Viman Nagar,
Pune- 411014

Nature of the Assurance

SGS India Private Limited (hereinafter referred to as 'SGS India') was engaged by Bajaj Finance Limited (the 'Company' or 'BFL') to conduct an independent assurance of the Company's Business Responsibility and Sustainability Reporting (BRSR) (the 'Report') pertaining to the reporting period of April 1, 2024, to March 31, 2025. SGS India has conducted a Reasonable level of assurance for BRSR core parameters and a Limited level of assurance for the remaining BRSR parameters, including essential and leadership indicators and all disclosures made thereunder. This assurance engagement was conducted in accordance with "International Standard on Assurance Engagements (ISAE) 3000 (Revised) and ISAE 3410".

Reporting Framework

The Report has been prepared following the

- 1) BRSR Core-Framework for assurance and ESG disclosures for value chain (SEBI vide Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122) dated July 12, 2023
- 2) 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, and as amended from time to time
- 3) Greenhouse Gas Protocol standard
- 4) Industry Standards on Reporting of BRSR Core (SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177) dated December 20, 2024

Intended Users of this Assurance Statement

This Assurance Statement is provided with the intention of informing all Bajaj Finance Limited's Stakeholders.

Responsibilities

The information in the report and its presentation are the responsibility of the Management of the Company. SGS India has not been involved in the preparation of any of the material included in the Report.

Our responsibility is to express an opinion on the text, data, and statements within the defined scope of assurance, aiming to inform the Management of the Company, and in alignment with the agreed terms of reference. We do not accept or assume any responsibility beyond this specific scope. The Statement shall not be used for interpreting the overall performance of the Company, except for the aspects explicitly mentioned within the scope.

Assurance Standard

SGS has conducted a Reasonable level of Assurance w.r.t BRSR core parameters under 9 ESG Attributes and a Limited level of assurance for the remaining BRSR principles, including essential and leadership indicators. This engagement was performed in accordance with the International Standard on Assurance Engagement (ISAE) 3000(revised) and ISAE 3410 (Assurance Engagements other than Audits or Reviews of Historical Financial Information). Our evidence-gathering procedures were designed to obtain a 'Reasonable' level of assurance, which is a high level of assurance in accordance with ISAE 3000(revised) standard but is not absolute certainty. It involves obtaining sufficient appropriate evidence to support the conclusion that the information presented in the report is fairly stated and is free from material misstatements.

Statement of Independence and Competence

The SGS Group of companies is the world leader in inspection, testing and assurance, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; environmental, social and sustainability report assurance. SGS affirm our independence from Bajaj Finance Limited, being free from bias and conflicts of interest with the organization, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised auditors registered with ISO 26000, ISO 20121, ISO 50001, SA8000, RBA, QMS, EMS, SMS, GPMS, CFP, WFP, GHG Verification and GHG Validation Lead Auditors and experience on the SRA Assurance.

Scope of Assurance

The assurance process involved assessing the quality, accuracy, and reliability of BRSR Indicators (KPIs) within the report for the period April 1, 2024, to March 31, 2025. The reporting scope and boundaries include Bajaj Finance Limited and its 2 subsidiaries viz., Bajaj Housing Finance Limited (BHFL) and Bajaj Financial Securities Limited (BFSL) offices spread across the different states of India.

Assurance Methodology

The assurance comprised a combination of desktop review, interaction with the key personnel engaged in the process of developing the report, on-site visits, and remote verification of data. Specifically, SGS India undertook the following activities:

- Assessment of the suitability of the applicable criteria in terms of its comprehensiveness, reliability, and accuracy.
- Interaction with key personnel responsible for collecting, consolidating, and calculating the BRSR core KPIs, BRSR non-core indicators and assessing the internal control mechanisms in place to ensure data quality.
- Application of analytical procedures and verification of documents on a sample basis for the compilation and reporting of the BRSR core KPIs and BRSR non-core indicators.
- Assessing the aggregation process of data at the Head Office level.
- Critical review of the report regarding the plausibility and consistency of qualitative and quantitative information related to the BRSR core KPIs and BRSR non-core indicators.

Limitations

The assurance scope excludes:

- Disclosures other than those mentioned in the assurance scope.
- Data review outside the operational sites as mentioned in the reporting boundary.
- Validation of any data and information other than those presented in "Findings and Conclusion."
- The assurance engagement considers an uncertainty of $\pm 5\%$ based on the materiality threshold for Assumption/ estimation/measurement errors and omissions.
- The Company's statements that describe the expression of opinion, belief, aspiration, expectation, aim to future intention provided by the Company, and assertions related to Intellectual Property Rights and other competitive issues.
- Strategy and other related linkages expressed in the Report.
- Mapping of the Report with reporting frameworks other than those mentioned in the Reporting Criteria above.

SGS India verified data on a sample basis; the responsibility for the authenticity of the data entirely lies with the Company. The assurance scope excluded forward-looking statements, product- or service-related information, external information sources and expert opinions. SGS India has not been involved in the evaluation or assessment of any financial data/performance of the company. Our opinion on financial indicators is based on the third-party audited financial reports of the Company. SGS India does not take any responsibility for the financial data reported in the audited financial reports of the Company.

Findings and Conclusions

BRSR Core Indicators:

Based on the procedures we have performed and the evidence we have obtained, we are satisfied that the information presented by the Company in its report, on the Core Indicators (Annexure A) is complete, accurate, reliable, has been fairly stated in all material respects, and is prepared in line with the BRSR requirements.

BRSR Non-Core Indicators:

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the essential and leadership indicators (as per the table below) reported in the BRSR report are not prepared, in all material respects, in accordance with the reporting criteria.

The list of BRSR Indicators that were verified within this assurance engagement is given below:

Principles	Limited	Limited	Reasonable
	Essential Indicators	Leadership Indicators	Core Indicators
Section A	General Disclosures		
Section B	Management and process disclosures		
Section C			
Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.	1,2,3,4,5,6,7	1, 2	8,9
Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe.	1,2,3,4	1,2,3,4,5	-
Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.	1(a)(b),2,3,4,5,6,7,8,9,10,12,13,14,15	1,2,3,4,5,6	1(c),11
Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders.	1,2	1,2,3	-
Principle 5: Businesses should respect and promote human rights.	1,2,3(a),4,5,6,8,9,10,11	1,2,3,4,5	3(b),7
Principle 6: Businesses should respect and make efforts to protect and restore the environment.	2,5,6,8,10,11,12,13	1,2,3,4,5,6,7,8	1,3,4,7,9
Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.	1,2	1	-
Principle 8: Businesses should promote inclusive growth and equitable development.	1,2,3	1,2,3,4,5,6	4,5
Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner	1,2,3,4,5,6	1,2,3,4	7

For and on behalf of SGS India Private Limited

Ashwini K. Mavinkurve,

Technical reviewer
Head – ESG & Sustainability Services, SGS India
Pune, India
12th June ,2025

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Lead Verifier – ESG & Sustainability Services, SGS India
Pune, India
Team Members: Abhijit M. Joshi

Annexure A

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	Metric Tonnes (MT) of CO ₂ e	6,169.13
		Total Scope 2 emissions	MT of CO ₂ e	35,483.10
		Total Scope 1 and Scope 2 emissions intensity per rupee of turnover adjusted (Total Scope 1 and Scope 2 GHG emissions / revenue from operations)	MT of CO ₂ e per crore of consolidated total revenue from operations	0.60
		Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	MT of CO ₂ e per crore of consolidated total revenue from operations adjusted for PPP	12.34
		Total Scope 1 and Scope 2 emission intensity in terms of physical output (Total Scope 1 and Scope 2 GHG emission / average FTE)	MT of CO ₂ e per average FTE	0.59
		Total Scope 1 and Scope 2 emission intensity (optional) (Total Scope 1 and Scope 2 emission / consolidated total loan portfolio)	MT of CO ₂ e per crore of consolidated total loan portfolio	0.10
2	Water footprint	Total volume of water consumption	Kiloliters (KL)	856,861.65
		Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	KL per crore of consolidated total revenue from operations	12.29
		Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	KL per crore of consolidated total revenue from operations adjusted for PPP	253.89
		Water intensity in terms of physical output (Total water consumption / average FTE)	KL per average FTE	12.22
		Water intensity (optional) (Total water consumption / consolidated total loan portfolio)	KL per crore of consolidated total loan portfolio	2.10
		Water Discharge by destination and levels of Treatment	KL	Not Reported
3	Energy footprint	Total energy consumed	Gigajoules (GJ)	240,862.24
		% of energy consumed from renewable sources	In % terms	0.30%
		Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	GJ per crore of consolidated total revenue from operations	3.45
		Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	GJ per crore of consolidated total revenue from operations adjusted for PPP	71.37
		Energy intensity in terms of physical output (Total energy consumed / average FTE)	GJ per average FTE	3.44
		Energy intensity (optional) (Total energy consumed / consolidated total loan portfolio)	GJ per crore of consolidated total loan portfolio	0.59
4	Embracing circularity - details related to waste management by the entity	E-waste	MT	34.24
		Bio-medical waste	MT	0.02
		Battery waste	MT	92.74
		Total waste generated	MT	127.00
		Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	MT per crore of consolidated total revenue from operations	0.0018
		Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	MT per crore of consolidated total revenue from operations adjusted for PPP	0.038
		Waste intensity in terms of physical output (Total waste generated / average FTE)	MT per average FTE	0.002
		Waste intensity (optional) (Total waste generated / consolidated total loan portfolio)	MT per crore of consolidated total loan portfolio	0.0003

Sr. No.	Attribute	Parameter	Unit of Measures	Assured Values
		Total waste recovered through recycling, re-using or other recovery operations		
		(i) Recycled	MT	112.40
		(ii) Re-used	MT	-
		(iii) Other recovery operations	MT	14.58
		Total	MT	126.98
		Total waste disposed by nature of disposal method		
		(i) Incineration	MT	0.004
		(ii) Landfilling	MT	-
		(iii) Other disposal operations (Safe disposal)	MT	0.018
		Total	MT	0.022
5	Enhancing Employee Wellbeing and Safety	Spending on measures towards well-being of employees and workers – cost incurred on well-being measures as a % of total revenue of the company	In % terms	0.10%
		Details of safety related incidents for employees and workers	Number of Permanent Disabilities	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	6.48%
		Complaints on POSH	Total Complaints on Sexual Harassment (POSH) reported	10
			Complaints on POSH as a % of female employees / workers	0.18%
			Complaints on POSH upheld	9
7	Enabling Inclusive Development	Input material sourced from following sources as % of total purchases –Directly sourced from MSMEs/ small producers	As % of total purchases by value	4.57%
		Input material sourced from following sources as % of total purchases – within India	As % of total purchases by value	99.38%
		Job creation in smaller towns – Wages paid to persons employed in smaller towns as % of total wage cost	Rural	3.17%
			Semi-urban	13.04%
			Urban	23.36%
			Metropolitan	60.43%
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	0
		Number of days of accounts payable	(Accounts payable *365) / Cost of goods/ services procured	18.56
9	Open-ness of business	Concentration of purchases & sales done with trading houses, dealers, and related parties	Purchases from trading houses as % of total purchases	Nil
		Loans and advances & investments with related parties	Number of trading houses where purchases are made from	Nil
			Purchases from top 10 trading houses as % of total purchases from trading houses.	Nil
			Sales to dealers / distributors as % of total sales	Nil
			Number of dealers / distributors to whom sales are made	Nil
			Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	Nil
			Share of RPTs (as respective %age) in -	
			Purchases	3.57%
			Sales	1.36%
			Loans & Advances	0.18%
			Investments	26.23%

GHG ASSURANCE STATEMENT

Bajaj Finance Limited

4th Floor, Bajaj Finserv Corporate office,
off Pune Ahmednagar Road, Viman Nagar,
Pune- 411014

SGS India Private Limited (hereinafter referred to as SGS India) was contracted by Bajaj Finance Limited (the ‘Company’ or ‘BFL’) to conduct an independent assurance of its annual Greenhouse Gas (GHG) inventory for Scope 1, Scope 2 and Scope 3 pertaining to the reporting period of 1st April 2024 to 31st March 2025. The Company has developed its GHG inventory in accordance with the GHG Protocol Corporate Accounting and Reporting Standard and ISO 14064-1 standard. SGS India has conducted a Reasonable level of assurance for Scope 1 & Scope 2 and a Limited level of assurance for Scope 3 data. This assurance engagement was conducted in accordance with the “International Standard on Assurance Engagements (ISAE) 3410”.

SGS India verified the following parameters given in the Table below:

Scope 1 and Scope 2 Data

Locations	Actual emission (tCo2e)	
	Scope 1	Scope 2
Bajaj Finance Limited (BFL)	5,884.13	32,320.76
Bajaj Housing Finance Limited (BHFL)	205.83	2160.11
Bajaj Financial Securities Limited (BFSL)	79.16	1,002.22

Scope 3 Data

Locations	Scope 3 actual emission (tCo2e)
Bajaj Finance Limited (BFL)	18,770.45
Bajaj Housing Finance Limited (BHFL)	1,406.85
Bajaj Financial Securities Limited (BFSL)	274.74

Verification Statement no: BA_ESG_2628073_GHG_V1

Statement Date: 12 June 2025

This Statement is issued, on behalf of Client, by SGS India ("SGS") under its General Conditions for ESG Assurance Services. A full copy of this statement may be consulted at SGS India. This Statement does not relieve Client from compliance with any regulations that applied to it. Stipulations to the contrary are not binding on SGS and therefore SGS shall have no responsibility vis-à-vis parties other than its Client.

This Statement is not valid without the full verification scope, objectives, criteria and findings available on the Statement.

INDEPENDENT ASSURANCE STATEMENT

Independent Assurance Statement to Bajaj Finance Limited on its Greenhouse Gas Inventory for FY 24-25

The Board of Directors,

Bajaj Finance Limited

4th Floor, Bajaj Finserv Corporate office,
off Pune Ahmednagar Road, Viman Nagar,
Pune- 411014

Nature of the Assurance

SGS India Private Limited (hereinafter referred to as SGS India) was contracted by Bajaj Finance Limited (the 'Company' or 'BFL') to conduct an independent assurance of its annual Greenhouse Gas (GHG) inventory for Scope 1, Scope 2 and Scope 3 pertaining to the reporting period of 1st April 2024 to 31st March 2025. The Company has developed its GHG inventory in accordance with the GHG Protocol Corporate Accounting and Reporting Standard and ISO 14064-1 standard. SGS India has conducted a Reasonable level of assurance for Scope 1 & Scope 2 and a Limited level of assurance for Scope 3 data. This assurance engagement was conducted in accordance with the "International Standard on Assurance Engagements (ISAE) 3410".

Responsibilities

The information in the report and its presentation are the responsibility of the Management of the Company. SGS India has not been involved in the preparation of any of the material included in the report.

Our responsibility is to express an opinion on the text, data, calculation, and statements within the defined scope of verification, aiming to inform the Management of the Company, and in alignment with the agreed terms of reference. We do not accept or assume any responsibility beyond this specific purpose, and it is not intended for use in interpreting the overall performance of the Company, except for the aspects explicitly mentioned within the scope. The Company holds the responsibility for preparing and ensuring the fair representation of the verification scope.

Assurance Standard

SGS India has conducted Reasonable level assurance for Scope 1 & Scope 2 and Limited level assurance for Scope 3 data. This engagement was performed in accordance with the International Standard on Assurance Engagement (ISAE) 3410. Our evidence-gathering procedures were designed to obtain a 'Reasonable level of assurance' which involves the underlying assumption that the control environment and controls are reliable.

Statement of Independence and Competence

The SGS Group of companies is the world leader in inspection, testing and assurance, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; environmental, social and sustainability report assurance. SGS affirm our independence from Bajaj Finance Limited, being free from bias and conflicts of interest with the organization, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised auditors registered with ISO 26000, ISO 20121, ISO 50001, SA8000, RBA, QMS, EMS, SMS, GPMS, CFP, WFP, GHG Verification and GHG Validation Lead Auditors and experience on the SRA Assurance.

Scope of Assurance

The assurance exercise included the evaluation of quality, accuracy, and reliability of the GHG Inventory on Scope 1, Scope 2 and Scope 3 data for the period 1st April 2024 to 31st March 2025. The scope of verification covers the following aspects:

- The reporting scope and boundaries include Bajaj Finance Limited and its 2 subsidiaries viz., Bajaj Housing Finance Limited (BHFL) and Bajaj Financial Securities Limited (BFSL) offices spread across the different states of India and this is aligned with the GHG inventory consolidation approach.

Assurance Methodology

The assurance comprised a combination of pre-assurance research, interaction with the key personnel engaged in the process of developing the company's GHG inventory, on-site visits, and remote desk review & verification of data. Specifically, SGS India executed the following activities:

- Interaction with key personnel from the head office and selected branch locations to understand and review the current processes in place for developing the Company's GHG inventory.
- Assessment of internal control mechanism to ensure the reliability and accuracy of emission data.
- Review of the data management system used for collection and consolidation of emission data.
- Review of consistency of data/information within the GHG inventory and between the inventory and source.
- Evaluation of the appropriateness of the quantification methods used to arrive at the Scope 1, Scope 2 and Scope 3 emissions with respect to the specific requirements of the GHG Protocol
- Assurance of emission data on a sample basis, including conversion factors and emissions factors.

Limitations

The assurance scope excludes:

- Disclosures other than those mentioned in the assurance scope.
- Data review outside the operational sites as mentioned in the reporting boundary.
- Validation of any data and information other than those presented in "Findings and Conclusion."
- The assurance engagement considers an uncertainty of $\pm 5\%$ based on materiality threshold for Assumption/estimation/measurement errors and omissions.
- The Company's statements that describe the expression of opinion, belief, aspiration, expectation, aim to future intention provided by the Company, and assertions related to Intellectual Property Rights and other competitive issues.
- Strategy and other related linkages expressed in the Report.
- Mapping of the Report with reporting frameworks other than those mentioned in Reporting Criteria above.

SGS India verified data on a sample basis; the responsibility for the authenticity of data entirely lies with the Company. The assurance scope excluded forward-looking statements, product- or service-related information, external information sources and expert opinions.

Findings and Conclusions

Scope 1 and Scope 2 inventory:

Based on the procedures we have performed and the evidence we have obtained, we are satisfied that the information presented by the Company in its report is complete, accurate, reliable, has been fairly stated in all material respects, and is prepared in line with the reporting criteria.

Scope 3 inventory:

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the information presented by the Company in its report is not prepared, in all material respects, in accordance with the reporting criteria.

SGS India verified the following parameters given in the Table below:

Scope 1 and Scope 2 Data

Locations	Actual emission (tCo2e)	
	Scope 1	Scope 2
Bajaj Finance Limited (BFL)	5,884.13	32,320.76
Bajaj Housing Finance Limited (BHFL)	205.83	2,160.11
Bajaj Financial Securities Limited (BFSL)	79.16	1,002.22
Total Emission	6,169.13	35,483.10

Scope 3 Data

Categories of Scope 3	Actual emission (tCo2e)
Category 1: Purchased Goods and Services	1,319.65
Category 3: Fuel & Energy Related Activities not included in Scope 1 and Scope 2	6,238.41
Category 5: Waste generation in Operations	0.81
Category 6: Business Travel	12,893.18
Total Emission	20,452.05

For and on behalf of SGS India Private Limited

Ashwini K. Mavinkurve,

Technical reviewer
Head – ESG & Sustainability Services, SGS India
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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.

