

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	4 th 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.aboutbajajfinserv.com/finance-about-us
9.	Financial year for which reporting is being done	2025 - 2026
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange Limited (NSE Limited)
11.	Paid-up Capital	₹ 621.79 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 4,605,529 equity shares of ₹ 1 each held in trust for employees under employee stock option plan (ESOP) scheme.

II. Products/services

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Financial and Insurance Services	Engaged in the business of lending, partnership and services, payments and acceptance of deposits	98.70%

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

S. No.	Product/Service	NIC Code	% of total Turnover Contributed
1.	Non-Banking Finance Company engaged in lending and allied activities	65923	85.18%
2.	Housing Finance (other credit granting)- Home loan, loan against property and construction funding	65922	13.52%

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*	4,098 [#]	4,098
International		Nil	Nil

*BFL Group is not engaged in manufacturing activities.

[#]Includes all the branches and corporate offices of BFL as on 31 March 2026.

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	27 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 does not 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 (sales finance), personal loans, MSME 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. As on 31 March 2026, BFL Group's customer franchise stood at 119.33 million, with 17.51 million new customers acquired during FY2026.

BFL has a strong geographic presence across 4,098 locations nationwide, including 2,571 in rural and semi-urban areas, supported by over 242,000 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.

Broking customers: Bajaj Financial Securities Limited ('BFSL', 'BFinsec', or 'Bajaj Broking') serves a diverse customer base that includes first-time and retail investors beginning their journey through equities, SIPs and mutual funds; active traders who participate in intraday, derivatives and F&O markets; long-term investors focused on wealth creation through mutual funds, bonds and retirement products; HNI and affluent customers seeking advisory, high-value trades, leverage and portfolio support; corporate employees requiring ESOP and demat-related services; and clients served through its franchise and partner network.

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

IV. Employees**20. Details as at the end of Financial Year:****a. Employees and workers (including differently abled):**

S. No.	Particulars	Total (A)	Male		Female		Others	
			No. (B)	% (B / A)	No. (C)	% (C / A)	No. (D)	% (D / A)
Employees								
1.	Permanent (E)	71,613	67,041	93.62%	4,572	6.38%	0	0.00%
2.	Other than Permanent (F)*	83,756	75,147	89.72%	8,608	10.28%	1	0.00%
3.	Total employees (E + F)	155,369	142,188	91.52%	13,180	8.48%	1	0.00%

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

*Includes Fixed Term Contract Employees (FTCEs).

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

b. Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female		Others	
			No. (B)	% (B / A)	No. (C)	% (C / A)	No. (D)	% (D / A)
Employees								
1.	Permanent (E)	25	21	84.00%	4	16.00%	0	0.00%
2.	Other than Permanent (F)	52	47	90.38%	5	9.62%	0	0.00%
3.	Total differently abled employees (E + F)	77	68	88.31%	9	11.69%	0	0.00%

Note: Basis disability certificates voluntarily disclosed by employees.

S. No.	Particulars	Total (A)	Male		Female		Others	
			No. (B)	% (B / A)	No. (C)	% (C / A)	No. (D)	% (D / A)
Workers								
1.	Permanent (G)							
2.	Other than Permanent (H)				NA			
3.	Total differently abled employees (G + H)							

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

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	10	1	10%
Key Management Personnel*	3	0	0%

Note: The above information pertains only for BFL as on 31 March 2026.

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

22. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY2026			FY2025			FY2024		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	18.70%	18.11%	18.66%	18.07%	18.75%	18.11%	18.30%	17.21%	18.24%
Permanent Workers	NA	NA	NA	NA	NA	NA	NA	NA	NA

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

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

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

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

S. No	Name of the holding / subsidiary / associate companies/ joint ventures (A)	Indicate whether holding/ subsidiary/ associate/joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Bajaj Finserv Limited	Holding Company	51.32%	Yes
2.	Bajaj Housing Finance Limited	Subsidiary	86.70%	Yes
3.	Bajaj Financial Securities Limited	Subsidiary	100.00%	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 FY2026 (₹ in crore) – 81,989.50

(iii) Consolidated Net worth for FY2026 (₹ in crore) – 113,999.02

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)	FY2026			FY2025		
		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	82	-	-	436	7	All pending complaints have been resolved in FY2026
Investors (Other than shareholders)	Yes	-	-	-	-	-	-
Employees and workers	Yes	Please refer Q.6 under "Essential Indicators of "P5 - Businesses 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	7	-	-	11	2	All pending complaints have been resolved in FY2026
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 just, 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:

S. No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Enhancing Customer Relationship Management	Opportunity	Enhancing customer experience and satisfaction helps BFL expand its customer base, improve customer retention, build a strong brand image, foster customer loyalty and satisfy customers' financial goals.	NA	Positive

S. No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
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	Exercising ethical business behaviour creates opportunities by building trust and credibility, supporting long-term sustainable growth, and safeguarding businesses from reputational and legal risks.	NA	Positive
4.	Sustainable Economic Performance	Opportunity	BFL strives to provide sustainable economic performance that builds confidence among stakeholders, enhance Company's competitive edge, and create a favourable environment for exploring new markets and business ventures, enhance Company's reputation, attracts investments, fosters innovation, and promotes long-term growth.	NA	Positive
5.	Data Privacy and Security	Risk	Information is a valuable asset regardless of its source and nature. The importance of information security, cyber-security, and fraud controls cannot be over-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.	- Led by a strong commitment to protecting the privacy of personal data. - Formulated a well-structured Data Privacy Policy. - Institutionalised a cyber-security policy to protect its information infrastructure on the internet, prevent and respond to cyber threats; reduce vulnerabilities; and minimise damage from cyber incidents. - Strong governance process with executive and Board oversight. - Preparedness for response to incidents. Awareness programs 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
7.	Embracing Diversity and Inclusion	Opportunity	Foster an inclusive, equitable, culturally competent, supportive, and safe environment that encourages employees to model behaviors that enrich the workplace. 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 Culture Anchor framework. Adopted an Equal Employment Opportunity and Non-discrimination Policy. Committed to meritocracy-based recruitment and career advancement.	NA	Positive

S. No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
8.	Fostering Human Capital Development	Opportunity	BFL 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.	NA	Positive
9.	Regulatory Compliance	Risk	BFL works in highly regulated environment. Failure to comply with regulation can lead to stoppage of business, litigations, penalties, sanctions, and reputation loss.	BFL is committed to complying 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.	Negative
10.	Prudent Risk Management	Opportunity	BFL is exposed to credit, liquidity, operational, market, interest-rate risk and various other types of risk. Effectively managing various risks safeguards the Company’s business while creating opportunities to enhance resilience, build investor confidence, and drive sustainable growth.	NA	Positive
11.	Enhancing, Innovation, Digitisation and Responsible use of Technology (AI Governance)	Opportunity	Technology enabled seamless customer experience has been the hallmark of our businesses. While each business adopts a unique approach, common objectives include simplifying processes, ensuring ease of use, and delivering timely responses. In today’s digital landscape, responsible use of emerging technologies, including AI, supported by strong governance, is critical. Information security, cyber security, and fraud controls remain key priorities. These challenges require continuous innovation to meet evolving customer needs, drive efficiency, and responsibly adapt products and services. New technologies offer significant opportunities when leveraged in a secure, ethical, and compliant manner.	NA	Positive

S. No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
12.	Marketing & 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, and misleading investors through poor disclosure which can lead to legal penalties, regulatory scrutiny, reputational damage, loss of customer trust, and financial losses.	The Company has established measures to effectively address product governance issues. BFL follows a strict Code of Conduct (CoC) for its Direct Selling Agents (DSA). 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. It supports sustainable growth while aligning financial performance with global development goals.	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. Financial inclusion can help BFL tap into underserved markets, expand its customer base, and create sustainable growth opportunities.	NA	Positive
16.	Community Relations and Well-being	Opportunity	To build a sustainable ecosystem for the underserved. To help them realise and grow their potential, ensuring social, and economic inclusion for every individual. By enhancing community relations, businesses can build trust and loyalty, strengthen their reputation, and create long-term opportunities for sustainable growth and shared value.	NA	Positive
17.	Upholding Human Rights	Opportunity	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

S. No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
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 / business on the environment. BFL is committed to reducing 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. Further the Company endeavours to increase its Green lending portfolio by financing EVs, Solars and other energy-efficient products.	Negative
19.	Operational Eco-Efficiency	Opportunity	Optimizing operations to reduce environmental impact creates opportunities by lowering resource and energy costs, increasing efficiency, and reducing waste. It helps the Company stay ahead of regulations, build stakeholder trust, enhance brand reputation, and drive innovation for long-term sustainable growth.	NA	Positive

Note: For details on the performance metrics and targets aligned with the material topics, please refer to materiality assessment section of [ESG Report FY2026](#).

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
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 and BHFL have 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) / Direct Marketing Agents (DMA), Fair Practice Code, Whistleblower 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. BFL Group Companies are compliant with the ISO 27001:2022 Information Security Management System. Moreover, BFL is compliant with ISO 22301:2019 Business Continuity Management System. BFL's and BHFL's head corporate offices along with all BFL-owned branches are compliant with ISO 14001:2015 (EMS) and 45001:2018 (OHSMS).								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	BFL's commitments for FY2027: 1. Tree Plantation or Mega Forest Development / Reforestation at Satara 2. To hire 200+ Specially abled employees, to promote an inclusive and diverse workforce 3. Providing over 15,000 solar financing loans under green financing initiatives to promote sustainable energy adoption 4. Developing BFL's Sustainable Financing Policy 5. Distribution of 15,500+ improved cookstoves to foster clean energy access 6. To open 20+ new Microfinance branches to expand financial inclusion and reach underserved communities								
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 FY2026: 1. Planted around 200,000+ saplings 2. Opened 25 Microfinance branches 3. Received certificate of ISO 14001 (Environmental Management System) and ISO 45001 (Occupational Health and Safety Management System) for 18 locations covering 24 offices 4. Implemented Water Tracking System (WTS) at 48 locations 5. 15,500+ Improvised Cookstoves distributed								

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 (listed entity has flexibility regarding the placement of this disclosure) – Please refer to “Message from the Chairman and 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).	Name: Rajeev Jain Designation: Vice Chairman & Managing Director DIN: 01550158
9.	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes. 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 the Vice Chairman of the Company. The Company’s business responsibility performance is reviewed by the Board of Directors on an annual basis. During the year, the Board of Directors were updated on the sustainable and responsible business conduct initiatives of BFL. In addition, the Board level Risk Management Committee also assesses internal / external risks pertaining to sustainability as identified.

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

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	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	As a practice, all the Board approved policies of the Company are reviewed annually and placed before the Board of Directors. Further, all the policies (excluding Board approved policies) are reviewed periodically or on a need basis by department heads, business heads, senior management personnel / respective committees. During this assessment, the efficacy of these policies is also reviewed and necessary changes to policies and procedures are implemented.																	
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	BFL Group is in compliance with the extant regulations, as applicable.																	
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9	BFL ensures that all the policies are reviewed internally either by the department heads / domain experts / relevant committee members, as applicable.								

Note: Policies other than those placed on [BFL's website](#) 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 the awareness programmes
Board of Directors*	1	On an ongoing basis, BFL carries out familiarisation programmes 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 of the Directors and Senior Management's adherence to the Code of Conduct for Directors and Senior Management is communicated to all stakeholders by the Vice Chairman, through the Annual Report. Additionally, during its meeting held on 23 March 2026, the Board of Directors conducted a comprehensive review of BFL Group's ESG initiatives, encompassing the following: 1. Key Focus areas of ESG 2. ESG Ratings and Interventions 3. ESG initiatives undertaken by the Group. 4. Planned projects for next financial year. Impact: Ensuring 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 programmes are on an array of topics including but not limited to InfoSec & Cybersecurity Awareness, Anti Money Laundering and KYC, Operational Risk and Management, Employee Charter – Human Rights, Dealing with BFS Securities, Code of Conduct, Prevention of Sexual Harassment, Whistleblower, Mind Your Behaviour (MYB), Environment, Social & Governance (ESG), Environment Health and Safety, First Aid, Fire Safety, Digital Media, Extending Support-Being Inclusive, Consumer Financial Protection, and Financial Prudence. Impact: Enhancing ESG awareness to ensure alignment with BFL's upheld ethics and values	98.96%
Workers		NA	NA

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

*This data pertains to BFL.

#As of 31 March 2026, a portion of newly recruited staff had not yet completed their training requirements, which are subject to stipulated completion deadlines.

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					
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

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

Yes, BFL Group prohibits bribery and corruption in any form across all its business dealings through its [Anti-bribery & Anti-corruption Policy](#). This Policy is adopted across BFL Group and reflects our commitment to maintaining the highest ethical standards while fostering an open and fair business culture, adhering to best practices of corporate governance, and enhancing the BFL Group's reputation at all levels.

The objective of this Policy is to ensure that neither BFL Group nor its employees, third parties, or other stakeholders engage in any acts of bribery or corruption in the discharge of their official duties towards the BFL Group, whether in their own name or on behalf of the BFL Group. The Policy covers aspects related to bribes, acceptance of favours and gifts, charitable contributions, political contributions, conflicts of interest, and interactions with Government authorities and regulators, among others. It further reflects our dedication to operating in an open, fair, and accountable manner.

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

	FY2026	FY2025
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 service business which does not require services of workers.

P1 6. Details of complaints with regard to conflict of interest:

	FY2026		FY2025	
	Number	Remarks	Number	Remarks
P2 Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	Nil	Nil
P3				
P4 Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	Nil	Nil
P5				
P6				
P7				

P8 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.

P9 8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY2026	FY2025
Number of days of accounts payables	19.47	18.56

Note: Data reported on standalone basis.

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY2026	FY2025
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)	2.79%	3.57%
	b. Sales (Sales to related parties / Total Sales)^	1.60%	1.38%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)^#	0.01%	0.18%
	d. Investments (Investments in related parties / Total Investments made)	29.96%	26.23%

*On a standalone basis.

#Considered loans given to related parties.

^The figure of FY2025 has been regrouped / restated, to make it comparable with the current period.

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 301 of this Report.

P1

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
1	BFL conducted ESG and sustainability awareness sessions for high-risk vendors to strengthen responsible and transparent business practices. The training covered key ESG concepts, global and Indian regulatory trends, and SEBI's BRSR and BRSR Core requirements aligned with the nine principles of the National Guidelines on Responsible Business Conduct (NGRBC). Vendors were oriented on the importance of value chain data disclosures and their role in accurate ESG reporting. The programme covered the following areas: • Environmental aspects: energy, emissions, water, and waste management • Social aspects: labor practices, human rights, well-being, and inclusion • Governance aspects: ethics, compliance, transparency, and data protection	20%*

*Coverage of high-risk value chain partners as per BFL's outsourcing framework.

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 has a Board approved Code of Conduct policy for its Debt Recovery Agents (DRA), Direct Marketing Agents (DMA) and Direct Selling Agents (DSA). It 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 2026, more than 43,000 participants are DRA certified. We have over 90 facilitators, including more than 50 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 clauses 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 2026. A declaration to this effect signed by the Vice Chairman forms a part of this Annual Report.
- BFL and BHFL have also put in place necessary mechanisms and have formulated a Policy on Materiality of and 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>

P1

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

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Essential Indicators

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- 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.**

	FY2026	FY2025	Details of improvements in environmental and social impacts
R&D	-	-	Please refer the below note
Capex	44%	47%	

Note: BFL Group is engaged in financial service business. 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. In this regard, these equipments are procured exclusively from vendors meeting applicable standard compliance requirements. Moreover, BFL's data centres are certified under Environmental Management System.

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 nature of its business, the Company does not offer physical products in the normal course of operations; accordingly, product reclamation is not applicable.

- 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.
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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	
	FY2026	FY2025

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

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

	FY2026			FY2025		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (Including Packaging)	-	-	1.75	-	-	-
E-waste	-	1.65	5.93	-	25.9	8.34
Hazardous Waste	-	-	-	-	-	-
Other Waste (Battery, Biomedical, Wet and Dry Waste)	-	82.29	76.15	-	86.5	6.24

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

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

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	67,041	67,041	100%	67,041	100%	NA	NA	67,041	100%	67,041	100%
Female	4,572	4,572	100%	4,572	100%	4,572	100%	NA	NA	4,572	100%
Other	-	-	NA	-	NA	-	NA	-	NA	-	NA
Total	71,613	71,613	100%	71,613	100%	4,572	100%	67,041	100%	71,613	100%
				Other than Permanent Employees							
Male	75,147	75,147	100%	75,147	100%	NA	NA	NA	NA	Nil	Nil
Female	8,608	8,608	100%	8,608	100%	8,608	100%	NA	NA	Nil	Nil
Other	1	1	100%	1	100%	NA**	NA**	NA**	NA**	Nil	Nil
Total	83,756	83,756	100%	83,756	100%	8,608	100%	NA	NA	0	0%

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

**Benefits based on caregiving role, aligned with adoption benefits.

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

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

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

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

	FY2026	FY2025
Cost incurred on well-being measures as a % of total revenue of the Company	0.14%	0.10%

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

	FY2026			FY2025		
	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			NA			
Others – please specify			NA			

Note: BFL Group is engaged in financial service business which does not require services of workers.

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 / or Employee Charter – Human Rights Statement prohibits any kind of discrimination against persons with disabilities in any matter related to employment as per the Rights of Person with Disabilities Act, 2016. Some of BFL's offices and branches are designed to ensure accessibility for differently abled employees. Additionally, 320+ branches and offices are equipped with wheelchairs, and 3,300+ 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 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: <https://www.aboutbajajfinserv.com/finance-investor-relations-policies-and-codes>

P5 **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	99.94%	82.19%	NA	NA
Female	100%	77.31%	NA	NA
Total	99.95%	81.97%	NA	NA

NA: BFL Group is engaged in financial service business which does 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	Yes. BFL Group strives to create a culture which is fair, open, and transparent and where employees can openly present their views. 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. BFL Group has a Disciplinary Action Policy (DAP) and 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 has 'Code of Ethics and Personal Conduct' (CoEPC), 'Whistleblower', '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. BFL has a dedicated helpline number for employees to report their concerns.
Other than Permanent Employees	Yes. BFL Group strives to create a culture which is fair, open, and transparent and where employees can openly present their views. BFL and BHFL have 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 Group has zero tolerance towards any non-compliance of these principles. BFL and BHFL have 'Code of Ethics and Personal Conduct' (CoEPC), 'Whistleblower', 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. Further, BFL has a dedicated helpline number for employees to report their concerns.
Permanent workers and Other than permanent workers	NA

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

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

Category	FY2026			FY2025		
	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 service business which does not require services of workers.

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8. Details of training given to employees and workers

Category	Total (A)	FY2026				Total (D)	FY2025			
		On Skill Upgradation		On Health and Safety			On Skill Upgradation		On Health and Safety	
			%		%			%		%
		No. (B)	(B/A)	No. (C)	(C/A)		No. (E)	(E/D)	No. (F)	(F/D)
		Employees								
Male	142,188	128,633	90.47%	140,611	98.89%	60,128	57,576	95.76%	59,028	98.17%
Female	13,180	11,764	89.26%	12,880	97.72%	3,964	3,780	95.36%	3,782	95.41%
Other	1	1	100%	1	100%	NA	NA	NA	NA	NA
Total	155,369	140,398	90.36%	153,492	98.79%	64,092	61,356	95.73%	62,810	98.00%
		Workers								
Male										
Female										
Other										
Total										
		NA								

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

Note: Data for FY2025 pertains to Permanent employees while data for FY2026 includes both Permanent and Other than Permanent employees.

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

Category	FY2026			FY2025		
	Total (A)*	No.(B)	% (B/A)	Total (C)*	No.(D)	% (D/C)
Employees						
Male	103,867	103,867	100%	51,960	51,960	100%
Female	8,640	8,640	100%	3,359	3,359	100%
Other	-	-	-	NA	NA	NA
Total	112,507	112,507	100%	55,319	55,319	100%
Workers						
Male						
Female						
Other						
Total						

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

Note: Data for FY2025 pertains to Permanent employees while data for FY2026 includes both Permanent and Other than Permanent employees.

*Eligible employee 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. BFL has implemented Occupational Health and Safety Management System (ISO 45001:2018) for our head corporate office and all owned branches across India.

Through its "[Employee Health and Safety Manual](#)" and EHS Policy, BFL is committed to providing 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 Group 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 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 Group conducts internal 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. Also, BFL has implemented Hazard Identification and Risk Assessment (HIRA) and Aspect-Impact assessments across its corporate head office and all owned branch offices.

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 service business which does not require services of workers. For its employees, BFL has a dedicated Central Emergency Service Desk (CESD) helpline portal which is available 24 / 7. 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' 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	FY2026	FY2025
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 service business which does not require services of workers.

P1 **12. Describe the measures taken by the entity to ensure a safe and healthy workplace.**

P2 Refer 10(a) above.

P3 **13. Number of Complaints on the following made by employees and workers:**

	FY2026			FY2025		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	-	Nil	Nil	-
Health & Safety	Nil	Nil	-	Nil	Nil	-

P4 **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	BFL and BHFL head corporate office and 100% of BFL's owned branch offices
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.

P5 **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.**

P6 No significant corrective actions pertaining to above-mentioned parameters were necessitated by BFL Group during the year under review.

P7 **Leadership Indicators**

P8 **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 permanent employee (if required), etc.

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

- b. **Workers** - BFL Group is engaged in financial service business which does not require services of workers.

P9 **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 fostering 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	
	FY2026	FY2025	FY2026	FY2025
Employees	Nil	Nil	Nil	Nil
Workers	NA	NA	NA	NA

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

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

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

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

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

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

Any risks or concerns identified during the assessment of vendors mentioned in above question, particularly relating to health and safety practices or working conditions, are formally communicated to the respective vendors. Corrective action plans are agreed upon with defined timelines, and vendors are required to implement necessary improvements to address the identified gaps. Follow-up reviews and monitoring are conducted to ensure timely closure of observations and sustained compliance with applicable health and safety standards.

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 BFL Group's business and vice versa now or in the future are identified as key stakeholders by the Group. The key stakeholders thus identified are customers, investors, lenders, depositors, Government, shareholders, regulators, value chain partners, employees, and society.

P6 The 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, the 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 The 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 & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, other)	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors and Lenders	No	- Quarterly earnings calls - Investor presentations - Annual general meeting - Stock exchange disclosures - Investor conferences - One-on-one meetings - Lender interactions - Credit rating discussions - Annual report and website disclosures - Investor grievance mechanism	- Annual and Quarterly - Need based	To inform about the performance, major developments, ESG initiatives and other relevant updates regarding BFL Group.
Customers	Yes - Women - Senior Citizen	- Customer service centres - Media & press releases - Website and mobile application - Digital self-service channels - Customer satisfaction surveys - Complaint management systems - Social media - Branch and field interactions - Targeted communication campaigns	- 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	- Regulatory filings - Periodic submissions - Inspections and Audits - Consultations, meetings with regulatory authorities - Policy updates - Compliance reviews - Representation through industry forums and associations	- 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.

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Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, other)	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	Yes • Women • Person (s) with Disability • Other Genders	• Employee engagement surveys • Townhalls / Confluence • Leadership connects • HR connect forums • Internal communication platforms • Performance reviews • Learning programmes • Grievance mechanisms • Employee assistance and well-being initiatives • Recognition platforms.	• On-going • Need based	To create a thriving, safe and inclusive workplace for its employees and provide merit-based opportunities for professional development and growth. Additionally, periodic communication to employees on Company's initiatives, policies and awareness.
Value Chain Partners	No	• Partner meetings • Onboarding and due diligence processes • Performance reviews • Training sessions • Audits and compliance checks • Service-level reviews • Policy communication • Vendor risk assessments • Partner conferences	• On-going • Need based	To strengthen collaboration, enhance overall value delivery, and to build strategic, mutually beneficial partnerships across the value chain.
Society	Yes	• CSR programmes • NGO and implementation partner engagements • Volunteering initiatives • Field visits • Beneficiary interactions • Impact assessments and programme reviews	• On-going • Need based	To promote social welfare activities for inclusive growth, fair and equitable development, and well-being of society through our business functioning.
Board of Directors	No	• Board meetings • Committee meetings • Strategy sessions • Risk and compliance updates • Business performance reviews • Internal audit updates • Management presentations • Regulatory updates and governance discussions.	• Quarterly • Need-based	To oversee and guide the organisation's business strategy, governance practices, asset quality, customer protection, regulatory compliance, capital allocation, ESG priorities, and succession planning. It ensures strengthening of stakeholder trust while driving sustainable long-term value creation.

P1 **Leadership Indicators**

P2 **1. Provide the processes for consultation between stakeholders and the Board on economic,**

P3 **environmental, and social topics or if consultation is delegated, how is feedback from such**

P4 **consultations provided to the Board.**

P5 BFL Group to the extent considered necessary and permitted by regulations, ensures transparent

P6 communication and access to relevant information about its decisions that impact relevant stakeholders,

P7 keeping in mind the need to protect confidential competitive plans and information.

P8 Engagement with stakeholders is a continuous process, as part of BFL Group's business activities.

P9 Such engagement is generally driven by the responsible business functions, with senior executives also participating based on the need of the engagement.

The Board of Directors is 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.

As a matter of full transparency, BFL communicates key strategies of its Long-Range Strategy which is a 5-year rolling plan with various stakeholders through Investor Presentations, Annual Report, townhalls with dealers, distributors and employees, and Annual General Meeting presentation. Bajaj Finserv held its Investor Day in December 2025, during which it presented a five year Long-Range Strategy for its Group Companies. This event marked a key moment in outlining the Company's future plans and growth trajectory.

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

Yes. The Company personnel interact with 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 its 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/ marginalized stakeholder groups.

BFL has identified women (customers and employees), persons with disabilities (customers and employees), senior citizen 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 ₹ 150,000 crore during last 3 years.
- **Elderly assistance** - Higher Fixed Deposit (FD) rates for senior citizens - additional interest of up to 0.35%.

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- **Women-led branch** - One of the most notable steps we have taken is the launch of Women-led Branches, within our gold loans department. We have appointed 159 women branch managers entrusted with key responsibilities. This initiative marks a significant stride towards gender diversity and workplace inclusion.
- **Financial Literacy** - In FY2026, BFL expanded its Financial Literacy Programme in rural areas of Andhra Pradesh, Jharkhand, Karnataka, Odisha, 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. In FY2026, the initiative has positively impacted over 5,500 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.

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

P2 **Essential Indicator**

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

Category	FY2026			FY2025		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	71,613	70,515	98.47%	64,092	56,991	88.92%
Other than permanent	83,756	82,487	98.48%	44,650	0	0%
Total Employees	155,369	153,002	98.48%	108,742	56,991	52.41%
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 service business which does not require services of workers.

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

Category	FY2026					FY2025				
	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	67,041	Nil	NA	67,041	100%	60,128	Nil	NA	60,128	100%
Female	4,572	Nil	NA	4,572	100%	3,964	Nil	NA	3,964	100%
Other	0	NA	NA	NA	NA	NA	NA	NA	NA	NA
Other than Permanent										
Male	75,147	Nil	NA	75,147	100%	40,929	20,886	51.03%	20,043	48.97%
Female	8,608	Nil	NA	8,608	100%	3,721	1,736	46.65%	1,985	53.35%
Other	1	Nil	NA	1	100%	0	NA	NA	NA	NA
Workers*										
Permanent										
Male										
Female	NA									
Other										
Other than Permanent										
Male										
Female	NA									
Other										

*BFL Group is engaged in financial service business which does not require services of workers.

3. Details of remuneration/salary/wages**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 ^{~*}	1	50.56	0	0
BoD – non-executive Directors [*]	8	1.30	1	1.39
Key Managerial Personnel ^{~*}	2	8.27	0	0
Employees other than BoD and KMP ^{^#}	78,965	0.07	5,347	0.07
Workers	NA	NA	NA	NA

^{*}Data pertains to BFL only. Data considered for Directors and KMPs active as on 31 March 2026.

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

[#]Data pertains to Permanent employees of BFL Group excluding KMPs.

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

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

	FY2026	FY2025
Gross wages paid to females as % of total wages	6.38%	6.48%

Note: Data pertains to Permanent employees.

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes.

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

While BFL Group aims to not have a situation that leads to any grievance; should such a situation arise, the Group has a well-defined grievance redressal mechanism for its employees which are governed through CoEPC, Employee Charter, Disciplinary Action, Whistleblower 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 Disciplinary Action Policy (DAP) and Disciplinary Action Committee (DAC) to address the grievances of its employees. It enables employees to work without fear of prejudice, gender discrimination and harassment. The 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, the Group has aimed to provide reasonable safeguards for the benefit of employees at the workplace, while having due regard for their privacy and dignity. The 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, the 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. The Group employees must promptly report any violation of this Code to their Manager and to the Ethics Officer.

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

	FY2026			FY2025		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
P5 Sexual Harassment	10	3	Out of 3 pending complaints, 1 complaint has been resolved by 29 April 2026	10	1	Pending complaint has been resolved in FY2026
P6 Discrimination at workplace	0	0	-	0	0	-
P7 Child Labour	0	0	-	0	0	-
P8 Forced Labour/ Involuntary Labour	0	0	-	0	0	-
P9 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, and 'Respectful, Inclusive & Safe Work Environment Awareness Series (RISE)'.

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

	FY2026	FY2025
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	10	10
Complaints on POSH as a % of female employees / workers	0.10%	0.18%
Complaints on POSH upheld	7*	9

*Pertains exclusively to the complaints raised in FY2026.

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, Whistleblower and Vigil mechanism policies. BFL Group prohibits retaliation against any employee who reports in good faith any suspected or potential violation of the CoEPC 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.

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

Yes. BFL Group appreciates the inherent, universal, indivisible, inalienable and interdependent nature of human rights.

BFL Group has a Suppliers' Code of Conduct which sets clear expectations for suppliers to respect and uphold fundamental human rights throughout their operations. It outlines specific guidelines to ensure that labour practices are ethical, safe, and non-discriminatory, promoting fair treatment and dignity for all individuals involved in the supply chain.

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	
Forced/involuntary labour	BFL assesses its offices for compliance with applicable labour laws and human rights standards, including child labour, forced or involuntary labour, prevention of sexual harassment, non-discrimination, and fair wage practices. The organisation conducts its operations responsibly, promoting mutual respect, equal opportunity, occupational health and safety, and ethical employment practices through periodic training and communication for employees and relevant stakeholders.
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, 320+ branches and offices are equipped with wheelchairs, and 3,300+ 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.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment.**Essential Indicator****1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	Unit of Measurement	FY2026	FY2025
From renewable sources			
Total electricity consumption (A)	Gigajoules	803.59	733.05
Total fuel consumption (B)	Gigajoules	-	-
Energy consumption through other sources (C)	Gigajoules	-	-
Total energy consumed from renewable sources (A+B+C)	Gigajoules	803.59	733.05
From non-renewable sources			
Total electricity consumption (D)	Gigajoules	191,175.20	175,325.97
Total fuel consumption (E)	Gigajoules	76,273.06	64,803.22
Energy consumption through other sources (F)	Gigajoules	-	-
Total energy consumed from non-renewable sources (D+E+F)	Gigajoules	267,448.26	240,129.19
Total energy consumed (A+B+C+D+E+F)	Gigajoules	268,251.85	240,862.24
Energy intensity per rupee of turnover (Total energy consumed / Total consolidated income)	Gigajoules per crore of total consolidated income	3.27	3.50
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Total consolidated income adjusted for PPP)	Gigajoules per crore of total consolidated income adjusted for PPP	66.55	72.28
Energy intensity in terms of physical output (Total energy consumed / Average FTE)	Gigajoules per average FTE	2.03	3.44
Energy intensity (optional) (Total energy consumed / Consolidated total loan portfolio)	Gigajoules per crore of consolidated total loan portfolio	0.54	0.59

Note: For the purpose of calculation of intensity, conversion factor of 20.34 INR / USD has been considered for adjusted purchasing power parity (PPP) as per International Monetary Fund (IMF) FY2026.

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 FY2026.

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.

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

P2	Parameter	FY2026	FY2025
P3	Water withdrawal by source (in kilolitres)		
P4	(i) Surface water	-	-
P5	(ii) Groundwater	-	-
P6	(iii) Third party water	-	-
P7	(iv) Seawater/desalinated Water	-	-
P8	(v) Others	-	-
P9	Total volume of water withdrawal (in kilolitres) (i+ii+iii+iv+v)	-	-
	Total volume of water consumption (in kilolitres)	1,554,703.65	856,861.65
	Water intensity per rupee of turnover (Total water consumption / Total consolidated income in crore)	18.96	12.45
	Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Total consolidated income in crore adjusted for PPP)	385.69	257.13
	Water intensity in terms of physical output (Total water consumption / Average FTE)	11.77	12.22
	Water intensity (optional) (Total water consumption / Consolidated total loan portfolio in crore)	3.12	2.10

Note:

- 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".
- 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.
- For the purpose of calculation of intensity, conversion factor of 20.34 INR / USD has been considered for adjusted purchasing power parity (PPP) as per International Monetary Fund (IMF) FY2026.

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 FY2026.

4. Provide the following details related to water discharged:

Parameter	FY2026	FY2025
Water discharge by destination and level of treatment (in kilolitres)		
(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 FY2026.

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	FY2026	FY2025
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 FY2026.

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

Parameter	Unit	FY2026	FY2025
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	6,665.65	6,169.13
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	37,769.93	35,483.10
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Total consolidated income)	Metric tonnes of CO ₂ equivalent per crore of total consolidated income	0.54	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 / Total consolidated income adjusted for PPP)	Metric tonnes of CO ₂ equivalent per crore of total consolidated income adjusted for PPP	11.02	12.50
Total Scope 1 and Scope 2 emission intensity in terms of physical output (Total Scope 1 and Scope 2 GHG emissions / Average FTE)	Metric tonnes of CO ₂ equivalent per average FTE	0.34	0.59
Total Scope 1 and Scope 2 emission intensity (optional) (Total Scope 1 and Scope 2 emissions / Consolidated total loan portfolio)	Metric tonnes of CO ₂ equivalent per crore of consolidated total loan portfolio	0.09	0.10

Note: For the purpose of calculation of intensity, conversion factor of 20.34 INR / USD has been considered for adjusted purchasing power parity (PPP) as per International Monetary Fund (IMF) FY2026.

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 FY2026.

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

Yes. BFL remains committed to implementing 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.

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- **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 FY2026, BFL has seen a decline in walk-ins owing to the increasing digital presence.
- BFL Group has planted more than 500,000 saplings in the past three years.

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

Parameter	FY2026 (in metric tonnes)	FY2025 (in metric tonnes)
Total waste generated (in metric tonnes)		
Plastic waste (A)	1.75	-
E-waste (B)	7.58	34.24
Bio-medical waste (C)	1.52	0.02
Construction and demolition waste (D)	-	-
Battery waste (E)	82.74	92.74
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)	74.18	-
Total (A+B+C+D+E+F+G+H)	167.77	127.00
Waste intensity per rupee of turnover (Total waste generated / Total consolidated income in crore)	0.0020	0.0018
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Total consolidated income in crore adjusted for PPP)	0.042	0.038
Waste intensity in terms of physical output (Total waste generated / Average FTE)	0.001	0.002
Waste intensity (optional) (Total waste generated / Consolidated total loan portfolio in crore)	0.0003	0.0003
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	83.94	112.40
(ii) Re-used	-	-
(iii) other recovery operations	6.38	14.58
Total	90.32	126.98
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0.003	0.004
(ii) Landfilling	-	-
(iii) other disposal operations (Safe disposal)	77.45	0.018
Total	77.45	0.022

Notes:

- The categories of waste generated, and their treatment bifurcation are provided below:
 - Battery waste: A total of 82.74 metric tonne of waste was generated, of which 82.29 metric tonne was recycled and 0.45 metric tonne was safely disposed of for FY2026.
 - E-waste: A total of 7.58 metric tonne of waste was generated, of which 1.65 metric tonne was recycled and 5.93 metric tonne was safely disposed of for FY2026.

c) Other Waste:

- Bio-medical waste management includes 2.7 kgs incinerated, 5.8 kgs autoclaved / shredded, and 1.3 kgs disinfected / mutilated, along with 1.51 metric tonnes safely disposed of during FY2026.
- Plastic, Wet & Dry Waste: 75.93 metric tonnes handed over to municipal authorities for safe disposal.

2. For the purpose of calculation of intensity, conversion factor of 20.34 INR / USD has been considered for adjusted purchasing power parity (PPP) as per International Monetary Fund (IMF) FY2026.

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 FY2026.

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 its operations, BFL Group companies do not utilize hazardous or toxic chemicals. The Group has established systems to ensure the proper management and disposal of various waste streams including E-waste, Battery waste, Biomedical waste, Plastic waste, and Wet and Dry waste through certified waste handlers.

During FY2026, a total of 167.77 metric tonnes of waste generated across these categories (as detailed in Q9 above) was handed over to authorized vendors for safe disposal.

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

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

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

P1 **Leadership Indicators**

P2 **1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

P3 For each facility / plant located in areas of water stress, provide the following information:

P4 (i) Name of the area

P5 (ii) Nature of operations

P6 (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY2026	FY2025
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 kilolitres) (i+ii+iii+iv+v)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed / Total consolidated income)		
Water intensity (optional)-the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
No treatment -		
With treatment - please specify level of treatment		
(ii) Into Groundwater		
No treatment -		
With treatment - please specify level of treatment		
(iii) Into Seawater		
No treatment -		
With treatment - please specify level of treatment		
(iv) Sent to third parties		
No treatment -		
With treatment - please specify level of treatment		
(v) Others		
No treatment -		
With treatment - please specify level of treatment		
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 FY2026.

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

Parameter	Unit	FY2026	FY2025
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	102,678.55	20,452.05
Total Scope 3 emission intensity per rupee of turnover (Total Scope 3 GHG emissions / Total consolidated income)	Metric tonnes of CO ₂ equivalent per crore of total consolidated income	1.25	0.30
Total Scope 3 emission intensity in terms of physical output (Total Scope 3 GHG emissions / Average FTE)	Metric tonnes of CO ₂ equivalent per average FTE	0.78	0.29
Total Scope 3 emission intensity (optional) (Total Scope 3 emissions / Consolidated total loan portfolio)	Metric tonnes of CO ₂ equivalent per crore of consolidated total loan portfolio	0.21	0.05

Note: In FY2026, our Scope 3 emissions increased due to expanded reporting boundaries, including the addition of Category 2: Capital Goods and Category 7: Employee Commuting, along with the inclusion of personal car usage under Category 6: Business Travel.

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

Yes. During the year, independent limited assurance has been carried out by SGS India Private Limited for FY2026.

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.

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

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Rooftop Solar Installation	Rooftop solar at total of 7 locations, with a total capacity of over 620 KW.	Resulting in avoidance of over 157 tCO ₂ e during FY2026.
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 4.3 lakh kilometres and completing around 1.5 lakh trips during FY2026 avoiding ~34 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 720 crore sheets of paper.	Saving around 8.6 lakh equivalent trees over the last three years.
5.	Recycling / Safe disposal of waste	BFL Group is committed to recycling and safely disposing of its waste through authorised vendors.	Resulting in avoidance of 167.77 tonnes of waste in landfill during FY2026.

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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 certified with ISO 22301:2019 Business Continuity Management systems and is also compliant with applicable regulatory requirements including 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 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

Note: In principle 6, figures of FY2025 have been regrouped / restated, wherever necessary, to make them comparable with the current period.

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

Essential Indicators

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

BFL is a member of Finance Industry Development Council (FIDC) and through its parent Company BFS, BFL holds membership in Confederation of Indian Industry. Additionally, BFSL, a wholly-owned subsidiary of BFL is a member of Bombay Stock Exchange Brokers' Forum (BBF), Association of Mutual Funds of India (AMFI), and Association of Portfolio Managers in India (APMI). It proactively contributes to the discussions and resolutions within the scope of these forums.

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

S. No.	Name of the trade and industry chambers/ associations	Company Name	Reach of trade and industry chambers/ associations (State/National)
1	Finance Industry Development Council	BFL	National
2	Confederation of Indian Industry	BFS	National
3	World Economic Forum	Bajaj Holdings and Investments Limited	International
4	Bombay Stock Exchange Brokers' Forum	BFSL	National
5	Association of Mutual Funds of India	BFSL	National
6	Association of Portfolio Managers in India	BFSL	National

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

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

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

Leadership Indicators

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

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
Please refer 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. Bajaj Holdings and Investments Limited is a member of the World Economic Forum and BFS is a member of CII, through which they actively engage in policy advocacy.

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

P2 **Essential Indicator**

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

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

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

S. 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:

	FY2026	FY2025
Directly sourced from MSMEs/ small producers	4.57%	4.57%
Directly from within India	99.66%	99.38%

Note: Data reported on standalone basis.

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.

	FY2026	FY2025
Rural	3.24%	3.17%
Semi-urban	13.04%	13.04%
Urban	24.22%	23.36%
Metropolitan	59.50%	60.43%

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	

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

S. No.	State	Aspirational District	Amount spent (In ₹)*
1	Andhra Pradesh	Visakhapatnam	315,500
2	Andhra Pradesh	Vizianagaram	3,864,826
3	Assam	Udalguri	13,306,747
4	Bihar	Araria	711,298
5	Bihar	Aurangabad	591,971
6	Bihar	Banka	2,243,897
7	Bihar	Begusarai	826,895
8	Bihar	Gaya	4,213,707
9	Bihar	Katihar	657,228
10	Bihar	Khagaria	529,511
11	Bihar	Purnia	702,907
12	Jammu & Kashmir	Kupwara	2,681,658
13	Jharkhand	Bokaro	420,215
14	Jharkhand	Chatra	416,000
15	Jharkhand	Dumka	560,000
16	Jharkhand	Garhwa	580,000
17	Jharkhand	Giridih	560,000
18	Jharkhand	Godda	380,000
19	Jharkhand	Gumla	600,000
20	Jharkhand	Khunti	760,000
21	Jharkhand	Latehar	1,040,000
22	Jharkhand	Pakur	797,065
23	Jharkhand	Palamu	240,000
24	Jharkhand	Ramgarh	1,100,000
25	Jharkhand	Ranchi	276,799
26	Jharkhand	Simdega	1,580,000
27	Karnataka	Raichur	668,026
28	Madhya Pradesh	Barwani	4,068,455
29	Maharashtra	Gadchiroli	16,218,132
30	Maharashtra	Nandurbar	7,164,414
31	Maharashtra	Osmanabad	108,492
32	Maharashtra	Washim	808,492
33	Nagaland	Kiphire	124,960
34	Odisha	Dhenkanal	3,506,200
35	Odisha	Gajapati	5,401,761
36	Odisha	Kalahandi	4,451,792
37	Odisha	Rayagada	4,401,109
38	Rajasthan	Jaisalmer	1,363,145
39	Rajasthan	Karauli	1,388,626
40	Rajasthan	Sirohi	309,353
41	Rajasthan	Sirohi (Abu road & Pindwara)	3,000,000
42	Uttar Pradesh	Bahraich	3,541,766

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

P1 3. (a) Do you have a preferential procurement policy where you give preference to purchase from
P2 suppliers comprising marginalised /vulnerable groups? (Yes/No)

P3 (b) From which marginalised /vulnerable groups do you procure?

P4 (c) What percentage of total procurement (by value) does it constitute?

P5 NA

P6

P7 4. Details of the benefits derived and shared from the intellectual properties owned or acquired by
P8 your entity (in the current financial year), based on traditional knowledge:

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

S. No.	CSR Project	No. of persons benefitted from CSR project	% of beneficiaries from vulnerable and marginalized groups
1	Child – Education	585,810	Please refer note below
2	Child – Health	63,342	
3	Child – Physical and Intellectual Disabilities	429,094	
4	Child – Prevention of Mortality	387,350	
5	Child – Protection	53,274	
6	Others	888,101	
7	Youth – Artisan Skilling	1,500	
8	Youth – Healthcare Skilling	848	
9	Youth – Livelihood initiatives	41,164	
10	Youth – PWD Skilling	25,034	
11	Youth – Skilling for employment	158,205	
12	Youth – Skilling for enterprise / Self-employment	122,895	

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.

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

Essential Indicators

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

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

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. Proactive measures have been implemented based on insights from root cause analysis to effectively reduce and control recurring customer issues.

Dedicated Customer Centricity and Compliance Office function has been set up to ensure all initiatives meet customer, compliance, operational, and technology standards before execution.

For FY2026, BFL has received over 2 crore responses from its customers and achieved a CSAT score of 95%.

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:

	FY2026			FY2025		
	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	17,824	9	Out of 9 pending complaints, 7 complaints have been resolved by 29 April 2026	5,917	7	All pending complaints have been resolved in FY2026

Note: In lieu of 'Reserve Bank of India (Non-Banking Financial Companies - Internal Ombudsman) Directions, 2026, issued on 14 January 2026, the definition of Complaint has been modified to also include alleging deficiency in service on the part of NBFC as a Complaint. Thus, the previous year details are not comparable.

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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		NA
Forced recalls		

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. The Company implements appropriate technical and organisational security measures to safeguard Personal Information (PI), including access controls, monitoring mechanisms, and data protection safeguards in line with applicable regulatory requirements. Further, in line with the requirements of the Digital Personal Data Protection Act, 2023, the Company is strengthening its data privacy governance structure and implementing additional processes and controls relating to customer data handling, consent management, data protection safeguards, and compliance monitoring.

BFL and its subsidiaries are certified with ISO 27001:2022 Information Security Management System and all applicable regulatory frameworks and guidelines. For more details, please refer to section on "Manufactured and Intellectual Capital" section of the [ESG Report FY2026](#).

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 - NA**

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Leadership Indicators

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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 Group 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 33 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.

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

Further, please refer to "Customer Obsession" section of ESG Report at Link: <https://www.aboutbajajfinserv.com/impact-environmental-social-and-governance>

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

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

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

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

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

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

Annexure 1: Indicative List of Policies

S. 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	Vigil mechanism / whistleblower Policy [#]	√		√		√				
14	Know Your Customer Policy [#]	√								√
15	Corporate Social Responsibility (CSR) Policy [#]	√			√				√	
16	Policy for inquiry in case of leak or suspected leak of Unpublished Price Sensitive Information*	√								
17	Code of practices and procedures for fair disclosure of unpublished price sensitive information (UPSI) [#]	√								
18	Policy on Materiality of and dealing with Related Party Transactions [#]	√								
19	Interest Rate Policy [#]	√								√
20	Policy on 'Fit and proper' criteria for Directors*	√								
21	Performance Evaluation Criteria for Board, Committees of Board, Chairperson and Directors [#]	√								
22	Code of Ethics and Personal Conduct [#]	√		√		√				
23	Mind Your Behaviour*	√		√		√				
24	Equal Employment opportunity and Non-Discrimination [#]	√		√		√				
25	Corporate Communication Policy*	√			√					√
26	Employee Charter – Human Rights Statement [#]	√		√	√					
27	IJP Policy*			√						
28	Recognition Policy*			√						
29	iCare Policy*			√						
30	Employee and parental insurance Policy*			√						
31	Creche Policy*			√						
32	Staff welfare & team engagement Policy*			√						
33	Fortnightly salary advance*			√						
34	Money on call*			√						
35	Dividend Distribution Policy [#]	√			√					
36	Board Diversity Policy*	√								
37	Corporate Audit Services (CAS) – Risk Based Internal Audit (RBIA) Policy Document*	√								

S. No	Principle wise Policies	NGRBC Principles								
		1	2	3	4	5	6	7	8	9
38	Grievance Redressal Mechanism*	√			√	√				√
39	Internal Ombudsman SOP*	√								√
40	Sustainable Business Strategy Framework*	√			√					√
41	Policy for Monitoring End-Use of Funds*	√								
42	Record maintenance and retention Policy*	√								
43	Risk Management Policy*	√								
44	Investment and Market Risk Policy*	√								
45	Asset Liability Management Policy*	√								
46	Business Continuity Management Policy*	√								√
47	Policy on dealing in securities of group companies*	√								
48	Remuneration Policy [#]	√		√						
49	Password procedure Policy*	√								
50	Online Security*	√		√	√					√
51	Compliance Policy*	√								√
52	Corporate Governance Policy [#]	√								
53	Framework for Corporate Governance in Subsidiary companies*	√								
54	Internal Capital Adequacy Assessment Process Policy (ICAAP)*	√								
55	Policy for compensation of Key Managerial Personnel and Senior Management [#]	√								
56	Retirement Policy*			√						
57	Code of conduct for directors and senior management [#]	√								
58	Information Security Policy*	√								√
59	Information Technology Policy*	√								√
60	Cyber Crisis Management Policy*	√								√
61	Incident Management Plan*	√								√
62	IS Audit Policy*	√								√
63	Information Security Management Systems Change Management*	√								√
64	Liquidity Risk Management Framework*	√								
65	Policy for Appointment of Statutory Auditors [#]	√								
66	Policy on Preservation of Documents*	√								√
67	IT Asset Disposal Policy*						√			
68	Policy on levy of Fees & Charges to customers*	√								√
69	Distance Learning Program Policy*			√						
70	Community well-being fund*	√		√		√				
71	Performance Management Policy*	√		√		√				
72	Social Media Governance Policy*	√								
73	Spectrum Policy*	√		√		√				
74	Environment, Health and Safety (EHS) Manual [#]	√		√		√	√			
75	Leaders as trainer Policy*			√						
76	Celebration Framework*			√						
77	Certified Trainer Policy*			√						
78	BFS Code of Ethics & Personal Conduct Brochure [#]	√		√		√				
79	Higher Education Policy*			√						
80	Job Rotation Policy*	√								

S. No	Principle wise Policies	NGRBC Principles								
		1	2	3	4	5	6	7	8	9
81	Interest Rate Risk and Currency Risk Hedging Policy*	√								
82	Resource Planning Policy*	√								
83	Operational Risk Management Policy*	√								
84	Suppliers' code of conduct [#]	√	√		√	√				
85	Financial Prudence Policy "Mind your finances"*	√		√						
86	Environment, Health, and Safety (EHS) Policy*	√		√		√	√			
87	Artificial Intelligence Policy*	√								√
88	Data Governance Policy*	√								√
89	Outsourcing Policy - Financial Services (FS) & Information Technology (IT)*	√								√
90	Policy Document for Dealing with Frauds*	√								√
91	Policy for person with Specially abled*			√		√			√	
92	Anti-Bribery and Anti-Corruption Policy [#]	√			√					√
93	Employee Growth Policy*			√					√	
94	Policy for orderly succession for appointments to senior management*	√								

*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 2025-26

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, 2025, to March 31, 2026. SGS India has conducted a Reasonable level of Assurance for the 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

1. Master Circular for compliance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by listed entities: BRSR Core and Non-Core Framework for Assurance and ESG Disclosures for Value Chain (Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026), dated 30 January 2026.
2. Greenhouse Gas Protocol Standard: A Corporate Accounting and Reporting Standard.

Intended Users of this Assurance Statement

This Assurance Statement is provided with the intention of informing all Bajaj Finance Limited's internal and external 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 for BRSR core parameters under 9 ESG Attributes, and a Limited level of assurance for the remaining BRSR parameters, including all essential and leadership indicators as specified under BRSR standards and amendments made as on date. 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; and environmental, social, and sustainability report assurance. SGS India affirms 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 (KPI's) within the report for the period April 1, 2025, to March 31, 2026. 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 their comprehensiveness, reliability, and accuracy.
- Interaction with key personnel responsible for collecting, consolidating, and calculating the BRSR core KPIs, and 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

SGS India did not come across any limitation to the agreed scope of the assurance engagement. 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 financial reports audited by the Company. SGS India does not take any responsibility for the financial data reported in the audited financial reports of the Company.

The assurance scope excludes:

- Disclosures other than those mentioned in the assurance scope.
- Data reviews outside the operational sites as mentioned in the reporting boundary.
- Validation of any data and information other than those presented in "Findings and Conclusions."
- 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.

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 data reported (Annexure B) 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:

For and on behalf of SGS India Private Limited

Kalpesh Thombare

Technical Reviewer and National Manager –
ESG & Sustainability Services, SGS India.

25 June 2026.

Chirag Bafna

Lead Verifier and Senior Technical Associate –
ESG & Sustainability Services, SGS India
Team Member – Nakshatra Shinde (Technical Associate)
25 June 2026.

Annexure A

The BRSR Core indicators that were subject to verification under this assurance engagement are detailed below:

Sr. No.	Attribute	Parameter	Unit of Measures	Verified Value
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	6,665.65
		Total Scope 2 emissions	MT of CO ₂ e	37,769.93
		Total Scope 1 and Scope 2 emissions intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Total consolidated income)	MT of CO ₂ e per crore of total consolidated income	0.54
		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 / Total consolidated income adjusted for PPP)	MT of CO ₂ e per crore of total consolidated income adjusted for PPP	11.02
		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	0.34
		Total Scope 1 and Scope 2 emission intensity (optional) (Total Scope 1 and Scope 2 emissions / Consolidated total loan portfolio)	MT of CO ₂ e per crore of consolidated total loan portfolio	0.09
2	Water footprint	Total volume of water consumption	Kilolitres (KL)	1,554,703.65
		Water intensity per rupee of turnover (Total water consumption / Total consolidated income)	KL per crore of total consolidated income	18.96
		Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Total consolidated income adjusted for PPP)	KL per crore of total consolidated income adjusted for PPP	385.69
		Water intensity in terms of physical output (Total water consumption / Average FTE)	KL per average FTE	11.77
		Water intensity (optional) - (Total water consumption / Consolidated total loan portfolio)	KL per crore of consolidated total loan portfolio	3.12
		Water Discharge by destination and levels of Treatment	KL	Not Reported
3	Energy footprint	Total energy consumed	Gigajoules (GJ)	268,251.85
		% of energy consumed from renewable sources	In % terms	0.30%
		Energy intensity per rupee of turnover (Total energy consumed / Total consolidated income)	GJ per crore of total consolidated income	3.27
		Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Total consolidated income adjusted for PPP)	GJ per crore of total consolidated income adjusted for PPP	66.55
		Energy intensity in terms of physical output (Total energy consumed / Average FTE)	GJ per average FTE	2.03
		Energy intensity (optional) - (Total energy consumed / Consolidated total loan portfolio)	GJ per crore of consolidated total loan portfolio	0.54
4	Embracing circularity - details related to waste management by the entity	Plastic waste	MT	1.75
		E-waste	MT	7.58
		Bio-medical waste	MT	1.52
		Battery waste	MT	82.74
		Other Non-hazardous waste generated	MT	74.18
		Total waste generated	MT	167.77
		Waste intensity per rupee of turnover (Total waste generated / Total consolidated income)	MT per crore of total consolidated income	0.0020
		Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Total consolidated income adjusted for PPP)	MT per crore of total consolidated income adjusted for PPP	0.042
		Waste intensity in terms of physical output (Total waste generated / Average FTE)	MT per average FTE	0.001
		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	Verified Value
		Total waste recovered through recycling, re-using or other recovery operations		
		(i) Recycled	MT	83.94
		(ii) Re-used	MT	-
		(iii) Other recovery operations	MT	6.38
		Total	MT	90.32
		Total waste disposed by nature of disposal method		
		(i) Incineration	MT	0.003
		(ii) Landfilling	MT	-
		(iii) Other disposal operations (Safe disposal)	MT	77.45
		Total	MT	77.45
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	0.14%
6	Enabling Gender Diversity in Business	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
		Gross wages paid to females as % of wages paid	In % terms	6.38%
		Complaints on POSH	Total Complaints on Sexual Harassment (POSH) reported	10
7	Enabling Inclusive Development		Complaints on POSH as a % of female employees / workers	0.10%
			Complaints on POSH upheld	7
		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	99.66%
		Job creation in smaller towns – Wages paid to persons employed in smaller towns as % of total wage cost	Rural	3.24%
			Semi-urban	13.04%
			Urban	24.22%
8	Fairness in Engaging with Customers and Suppliers		Metropolitan	59.50%
		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	19.47
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
			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	2.79%
			Sales	1.60%
			Loans & Advances	0.01%
			Investments	29.96%

Annexure B

The BRSR (Core and Non-Core) indicators that were subject to verification under this assurance engagement are detailed below:

Principles	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

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 2025 to 31st March 2026. 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 and 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 (tCo ₂ e)	
	Scope 1	Scope 2
Bajaj Finance Limited (BFL)	6,234.00	34,755.03
Bajaj Housing Finance Limited (BHFL)	374.82	2,072.08
Bajaj Financial Securities Limited (BFSL)	56.83	942.82

Scope 3 Data

Locations	Scope 3 Actual emission (tCo ₂ e)
Bajaj Finance Limited (BFL)	97,983.78
Bajaj Housing Finance Limited (BHFL)	3,781.01
Bajaj Financial Securities Limited (BFSL)	913.76

Verification Statement no: BA_ESG_2628073_GHG_V1

Statement Date: 25 June 2026.

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 2025-26

The Board of Directors,

Bajaj Finance Limited,

4th Floor, Bajaj Finserv Corporate office
off 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 01st April 2025 to 31st March 2026. 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".

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, 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 of Assurance for Scope 1 & Scope 2, and Limited Level of 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 01st April 2025 to 31st March 2026.

The scope of verification covers the following aspects:

- The reporting scope and boundaries include Bajaj Finance Limited (BFL) 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 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 GHG Inventory 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 (tCo ₂ e)	
	Scope 1	Scope 2
Bajaj Finance Limited (BFL)	6,234.00	34,755.03
Bajaj Housing Finance Limited (BHFL)	374.82	2,072.08
Bajaj Financial Securities Limited (BFSL)	56.83	942.82
Total Emission	6,665.65	37,769.93

Scope 3 Data

Categories of Scope 3	Actual emission (tCo ₂ e)
Category 1: Purchased goods and services	727.24
Category 2: Capital Goods	11,509.05
Category 3: Fuel & Energy Related Activities not included in scope 1 and scope 2	7,893.16
Category 5: Waste Generation in Operations	0.42
Category 6: Business Travel	19,424.41
Category 7: Employee Commuting	63,124.27
Total Emission	102,678.55

For and on behalf of SGS India Private Limited

Kalpesh Thombare

Technical Reviewer and National Manager –
ESG & Sustainability Services, SGS India.

25 June 2026.

Chirag Bafna

Lead Verifier and Senior Technical Associate –
ESG & Sustainability Services, SGS India
Team Member – Nakshatra Shinde (Technical Associate)
25 June 2026.

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.

