

Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. **Corporate Identity Number (CIN) of the Listed Entity-** L65921MH1991PLC059642
2. **Name of the Listed Entity-** MAHINDRA AND MAHINDRA FINANCIAL SERVICES LIMITED (MMFSL)
3. **Year of incorporation-** 1991
4. **Registered office address-** Gateway Building, Apollo Bunder, Mumbai, 400001 India
5. **Corporate address-** Mahindra Towers, 4th Floor, Dr. G. M. Bhosale Marg, Worli, Mumbai 400018 India
6. **E-mail-** investorhelpline_mmfsf@mahindra.com / FERNANDES.LESTER@mahindra.com
7. **Telephone-** +91 22 66526000
8. **Website-** www.mahindrafinance.com
9. **Financial year for which reporting is being done-** FY2023
10. **Name of the Stock Exchange(s) where shares are listed-** BSE Limited, National Stock Exchange of India Limited
11. **Paid-up Capital-** 247.10 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**

Particulars	Details
Name	Atul Joshi
Designation	Chief HR & Administration
Contact No.	022 66526029
Email	joshi.atul@mahindra.com
In case of any BRSR query	FERNANDES.LESTER@mahindra.com

13. **Reporting boundary -** This reporting boundary covers all the 1386 branches of Mahindra & Mahindra Financial Services Ltd Pan India.

II. Products/services

14. 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 Service	Financial and Credit leasing activities	98.8
2	Financial and insurance Service	Other financial activities	1.2

15. 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	Asset Financing	64990	78.53

III. Operations

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

Location	Number of plants	Number of offices
National	Not Applicable	1,386 offices as on 31 st March 2023
International	Not Applicable	The Company operates through its Joint Venture (JV) company Mahindra Finance USA LLC, in United States and through its subsidiary company Mahindra Ideal Finance Limited, in Sri Lanka.

**17. Markets served by the entity:****a. Number of locations**

Locations	Number
National (No. of States)	27
Union Territories	7
International (No. of Countries)	2

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

Not Applicable

c. A brief on types of customers- The Company provides wide range of financing, investment and insurance solutions to Rural and semi urban customers. The company serves customers from different sectors intending to purchase vehicles.**IV. Employees****18. Details as at the end of Financial Year:****a. Employees and workers (including differently-abled):**

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Employees						
1.	Permanent (D)	26,329	25,354	96%	975	4%
2.	Other than Permanent (E)	1,328	1,266	95%	62	5%
3.	Total employees (D+E)	27,657	26,611	96%	1037	4%
Workers						
4.	Permanent (F)		Not Applicable			
5.	Other than Permanent (G)		Not Applicable			
6.	Total workers (F+G)		Not Applicable			

b. Differently-abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Differently abled employees						
1.	Permanent (D)	106	52	49%	54	51%
2.	Other than Permanent (E)	Nil				
3.	Total differently abled employees (D+E)	106	52	49%	54	51%
Differently abled workers						
4.	Permanent (F)		Not Applicable			
5.	Other than Permanent (G)		Not Applicable			
6.	Total workers (F+G)		Not Applicable			

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	10	2	20%
Key Management Personnel	3	1	33%

20. Turnover rate for permanent employees and workers

	FY2023			FY2022			FY2021		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	20.08%	18.81%	19.94%	18.85%	16.98%	18.77%	12.26%	11.17%	12.22%
Permanent Workers	Not Applicable								

Holding, Subsidiary and Associate Companies (including joint ventures)

21. (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	Mahindra and Mahindra limited	Holding	52.16	No
2	Mahindra Insurance Brokers Limited	Subsidiary	80.00	No
3	Mahindra Rural Housing Finance Limited	Subsidiary	98.43	No
4	Mahindra Manulife Investment Management Private Limited	Subsidiary	51.00	No
5	Mahindra Manulife Trustee Private Limited	Subsidiary	51.00	No
6	Mahindra Finance CSR Foundation	Subsidiary	100	No
7	Mahindra Ideal Finance Limited	Subsidiary	58.20	No
8	Mahindra Finance USA LLC	Subsidiary	49.00	No

V. CSR Details

22. (i) Whether CSR is applicable as per Section 135 of Companies Act, 2013: (Yes/No)- Yes

(i) Turnover (in ₹): 11,056.09 crores

(ii) Net worth (in ₹): 17,088.91 crores

V. Transparency and Disclosures Compliances

23. 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)	FY2023 Current Financial Year			FY2022 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes https://www.mahindrafinance.com/media/392520/9-whistle-blower-policy.pdf	0	0	-	0	0	-
Investors (other than shareholders)	Yes https://www.mahindrafinance.com/media/392520/9-whistle-blower-policy.pdf Mahindra Finance Fair Practice Code	2	0	-	3	0	-
Shareholders	Yes https://www.mahindrafinance.com/media/392520/9-whistle-blower-policy.pdf Mahindra Finance Fair Practice Code	3	0	-	8	1	Complaint on non-receipt of Dividend was received on 30 th March 2022 which was satisfactorily resolved on 4 th April 2022



Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY2023 Current Financial Year			FY2022 Previous Financial Year		
		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
Employees and workers	Yes https://www.mahindrafinance.com/media/392520/9-whistle-blower-policy.pdf https://www.mahindrafinance.com/media/125150/10-code-of-conduct-for-senior-management-and-employees.pdf (mahindrafinance.com)	0	0	-	0	0	-
Customers	Yes https://www.mahindrafinance.com/media/392520/9-whistle-blower-policy.pdf Mahindra Finance Fair Practice Code	16,549	158	-	19,050	179	-
Value Chain Partners	Yes https://www.mahindrafinance.com/media/392520/9-whistle-blower-policy.pdf https://www.mahindrafinance.com/media/124187/mmfs-suppliers-coc.pdf Mahindra Finance Fair Practice Code	0	0	-	0	0	-
Other (please specify)	-	-	-	-	-	-	-

24. 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	Digitisation	Opportunity	The demand for and acceptance of digital transactions is increasing due to low-cost internet data, high Smartphone penetration and India's Biometric identity card.	The Company has consistently invested in technology and built a robust digital environment in the organisation to ensure minimum use of paper-based transactions and communications.	Positive: Cost efficiency Better customer reach & service through digital operations Increased digital penetration, reduced health hazard, reduction in collection cost and emissions.

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	Credit ratings	Risk & Opportunity	We believe that our strong credit rating improves access to capital at competitive rates, eventually helping us to fund the aspirations of rural India.	The company's conservative capital structures policies ensure that it always remain adequately capitalised. This approach ensures significant liquidity chest that can lead to absorbing potential risks without impacting the credit rating and debt servicing capability.	Positive- Credit ratings have an impact on operational and financial decisions along our value chain, from ensuring investor security to meeting our customers' needs.
3	Employee training and education	Opportunity	Employees are our brand ambassadors who carry forward the Company's mission of transforming rural lives and driving positive change in the communities.	The company has accordingly placed great emphasis on employee learning and development, mentoring and knowledge sharing through various initiatives and structured programmes.	Positive: We have implemented several initiatives and programme to enhance their skills and competencies to help them in their journey of personal and professional progress.
4	Climate change & Governance	Risk & Opportunity	Minimising our environmental impact and building operational resilience to the effects of climate change on our business and the communities we serve	The company has taken targets on: Maintaining declining trend in CO2 emissions per employee (tons of CO2eq) per employee Increase the tree plantation with focus on survival rate Financing M&M Electric vehicles	Positive: Drives better risk management and value creation. Negative: Impact on Company's ESG rating and Investors Confidence.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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, MMFSL has a Policy covering each principle and its core elements of the NGRBCs

b. Has the policy been approved by the Board? (Yes/No)

Yes

c. Web Link of the Policies, if available

BRSR Policy- <https://www.mahindrafinance.com/media/393197/brsr-policy-1.pdf>

2. Whether the entity has translated the policy into procedures. (Yes / No)

Yes

3. Do the enlisted policies extend to your value chain partners? (Yes/No)

Yes

4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.

During the formulation of MMFSL policies and processes, the company reviews and includes references of Acts, Regulations & Guidelines. Our recently released Business Responsibility & Sustainability Reporting Policy has been formed in adherence to the National Guidelines on Responsible Business Conduct (NGRBC), based on the UN Guiding Principles for Business and Human Rights (UNGPs), UN Sustainable Development Goals (SDGs), Paris Agreement on Climate Change, Core Conventions of the International Labour Organisation (ILO) and the Indian Companies' Act 2013. We are also a signatory to the UNGC Principles signed by our VC & MD. We also follow the GRI Standards and IIRC framework while reporting on our ESG performance across parameters included in the Integrated Report.

ISO Certifications: ISO 27001: Information Security.

**5. Specific commitments, goals and targets set by the entity with defined timelines, if any.**

MMFSL has developed a Sustainability Roadmap for FY2023 across ESG parameters. We in the current financial year have also committed and signed up for the UNGC principles. We have committed and in the current financial year submitted our targets to SBTi for validation.

6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.

MMFSL has developed Sustainability Roadmap for FY2023 across ESG parameters and we ensure that these are implemented, monitored, and achieved in the planned time frames. Please refer our ESG performance in our Integrated Report.

Governance, leadership and oversight**7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements**

Mahindra & Mahindra Financial Services Ltd. endeavors to enable rural prosperity and enhance semi-urban living, with a goal to drive positive change in the lives of communities and stakeholders to enable them to Rise.

ESG is the need of the hour for all businesses and we, at Mahindra Finance, are constantly working towards safeguarding a better tomorrow for all our stakeholders. We align our performance by evaluating outcomes from the ESG roadmap developed with the three pillars of Environment, Social and Governance for long-term value creation.

We also depend on the engagement and motivation of our workforce to create sustainable and long-term growth of the organisation. We strive for inclusive growth with an ambition to create a more equal world. Despite headwinds, we uphold the interests of our investors and shareholders ensuring consistent and sustainable returns.

Having a pan-India presence through remote areas spanning 1300+ branches, we are continuously making efforts to minimise our environmental impact. Reducing dependency on natural resources, addressing climate change and achieving sustainable economic development are all strategically factored in our business model with a vision to be carbon neutral in the near future. We strive to build operational resilience to the effects of climate change on our business and the communities we serve.

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

Mr. Ramesh Iyer (Vice Chairman & Managing Director Mahindra Finance, President Financial Service Sector, Member of Group Executive Board)

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.

The Board CSR Committee is responsible for implementation of the Policies. The Committee comprises of three Directors, out of which two are Independent Directors and one is the Managing Director. The board reviews the progress of initiatives under the purview of business responsibility and periodically assesses the ESG performance of the Company.

10. Details of Review of 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	Relevant policies of the Company are reviewed half yearly. The necessary changes to policies and procedures are implemented accordingly.																	
Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	The Company is in compliance with the applicable statutory requirements. We have constituted various Board level committees that meets periodically to review and monitor objectives.																	

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	P 4	P 5	P 6	P 7	P 8	P 9
Yes.								
Our Integrated Annual Report is assured by third party according to AA1000AS standards and based on GRI Reporting Standards framework and also mapped in accordance to UN SDG's and National Voluntary Guideline Principles. It is also aligned to IIRC framework. Bureau Veritas evaluated the working of policies and procedures according to the GRI standards. The policies are reviewed on a periodical basis by the respective departments, and updated accordingly. The updated policies with changes are placed for approval, as applicable.								

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

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)								Not Applicable	
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

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	% age of persons in respective category covered by the awareness programmes
Board of Directors	1	All the BRSR principles are covered through the training programs. - Ethics - Employee wellbeing - Human Rights - Environment - Inclusive growth & Equitable Development - Value for consumers - Stakeholder Engagement	100%
Key Managerial Personnel	4		100%
Employees other than BoD and KMPs	40		90.56%
Workers	Not Applicable		



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

Monetary

NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine			NIL	
Settlement			NIL	
Compounding fee			NIL	

Non-Monetary

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

Note: During FY2023, there were no material actions taken against the Company.

For details of orders passed against the Company, please refer Note No. 53. VII (b) of Standalone Financial Statements.

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
N.A	N.A

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- MMFSL practices zero-tolerance approach towards bribery and corruption and is committed to act professionally and fairly in all its business dealings, Relationships, Implementation and enforcing effective systems to counter bribery and corruption in any form.

ABAC Policy- <https://www.mahindrafinance.com/media/394859/abac-policy.pdf>

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

	FY2023 (Current Financial Year)	FY2022 (Previous Financial Year)
Directors	Nil	Nil
KMPs		
Employees		
Workers		

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

	FY2023 (Current Financial Year)		FY2022 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil		Nil	
Number of complaints received in relation to issues of Conflict of Interest of the KMPs				

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.

N.A

Leadership Indicators

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

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Workers	1	All 9 principles of BRSR were covered: - Ethics - Employee wellbeing - Human Rights - Environment - Inclusive growth & Equitable Development - Value for consumers - Stakeholder - Regulatory reporting	87%

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.

MMFSL has zero tolerance towards unethical business practices and ensures adherence to relevant principles including in relation to conflict of interest. The Company has a separate Code of Conduct ('CoC') for Board, Senior Management and Employees which provides that 'Directors and Senior Management shall observe the highest standards of ethical conduct and integrity and shall work to the best of their ability. The said CoC requires them to not engage in any material business relationship or activity, which conflicts with their duties towards the Company.

Code of Conduct for Board- COC_Directors.pdf (mahindrafinance.com)

Code of Conduct for Senior Management & Employees- 10-code-of-conduct-for-senior-management-and-employees.pdf (mahindrafinance.com)



PRINCIPLE 2

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

Essential Indicators

- 1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	-	-	-
Capex	40%	61%	Procurement of 5 star inverter split AC's, super efficient BLDC fans for reducing energy consumption, replacement of lights with LEDs across all branch offices and procurement of energy efficient IT assets.

Given the nature of MMFSL's business, Capex Investment is largely focused on procurement of Energy efficient appliances like 5 star Inverter Ac's, LED's & BLDC fans and also capex was incurred towards IT hardware and software to facilitate the enhanced digital initiatives of the company. Greater adoption of digital platforms not only brings in increased efficiencies of operations but also ensures significant reduction in consumption of paper.

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

MMFSL provides financial services across India in different verticals. We do not consume any raw material in our operations. Business activities are limited to providing financial solutions to serve the needs of the people with a focus on rural and semi urban areas of India. However, MMFSL nurtures a culture of conservation of resources and encourages innovation. The company focuses on operational excellence by reducing the dependence on natural resource and reducing environmental footprint.

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

40% in FY2023

- 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.**

MMFSL is a service sector organisation providing Loans & Investments options and not a product manufacturing company. Being a responsible organisation, during the year we have recycled 17+ tones of paper and 59+ tones of e-waste through Government registered recyclers.

- 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**

Not Applicable

Leadership Indicators

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

Mahindra& Mahindra Financial Services Limited is engaged in the business of providing various types of loans e.g. Vehicles, SMEs and Personal Loans. The lifecycle of loan begins with Loan origination, applicant's acceptance credential investigation, loan processing, approval, disbursement, and repayment and customer assistance services. The detailed process is highlighted below.

Loan Origination: Loans are sourced through various online and offline methods and through various affiliated channel partners. Majority of the loans especially for Vehicles are sourced through various Vehicle dealer showrooms, for other loans through a network of partners which includes firms, individuals and online initiatives.

Loan Approval Process: Eligibility check- For loans sourced directly through MMFSL, this may include a set of KYC documents, income proof, income statements, residential proof, 7/12 land papers and Credit Bureau Scores.

Field investigation: Verification of documents is conducted through online verification and if required supplemented by field investigation at nearest branch. Digital Process and Video KYC is adopted on need basis. Addressing channel partner enquiries by adopting mix of both the processes to provide confidence in credit underwriting.

Appraisal: Based on Bureau Score, field investigation process and overall assessment credit underwriting process is complete and a Loan to Value ratio and loan tenure is finalised. Special cases are referred to higher offices for approval and decision based on appraisal document. Use of digital technologies and digital information transmission throughout the journey has helped speed up the appraisal process, reduce paper consumption, visits to customer location and reduce communication time within the organisation and to our customers.

Disbursement: Sanction letter in the vernacular language to be issued to all borrowers whose loan have been sanctioned after due diligence. Disbursement process is initiated after approval of the loan and verification of requisite documents.

Repayment and Closure: This can be broadly classified as normal repayment, closure and early closure. After a loan is fully repaid, pre-paid, all documents collected at the time of appraisal including mortgage release letter is handed over to the customer indicating that all dues are fully repaid.

Deposits: Mahindra Finance is also a Deposit taking NBFC. The deposit lifecycle begins with sourcing from the customer or through channel partners. All K'YC checks and customer information are collected and reviewed to ensure compliance and regulations. Deposit Certificates are issued to customers on timely basis. Regular communication regarding their deposit i.e. maturity, renewal, withdrawal is sent to customers. The customers have access to online platform to access all information related to their deposits.

Customer Grievance redressal: As a good governance practice, a Report on Customer Grievance Redressal pertaining to grievances/ complaints received from the Company's customers is maintained. Company's Email address/Call center/toll-free support for grievance redressal and other relevant details is provided. Employees engaged in customer complaint and resolution ensure that all such complaints are handled and responded satisfactorily & in Confidentiality manner within a prescribed TAT. Dissatisfaction with solutions provided can be escalated to nominated persons as provided on the website and details are also provided over call center support. Post resolution of the complaint, the customer will get a mail/sms confirming the resolution of the complaint.

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
Not Applicable		

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	
	FY2023 Current Financial Year	FY2022 Previous Financial Year
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:

	FY2023 Current Financial Year			FY2022 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	-	0.0149	-	-	0.124	-
E-waste	-	59.51	-	-	39	-
Hazardous waste	-	-	-	-	-	-
Other waste (paper & metal waste)	-	17.5	-	-	5	-



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
NIL	NIL

PRINCIPLE 3

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

Essential Indicators

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

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	25,354	25,354	100	25,354	100	N.A		25,354	100	0	0%
Female	975	975	100	975	100	975	100	N.A			
Total	26,329	26,329		26,329		975		25,354			
Other than Permanent employees											
Male	1,266										
Female	62										
Total	1,328										

Off role employees at Mahindra Finance are covered under ESIC scheme.

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

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male											
Female											Not Applicable
Total											
Other than Permanent workers											
Male											
Female											Not Applicable
Total											

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

Benefits	FY2023 Current Financial Year			FY2022 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100		Y	100		Y
Gratuity	100	N.A	Y	100	N.A	Y
ESI	53.39		Y	50.58		Y

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.

Yes, to the best of our ability and wherever possible, our offices are accessible to differently-abled employees. Being future ready we consider the following opening/shifting of branches.

1. Preference for ground floor.
2. Feasibility of creating ramps & railings in ground floor branches.
3. PWD friendly washrooms.
4. Branch layouts are being designed considering the easy access/ passage for PWDs (Wherever feasible).

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.

MMFSL is an Equal Opportunity Employer and strongly endorses the right of equal opportunity for associates who are differently-abled. We commit to carrying out the provisions of the Rights of Persons with Disabilities Act, 2016 (Act) in letter and spirit including providing specific opportunities in identified positions where they could be employed.

<https://www.mahindrafinance.com/media/393196/human-rights-policy.pdf>

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	99.59	74.20	NIL	NIL
Female	50.00	63.08		
Total	96.35	72.13		

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

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	NA
Other than Permanent Workers	Yes
Permanent Employees	
Other than Permanent Employees	NA

The company has Insaaf Policy on its internal portal with an objective to provide standardised policy for free, fair & time bound closure of disciplinary issues. All stakeholders can raise grievances with the Corporate Ombudsman, by either sending an e-mail to grievanceredressal_mmfs@mahindra.com or reporting verbally on telephone no. 022 6652 6006.

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

Category	FY2023			FY2022		
	Total employees in respective category (A)	No. of employees in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees in respective category (C)	No. of employees in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	The Company does not have any employee associations. The Company promotes equal opportunity to all the employees to raise their queries directly to the senior management through webcast's and the same is being answered/addressed by them.					
Male						
Female						

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

Category	FY2023					FY2022				
	Total (A)	On Health and safety measures		On Skill up gradation		Total (A)	On Health and safety measures		On Skill up gradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No.(E)	% (E/D)	No.(F)	% (F/D)
Employees										
Male	25,354	11,600	45.75	22,940	90	19,199	3,428	17.14	16,524	86.06
Female	975	200	20.51	904	93	799			765	95.74
Total	26,329	11,800	44.82	23,844	91	19,998			17,289	86.45
Workers										
Male										
Female										Not Applicable
Total										

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

Category	FY2023			FY2022		
	Current Financial Year			Previous Financial Year		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	25,354	22,542	89	17,112	16,481	96
Female	975	847	87	724	651	90
Total	26,329	23,389	89	17,835	17,132	96
Workers						
Male						
Female						Not Applicable
Total						

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?*

At MMFSL, Occupational Health and Safety Management system (OHSMS) has been developed to improve performance & reduce work-related accidents.

Coverage:

- 1) Emergency Response planning for branches
- 2) Incident Reporting and Investigation system at branches
- 3) Hazard Identification and risk assessment for fire, electrical safety and other aspects at branches
- 4) Safety Training at MMFSL branches
- 5) Implementation of control measures at branches
- 6) Safety review meeting

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

At MMFSL, we have developed Risk Assessment template as per Central Safety council guidelines to identify work related hazards and assess risks for routine and non routine activities.

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

Yes, we have Incident reporting and investigation process to report work related hazards.

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

Yes

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

Safety Incident/Number	Category	FY2023 Current Financial Year	FY2022 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.001	2.26
	Workers	NA	NA
Total Recordable work-related injuries	Employees	1	7
	Workers	NA	NA
No. of fatalities	Employees	Nil	2
	Workers	NA	NA
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	NA	NA

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

We have taken following measures to ensure safe and healthy work place:-

- 1) Risk assessment of branches.
- 2) Strengthening of Safety equipment at branches.
- 3) Safety committee meeting for addressing H&S risk at branches.
- 4) Conduct fire safety training and mock drill periodically.
- 5) Safety Advisories on workplace safety through MMFSL world for awareness to employees.
- 6) Safety inspection at offices during branch visit to address risk and implementation of suggested control measures.

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

	FY2023 (Current Financial Year)			FY2022 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions						
Health & Safety		Nil			Nil	

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	58
Working Conditions	

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

In order to make our branches safer for our employees we have initiated:

- Fire alarm panel
- Fire rated doors
- Fire retardant Interior finishing
- Electrical insulating rubber mat
- Fire extinguishers, directional signage
- Electric leakage circuit breakers (ELCB)
- Conducting Safety training & mock drills
- Installing CCTV in all the branches.
- Ziman Safety app for branch accountant, cashiers and women employees.
- Health & safety advisory to prevent incidents.



Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of:

(A) Employees (Y/N)

(B) Workers (Y/N).

A. Yes, the company provides its employees with the Group Term Life Insurance, Personal Accident cover, Employee Death Life Insurance, Provident Fund Benefit and Gratuity Benefit.

B. Not Applicable

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

MMFSL works towards greater integration of environmental & social considerations in its procurement practices by setting clear expectations with vendors and suppliers to abide by labour laws, human rights and regulations in their regions of business. The organisation strives to influence its partners in the value chain to participate in the responsible and sustainable business conduct depending upon their means and resources through contractual commitments, seeking confirmations of compliance depending on the nature of product / services rendered.

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	
	FY2023	FY2022	FY2023	FY2022
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

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)

The Company extends the benefit of Medclaim policy to the employee (Manager Grade and above) and his/her spouse after retirement till the age of 75 years. However the company has not undertaken any retrenchment of employees till now. In case in the future, when such step is required to be taken due to any unavoidable circumstances, the Company will actively undertake such activities for the outgoing employees.

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	We have started pre safety evaluation for 2 vendors on safety aspect to assess the safety maturity of vendors.
Working Conditions	

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

Nil

PRINCIPLE 4

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

Essential Indicators

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

Our stakeholders are a valuable part of our journey to success and growth story. Our actions are in many ways connected to their progress and well-being. Overcoming various hurdles and hardships during crisis situations, we have managed to strengthen our mutual trust and remained aligned to our collective aspirations to our business growth as well as the society at large. Through robust engagement process, we address stakeholders' concerns; maintain transparency of our current and future plans while creating shared value. Mahindra Finance engages with the stakeholders round the year, to maintain healthy, trust-based relationships with them. The team connects with a diverse range of stakeholders through formal and informal mechanisms for their inputs in the materiality assessment process.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website) Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others)	Purpose and scope of engagement including key Topics and concerns raised During such engagement
Community	Yes	Website, Emails, SMS, Community engagement initiatives Social Media.	Ongoing & Need based	A harmonious relationship with the communities where we operate is key to our social license to continue operations.
Employees	No	Employee engagement activities, Trainings, Email notifications, Website, Employee portals, Talent Mgt and growth opportunities platforms.	Ongoing & Need based	Our employees are at the centre of all our operations; their collaborative skill and expertise are essential for our growth.
Customers	No	Customer meets, Dealer/OEM events	Ongoing, weekly, monthly	Customer feedback, or as we call it, the Voice of Customer, is key to process improvements, quality enhancement, service performance and cost optimisation.
Regulators	No	Qtr/Annual compliance reports, continued engagement and representation	Need based	Key for ensuring compliance, interpretation of regulations and uninterrupted operations.
Shareholders/ Investors	No	Newspaper, notices, press releases, website, Stock exchange announcements, AGM, Integrated Report, BRR	Qtr & need based	As providers of capital, they are key to our growth and expansion plans.
Dealers/OEMs	No	Dealer portal formal mechanism, events	Ongoing	Key for providing enhanced purchase experience along with best after sales service.
Lenders	No	AGM, Qtr and Annual Results	Qtr & Annual	A positive relationship enables us to raise growth capital in a timely and cost-effective manner.
Vendors/ Suppliers	No	Dealer engagement meets	Ongoing	Our operations are closely linked with the timely availability and services that we source, which in turn, have a material impact on the efficiency of our service delivery.

Leadership Indicators

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

Periodic discussion of the Board and its committees with the management and the concerned departments help us identify critical stakeholder concerns and align our priorities with their expectations. The Stakeholder Relationship Committee of the Board provides guidance and oversees the mechanism for addressing grievances and complaints from stakeholders and aligning Stakeholder priorities with the business strategy. The committee also reviews the Environmental, Social and Governance obligations of the company towards the stakeholders.

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, we incorporate the feedback received through continued engagement with stakeholders into our policies & practices. We have prioritised our Identified key material issues accordingly and incorporated in our ESG roadmap development. Their inputs help us in making strategic and operational decisions for promoting climate resilience.

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

Feedback received from the local communities by way of direct engagement and third-party impact assessments helps align the orientation of our CSR interventions with the future needs and expectations of the local communities and society at large.

PRINCIPLE 5

Businesses should respect and promote human rights

Essential Indicators

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

Category	FY2023 Current Financial Year			FY2022 Previous Financial Year		
	Total (A)	No. of employees workers covered (B)	% (B/A)	Total (C)	No. of employees workers covered (D)	% (D / C)
Employees						
Permanent	26329	23517	89.32%	19998	4153	20.8%
Other than permanent	1328	24	1.8%	NA	NA	NA
Total Employees	27657	23547	85.11%	19998	4153	20.8%
Workers						
Permanent						
Other than permanent						Not Applicable
Total Workers						

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

Category	FY2023 Current Financial Year					FY2022 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No.(C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Permanent Employees	26,329	-	-	26,329	100	19,998	-	-	19,998	100
Male	25,354	-	-	25,354	100	19,199	-	-	19,199	100
Female	975	-	-	975	100	799	-	-	799	100
Other Than Permanent Employees	1,328	1,328	100	-	-	1,101	841	100	-	-
Male	1,266	1,266	100	-	-	1,058	828	100	-	-
Female	62	62	100	-	-	43	13	100	-	-

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

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (in Cr)	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BOD)	5	0.47	2	0.41
Key Managerial Personnel	2	4.82	1	1.03
Employees other than BOD and KMP	25,352	0.037	974	0.045
Workers		Not Applicable		

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, The Corporate Ombudsman is the focal point responsible for addressing human rights which can be reached at grievanceredressal_mmfs@mahindra.com

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

Respect for human rights is considered as one of the fundamental and core values of the Company. The Company strives to support, protect, and promote human rights to ensure fair and ethical business and employment practices are followed. There are committees and policies formed to handle grievances and complaints related to human rights issues and the details are placed on the intranet of the Company. The Company has zero tolerance towards and prohibits all forms of child labour, slavery, forced labour, physical, sexual, psychological, or verbal abuse.

Stakeholders can raise concerns that relate to actual or suspected violations of the Code of Ethical Business Conduct, including human rights issues and address the complaints / concerns to the corporate ombudsman either by sending an e-mail to grievanceredressal_mmfs@mahindra.com or verbally on telephone no. 022 6652 6006. The detailed process is explained in the publicly available policy. <https://www.mahindrafinance.com/media/393196/human-rights-policy.pdf>
<https://www.mahindrafinance.com/media/124475/whistle-blower-policy.pdf>

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

	FY2023 Current Financial Year			FY2022 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	01	0	The allegation was not substantiated. No action taken	NIL	NIL	NIL
Discrimination at workplace	NIL	NIL	NIL	NIL	NIL	NIL
Child Labour	NIL	NIL	NIL	NIL	NIL	NIL
Forced Labour/ Involuntary Labour	NIL	NIL	NIL	NIL	NIL	NIL
Wages	NIL	NIL	NIL	NIL	NIL	NIL
Other human rights related issues	NIL	NIL	NIL	NIL	NIL	NIL

7. 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 issues through the explicit means provided by Human Rights Statement, Disciplinary Action Committee reviews, Whistle Blower and Vigil Mechanism policies. Mahindra Finance aims to provide a safe working environment and prohibits any form of discrimination/ harassment or related retaliation against or by any associate. We have policies which intend to prohibit such occurrences and ensure that there are no adverse consequences when an employee reports a complaint on discrimination or harassment.

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

Yes, The company has designed Code of Conduct and exclusion list for all the value chain partners stating Mahindra Finance will not engage in any financing activities where there are activities causing human rights violation. Also the suppliers code of conduct requires all the suppliers to mandatorily provide self declaration stating that their businesses will not engage in any sought of activities leading to Human Rights & Environmental violations.

<https://www.mahindrafinance.com/media/124187/mmfs-sl-suppliers-coc.pdf>
exclusion_list_17_06_2019.pdf (mahindrafinance.com)

9. 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	
Sexual harassment	100%
Discrimination at workplace	
Wages	
Others - please specify	

- 1. Child labour:** Mahindra Finance do not employ child labour. All the employees employed by Mahindra Finance are no less than 18 years of age as per the employee database.
- 2. Forced/involuntary labour:** Mahindra Finance do not employ forced / involuntary labour.
- 3. Sexual harassment:** Mahindra Finance has a gender neutral Policy on Prevention of Sexual Harassment applicable to all persons associated with or visiting the company at any of its locations. Internal Committees are constituted at the Head office and 5 circles, covering PAN India locations, representing members from different functions, for timely reporting and providing speedy resolution of sexual harassment cases in an unbiased and time bound manner.
- 4. Discrimination at workplace:** Mahindra finance never discriminate or treat employees or job applicants unfairly and are committed to provide equal opportunity in employment. No decisions to be made on the basis of gender, race, colour, nationality, ancestry, religion, physical or mental disability, medical condition, sexual orientation, or marital status. The same is mentioned in the Code of conduct and all the employee and senior management abide by the Code of Conduct.
- 5. Wages:** All the employees of Mahindra Finance are paid salary as per the applicable statutes.

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

Nil

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

We have not received any human rights complaint in this year. We have a method of continuously Monitoring and ensuring human rights are upheld in the organisation. We work on various Compliance policies like code of conduct, Prevention of sexual harassment, Fair Practices Code etc as part of our learning and development endeavours. We continuously ensure that employees are undergoing this training, for building awareness, sensitisation through an annual certification methodology.

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

We are creating a Due diligence process in FY2024, which will consist of cross functional team members who would be trained on a particular template. This will help us in Checking and ensuring Compliances on aspects of human rights and regulations. We conduct regular internal assessments to track if there is any adverse human rights impact on our stakeholders.

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?

Yes and we are also making necessary changes while opening new/shifting of existing branches like:

1. Preference for ground floor.
2. Feasibility of creating ramps & railings.
3. PWD friendly washrooms.
4. Branch layouts are being designed considering the easy access/ passage for PWDs.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	We are in process of developing a Due diligence process in for our value chain partners starting from FY2024, which will consist of different department team members who would be trained on conducting value chain partners human rights assessments. This will help us in Checking and ensuring Compliances on aspects of human rights and regulations for Value chain partners. Apart from that we have mandated all our suppliers to sing the suppliers code of conduct stating that their business is in compliance of all human rights and other laws mandated by legal body.
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others - please specify	

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

Nil

PRINCIPLE 6:

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

Essential Indicators

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

Parameter	FY2023 (Current Financial Year)	FY2022 (Previous Financial Year)
Total electricity consumption (A)	81,323.42GJ	57,854.49GJ
Total fuel consumption (B)	31,138.90GJ	20,689.97GJ
Energyconsumption through other sources (C)	NA	NA
Total energy consumption (A+B+C)	112462.32 GJ	78544.49 GJ
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.00000102 GJ/ per INR turnover	0.000000808 GJ/ per INR turnover
Energy intensity (optional) - the relevant metric may be selected by the entity	4.3 GJ per employee	3.9 GJ per employee

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- Bureau Veritas

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.

Not Applicable.

However current legislations related to energy efficiency are followed across all branches for potential energy saving through measures like installation/replacement of energy efficient electrical fittings like LED's, 5 star rated AC's and BLDC motor fans.

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

Parameter	FY2023 (Current Financial Year)	FY2022 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	2,33,559	1,70,024
(ii) Groundwater	NA	NA
(iii) Third party water	NA	NA
(iv) Seawater / desalinated water	NA	NA
(v) Others	NA	NA
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	2,33,559	1,70,024
Total volume of water consumption (in kilolitres)	2,33,559	1,70,024
Water intensity per rupee of turnover (Water consumed / turnover)	0.00000211 KL/ per INR turnover	0.00000175 KL/ per INR turnover
Water intensity (optional) - the relevant metric may be selected by the entity	8.87 KL per employee	8.50 KL per employee

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

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

Our water usage is primarily for employee consumption and we take measures to judiciously control the same.

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

Parameter	Please specify unit	FY2023 (Current Financial Year)	FY2022 (Previous Financial Year)
NOx	g/kW-hr	0.275	-
SOx		-	-
Particulate matter (PM)	g/kW-hr	0.113	-
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
SO2	g/kW-hr	0.048	-
Non Methane Hydrocarbon	g/kW-hr	0.121	-
Carbon Monoxide	g/kW-hr	0.1422	-

We have initiated DG Stack Emission Testing for 10 Location with highest Diesel consumption in FY2023. We shall gradually increase the number of location in FY2024.

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- Equinox Labs.

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

Parameter	Unit	FY2023 (Current Financial Year)	FY2022 (Previous Financial Year)
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 tones of CO ₂ equivalent	2,008.10Tones	1,306.90Tones
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 tones of CO ₂ equivalent	16,038.78 Tones	12,695.84 Tones
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tones/ turnover	0.000000163 Tones/per INR turnover	0.000000144 Tones/per INR turnover
Total Scope 1 and Scope 2 emission intensity (optional) - the relevant metric may be selected by the entity	Tones Co ₂ e/ Employee	0.69	0.70

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- Bureau Veritas

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

Yes, there are ongoing projects like installation of energy efficient electric fitting in new and existing branches to reduce the environmental footprint.

- LED lights replaced in 1137 branches in place of CFL lights
- Installation of higher efficiency air conditioners i.e- old 3-star fixed speed ACs were replaced with 5-star inverter split ACs at 223 branches, resulting in a total of 9,58,638 kWh electricity being saved
- Replaced conventional fans with efficient BLDC fans at 19 branches.

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

Parameter	FY2023 (Current Financial Year)	FY2022 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	0.0149	0.124
E-waste (B)	59.51	39
Bio-medical waste (C)	Not Applicable	Not Applicable
Construction and demolition waste (D)	Not Applicable	Not Applicable
Battery waste (E)	Not Applicable	Not Applicable
Radioactive waste (F)	Not Applicable	Not Applicable
Other Hazardous waste. Please specify, if any. (G)	Not Applicable	Not Applicable
Other Non-hazardous waste generated (H). Please specify, if any. Paper (Break-up by composition i.e. by materials relevant to the sector)	17.5	5.6
Total (A+B+C+D+E+F+G + H)	77.01	44.9
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	76.51	44.9
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	76.51	44.9
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration		
(ii) Landfilling	Not Applicable	Not Applicable
(iii) Other disposal operations		
Total		

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- Bureau Veritas



9. 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.

Being into financial service sector, the company does not generate any hazardous and toxic chemicals waste. As a part of our waste management practice, the company recycles its E-waste and paper based waste every year through government registered vendors and the same is validated by external agency.

10. 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.
	Not Applicable		

11. 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
Not Applicable					

*Mahindra & Mahindra Financial Services Ltd is a service provider. The company provides Lending & Fixed Deposit services with focus on Semi Rural & Rural regions of India and so Environmental Impact Assessment is not applicable.

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

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
	Not Applicable			

However, MMFSL is compliant with all applicable environmental law/ regulations/ guidelines in India.

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY2023 (Current Financial Year)	FY2022 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	-	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	-	-
From non-renewable sources		
Total electricity consumption (D)	81,323.42GJ	57,854.49GJ
Total fuel consumption (E)	31,138.90GJ	20,689.97GJ
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	1,12,462.32 GJ	78544.49 GJ

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- Bureau Veritas

2. Provide the following details related to water discharged:

Parameter	FY2023 (Current Financial Year)	FY2022 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	Taking the nature of business into consideration, the Company's usage of water is restricted to human consumption purposes only. Efforts have been made that water is consumed judiciously in the office premises by measures like installing aerator taps in the offices.	
- 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: 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- Bureau Veritas

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

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

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

Parameter	FY2023 (Current Financial Year)	FY2022 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	Not Applicable	Not Applicable
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed / turnover)		
Water intensity (optional) - the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	Not Applicable	Not Applicable
- 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		



Parameter	FY2023 (Current Financial Year)	FY2022 (Previous Financial Year)
(v) Others		
- No treatment		
- With treatment - please specify level of treatment	Not Applicable	Not Applicable
Total water discharged (in kilolitres)		

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- Bureau Veritas

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

Parameter	Unit	FY2023	FY2022
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	15,625.54 Tonnes	821.54 Tonnes
Total Scope 3 emissions per rupee of turnover		0.000000141 Tco ₂ e per INR turnover	0.0000000845 Tco ₂ e per INR turnover
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	Tones Emission per employee	0.59 tonnes/ per employee	0.041 tonnes/ per employee

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- Bureau Veritas

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

Not Applicable

6. 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:

In FY2023 the company invested in replacing old electrical fittings like Normal lights to LED's across 1137 branches, 3 star Rated Ac's to 5 star rated inverter Ac's across and Normal fans to energy efficient BLDC fans across 75 branches which resulted in savings of electricity consumption from grid.

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

The entity has an Emergency Response control plan which also covers disaster management plan. We are in the process of developing Business continuity plan.

8. 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 regards.

We constantly engage with our value chain partners. We have in the reporting year conducted BRSR capacity building workshop for our value chain partners through best practices and concerns on environmental aspects. We have not experienced any significant adverse impact to the environment arising from our value chain.

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

In FY2023 we have revised our supplier's code of conduct which also requires all the suppliers to mandatorily provide self declaration stating that their businesses will not engage in any sought of activities leading to Human Rights & Environmental violations however we have initiated capacity building of value chain partners on environmental impacts.

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.*
MMFSL is affiliated with many trade and industry chambers/ associations to ensure a collaborative environment that helps us to access knowledge, build a network, improve our reputation, advertise, educate, market, and lobby the government for policy changes that helps business and the society.
- 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	Reach of trade and industry chambers/ associations (State/National)
1	Finance Industry Development Council (FIDC)	National
2	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
3	Confederation of Indian Industry (CII)	National
4	Bombay Chamber of Commerce and Industry	National
5	IITB-Washington University	International
6	IMC Chamber of Commerce & Industry	National
7	Assocham	National
8	United Nations Global Compact Network	International

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

Name of authority	Brief of the case	Corrective action taken
No material instances reported		

Leadership Indicators

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

Through our value creation process we strive to achieve common goals and routinely work along with our stakeholders to advance public policies of interest to us and the financial services industry. Our stakeholder groups form the cornerstones of our growth story, and our existence is connected to their progress and well-being in various ways. Despite hardships during crisis situations, we managed to strengthen our mutual trust and remained aligned to our collective aspirations through meaningful advocacy and deliberations at forums. Through robust engagement processes and mechanisms, we Endeavour to create shared value for the long-term. Our efforts towards building a strategic and proactive dialogue by advocating our thoughts on established platforms of association enables us to gain deeper insights into our business drivers as well as the needs of society. This has helped us improve our internal processes, capitalise on business opportunities, reduce our operational risk and remain ahead of competition while creating greater value for all stakeholders.

**PRINCIPLE 8****Businesses should promote inclusive growth and equitable development****Essential Indicators****1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Swabhimaan	Not applicable	Not applicable	Yes	YES	https://www.mahindrafinance.com/media/392625/impact-evaluation-of-covid-19-resposne.pdf
Covid 19 Relief Project	Not applicable	Not applicable	Yes	Impact Assessments completed in FY2023	The Impact Assessment for eligible projects as per CSR rules have been commissioned. The reports are expected by June 2023
Nanhi Kali	Not applicable	Not applicable	Yes	have been communicated in Public Domain via website and award applications.	
Mahindra Pride School	Not applicable	Not applicable	Yes		
Women Economic Empowerment	Not applicable	Not applicable	Yes		

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 ₹)
	Not applicable					

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

All the complaints/grievances can be raised with the Corporate Ombudsman, by either sending an e-mail to grievanceredressal.mmfs@mahindra.com or reporting verbally on telephone no. 022 6652 6006. The complete process of raising such concerns is detailed in these policies.

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

	FY2023	FY2022
Directly sourced from MSMEs/ small producers	5.77	8.2
Sourced directly from within the district and neighboring districts	100	100

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
Nil- No negative social impacts identified	

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	7,40,370
2	Andhra Pradesh	Vizianagaram	3,74,440
3	Andhra Pradesh	YSR (Kadapa)	1,10,630
4	Andhra Pradesh	Visakhapatnam	19,68,750
5	Andhra Pradesh	Vizianagaram	31,250
6	Andhra Pradesh	Kadapa	5,44,287
7	Andhra Pradesh	Visakhapatnam	35,02,731
8	Andhra Pradesh	Vizianagaram	1,42,920
9	Assam	Darrang	1,852
10	Bihar	Banka	12,778
11	Bihar	Jamui	12,778
12	Bihar	Muzaffarpur	20,95,592
13	Bihar	Sheikhpura	25,556
14	Bihar	Muzaffarpur	12,42,561
15	Bihar	Banka	1,852
16	Bihar	Begusarai	84,561
17	Bihar	Katihar	98,853
18	Bihar	Muzaffarpur	2,00,088
19	Bihar	Sitamarhi	1,05,999
20	Jharkhand	Bokaro	12,778
21	Jharkhand	Dumka	20,95,592
22	Jharkhand	Godda	25,556
23	Jharkhand	Gumla	2,93,894
24	Jharkhand	Khunti	63,890
25	Jharkhand	Latehar	1,02,224
26	Jharkhand	Lohardaga	89,446
27	Jharkhand	Pakur	1,78,892
28	Jharkhand	Ramgarh	12,778
29	Jharkhand	Ranchi	15,46,138
30	Jharkhand	Simdega	63,890
31	Jharkhand	West Singhbhum	15,20,582
32	Jharkhand	East Singhbhum	1,03,617
33	Jharkhand	Giridih	48,831
34	Jharkhand	Ramgarh	1,25,055
35	Jharkhand	Ranchi	7,97,970
36	Jharkhand	Simdega	34,539
37	Karnataka	Raichur	1,38,156
38	Karnataka	Yadgir	1,34,583
39	Kerala	Wayanad	51,060
40	Kerala	Wayanad	1,02,426
41	Maharashtra	Washim	1,852



S. No.	State	Aspirational District	Amount spent (In ₹)
42	Maharashtra	Nandurbar	41,514
43	Maharashtra	Osmanabad	29,47,494
44	Maharashtra	Washim	3,146
45	Odisha	Dhenkanal	1,852
46	Odisha	Balangir	34,539
47	Odisha	Dhenkanal	77,415
48	Punjab	Moga	44,54,340
49	Punjab	Moga	98,01,225
50	Tamil Nadu	Ramanathapuram	13,354
51	Tamil Nadu	Ramanathapuram	25,530
52	Tamil Nadu	Virudhunagar	25,530
53	Uttar Pradesh	Fatehpur	12,778
54	Uttar Pradesh	Fatehpur	1,108
55	Uttar Pradesh	Shravasti	53,09,478
56	Uttar Pradesh	Sonbhadra	34,539
57	Uttar Pradesh	Shravasti	1,34,87,400
58	Uttar Pradesh	Balrampur	8,621
59	Uttar Pradesh	Chandauli	17,242
60	Uttar Pradesh	Chitrakoot	8,621
61	Uttar Pradesh	Siddharthnagar	25,863
62	Uttarakhand	Haridwar	10,33,764
63	Uttarakhand	Haridwar	9,75,000
64	Uttarakhand	Udham Singh nagar	6,500
65	Uttarakhand	Haridwar	20,247
66	Uttarakhand	Haridwar	94,831

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups? (Yes/No)
- (b) From which marginalised /vulnerable groups do you procure?
- (c) What percentage of total procurement (by value) does it constitute?

MMFSL being a financial service provider, the entity does not have any major procurement for its services. However, it is the endeavor of Mahindra Finance to procure locally, sustainably and from marginalised / vulnerable suppliers, MSME's for requirements in areas like branch assets. We give preference to local suppliers of goods and services to help create economic opportunities locally.

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

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

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
		Not Applicable

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
1	Swabhimaan- Financial & Digital Awareness	1,42,091	100
2	Swabhimaan-Scholarship for Driver's Children	7,066	100
3	Swabhimaan-Road Safety Training for Drivers	7,857	100
4	Swabhimaan-Drivers Training for Freshers	3,122	100
5	Swabhimaan-Auto Mechanic Training	2,330	100
6	Nanhi Kali	14,033	100
7	Mahindra Pride Classroom	62,971	100
8	Women Empowerment Projects	2,591	100
9	Disaster Management	2,228	100
10	Skill Development for People with Disability (PwDs)	256	100
11	Swachh Bharat Initiatives	3,622	100
12	Samantar- Visit to Orphanage/Old Age	516	100
13	Gyandeeep- Visit to Municipal Schools	3,000	100
14	Sehat- Health Camps	1,920	100
15	ESG- Water conservation	2,450	100
16	Mahindra Hariyali- Tree Plantation	454	100

PRINCIPLE 9

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

Essential Indicators

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

Customers can call us on a dedicated toll-free number, they can write to us on a dedicated email id or reach out to us on our social handles. There is a Complaint Register maintained at each branch for recording customer Complaint. All complaints received on the above channels are registered on Service Portal and assigned to respective teams/ SPOCs for resolution. Once the complaint gets closed, feedback is taken in the form of an SMS.

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	Not Applicable
Safe and responsible usage	
Recycling and/or safe disposal	

MMFSL is not a product company but a provider of financial services. We ensure safe and responsible usage of our materials and the recycling and/or safe disposal of our waste- both electronic and otherwise.

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

	FY2023		Remarks	FY2022		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
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	43	37	-	-	-	-
Unfair Trade Practices	299	262	-	217	187	-
Other	337	309	-	198	25	-

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

	Number	Reasons for recall
Voluntary recalls		
Forced recalls		Not Applicable

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

<http://bitswebpublic.mahindrafs.com/email/23/June/6/MMFSL-&-its-Subsidiary-ISMS-Information-Security-Management-Syste-Framework-v1.2.pdf>

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.

There were no issues identifies and thus no corrective actions taken.

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

The information on various products & services of the Company is available on:

Website: <https://www.mahindrafinance.com/>

Company's Mobile applications - Mahindra Finance App on Play store and Apple store

Call centre @ 1800 233 1234

Mahindra Finance Branches

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

Various steps taken to Educate customers on responsible usage of services are through multi language SMSs, IVRs, videos, in app notifications. The Company also complies with all disclosure requirements relating to its services, as per SEBI guidelines on product/ services labeling within risk and disclosure categories.

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

We have robust mechanism in place for sending out communication to consumers regarding any risk of disruption or discontinuation of essential services. Depending on the magnitude of the issue various modes of communication are explored and utilised. Both, digital and offline mediums of communication are used for consumer information. Primary modes include letters to consumers, information through our branch network, information dissemination via sms, e-mails, websites, mobile applications and social media handles. In case the magnitude of risk is high, online and offline advertising mediums are also explored and used for reaching out to masses.

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

Yes- The Company displays its services information on the over and above what is mandated as per local laws information through brochures, leaflets and website. Information related to our products is displayed/ available at all our branches. Product information is also available on our Website.

Customers can also access information related to their loans on our Mobile App.

We conduct Market Research from time to time to understand the pulse of our customers, their satisfaction with our products & services as well as grievances. Few of the Research Projects that we undertake are:

- Monthly Net Promoter Score (NPS) for our customers
- UI/UX Research for our Website & Apps
- Customised Research for our Products & Services

5. Provide the following information relating to data breaches:

a. Number of instances of data breaches along-with impact

No data privacy and Cyber security breaches from info-sec perspective.

b. Percentage of data breaches involving personally identifiable information of customers:

No data privacy breaches involving personally identifiable information from info-sec perspective.



INDEPENDENT BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORTING (BRSR) ASSURANCE STATEMENT

“Business Responsibility and Sustainability Reporting (BRSR) Assurance Statement for Mahindra & Mahindra Financial Services Limited”

for

Reporting Period:

1st April 2022 – 31st March 2023



Bureau Veritas (India) Private Limited

72 Business Park, 9th Floor, MIDC Cross Road 'C', Opp. SEEPZ
Gate #2, Andheri (East) Mumbai-400 093 India.

INDEPENDENT BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORTING (BRSR) ASSURANCE STATEMENT

“Business Responsibility and Sustainability Reporting (BRSR) Assurance Statement for Mahindra & Mahindra Financial Services Limited”

for

Reporting Period:

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Gate #2, Andheri (East) Mumbai-400 093 India.



Independent Business Responsibility and Sustainability Reporting (BRSR) Assurance Statement

Introduction and Objective of Work

BUREAU VERITAS (INDIA) PRIVATE LIMITED (hereinafter abbreviated as BVIPL) has been engaged by the **MAHINDRA & MAHINDRA FINANCIAL SERVICES LIMITED** (hereinafter abbreviated as "MMFSL") for the reporting period from 01.04.2022 to 31.03.2023 based on Business responsibility and Sustainability Reporting (hereinafter abbreviated as "BRSR") which is a part of its annual report as per SEBI circular (SEBI/HO/CFD/CMD-2/P/CIR/2021/562) dated 10th May 2021).

On site assessments were conducted for this assurance for MMFSL at three locations Maninagar Branch site, Ahmedabad (16th March 2023 for 0.5 assessment day), Ahmedabad RO site, Ahmedabad 16th March 2023 for 0.5 assessment day, Corporate office at Worli, Mumbai (19th April 2023 for 1 assessment day) and Corporate office at Worli, Mumbai on 26th April 2023 for 2 assessment days.

Intended User

The intended user of this assurance statement is the MMFSL. We disclaim any liability or responsibility to a third party for decisions, whether investment or otherwise, based on this Assurance Statement. We planned and performed our work to obtain the evidence we considered necessary to provide a basis for our assurance opinion. The assurance engagement considers an uncertainty of $\pm 5\%$ based on materiality threshold for estimation/measurement errors and omissions. We did not engage with any external stakeholders as part of this assurance engagement.

Scope, Boundary and Limitations of assurance

Independent assurance has been provided for selected BRSR performance disclosures as presented in the BRSR Report. The reporting boundary included data and information for the period 01.04.2022 to 31.03.2023 for MMFSL, based on BRSR framework.

The assurance included verification of the sample data and information on selected material topics reported by MMFSL.

The Scope of BRSR Assurance includes:

- An assessment of the methods used for data collection and reporting for the selected BRSR performance indicators.
- Testing of such systems, including related internal controls.
- Testing, on a sample basis, of evidence supporting the data.
- Verification of the sample data and information on selected material topics reported by MMFSL for the defined reporting period.
- Assessment of the consistency between the data for the selected BRSR Principle's performance indicators and the related written comments in the narrative of the Report
- The Company's compliance to legal obligations/disclosures
- The General and topic specific disclosures subject to assurance
- Completion of assurance statement for inclusion in the report, which will reflect the verification findings and conclusion.



Independent Business Responsibility and Sustainability Reporting (BRSR) Assurance Statement

BVIPL scope has not considered the below data as a part of BRSR assurance:

- Information apart from the defined reporting period and boundary
- Compliance to any legal issue related to the authority except environmental and social aspects.
- Any of the statement related to company aspect or reputation.

The reported information on General Disclosures, Management and Process Disclosures and Principle Wise Performance Disclosure:

Section A: General Disclosures

- Details of listed company
- Products/Services
- Operations
- Employees
- Holding, Subsidiary and Associate Companies (including joint ventures)
- CSR Details
- Transparency and Disclosures Compliances

Section B: Management and Process Disclosures

- Policy and management processes, Governance, leadership and oversight

Section C: Principle Wise Performance Disclosure

- Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable
- Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe
- Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains
- Principle 4: Businesses should respect the interests of and be responsive to all 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.



Independent Business Responsibility and Sustainability Reporting (BRSR) Assurance Statement

Methodology adopted for Assurance of Quantitative data Published in BRSR report

BVIPL BRSR assurance process involve specified procedures to obtain evidence about the reliability of the data provided from the identity. The nature, timing and extent of procedures selected depend on the data and evidence provided, including the verification of the associated risks with the material topics of the selected BRSR principles disclosures and their relevance. While assessing the associated risks, internal strategy is being considered during preparation of the report to design the assurance procedure and validating their appropriateness to the possible extent.

As per the scope of the assurance, sample evidence, information and explanations that were considered necessary in relation to the assurance scope were considered and accordingly conclusions have been made as mentioned below:

- Understanding the appropriateness of various assumptions used for estimation of data by MMFSL.
- Reviewing the Report to ensure that there is no misrepresentation of disclosures in accordance with BRSR 9 Principles as per scope of assurance and findings.
- Reviewing the materiality matrix and stakeholder engagement framework deployed at MMFSL.
- Assessing the systems used for data compilation and reporting on the basis of Universal Disclosures and Topic Specific Disclosures of material topics as listed in the assurance scope above.
- Verifying systems and procedures used for quantification, collation and analysis of BRSR Principles performance disclosures included in the Report.
- Assessing the month wise data considering the similarity, reliability and accuracy
- Verifying select key performance data through the data provided by MMFSL:
 - Testing reliability and accuracy of data on a sample basis
 - Assessing stakeholder engagement process and approach to stakeholder engagement regarding the key topics and concerns raised as defined in the report.
 - Limited review of the materiality assessment process based on the information provided.
 - Reviewing the processes deployed for collection, compilation and reporting of BRSR Principles performance disclosures.

Sample data were collected in order to support BVIPL conclusions on the verified information and data. However, limited available information and details is reviewed during the assurance of MMFSL.

Conclusions

BRSR report of MMFSL is reviewed based on the scope of the assurance. It is concluded that information presented in MMFSL BRSR Report in accordance with BRSR standards is proper, adequate and maintained in line with the material topics considered for the reporting. The report is found to be with a "Reasonable" level of assurance.

Responsibilities

The assurance statement is made solely for "MMFSL" as per the governing contractual terms and conditions of the assurance engagement contract between "MMFSL" and BVIPL. To the extent that the law permits, BVIPL owe no responsibility and do not accept any liability to any other party other than



Independent Business Responsibility and Sustainability Reporting (BRSR) Assurance Statement

“MMFSL” for the work BVIPL have performed for this assurance report or for our conclusions stated in the paragraph below.

BVIPL shall not be held liable or responsible for any type of decision a person or entity would make based on this assurance statement. While reading the assurance statement, stakeholders shall recognize and accept the limitation and scope as mentioned above.

Exclusions and Limitations

Excluded from the scope of work is any assurance of information relating to:

- Activities outside the defined assurance period stated hereinabove
- Positional statements, expressions of opinion, belief, aim or future intention by “MMFSL” and statements of future commitment;
- The assurance does not extend to the activities and operations of “MMFSL” outside of the scope and geographical boundaries mentioned in the BRSR report as well as the operations undertaken by any other entity that may be associated with or have a business relationship with “MMFSL”.
- The assurance of the economic and financial performance data of MMFSL is based only on the audited annual reports of MMFSL and our conclusions rely entirely upon that audited report.

Limitations of the assessment work undertaken:

The limitations are provided by BVIPL, as observations- with actionable points and priority, to MMFSL in a separate Management Letter. These however do not affect our conclusion regarding the report

Uncertainty

The reliability of assurance is subject to uncertainty (ies) that are inherent in the assurance process. Uncertainties stem from limitations in quantification models used, assumptions or data conversion factors used or may be present in the estimation of data used to arrive at results. The conclusions in respect of this assurance are naturally subject to any inherent uncertainty (ies) involved in the assurance process.

Statement of independence, impartiality, and competence

BVIPL is an independent professional services company that specialises in Quality, Health, Safety, Social and Environmental management with almost 190 years history in providing independent assurance services.

BVIPL has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities. We are particularly vigilant in the prevention of conflicts of interest.



Independent Business Responsibility and Sustainability Reporting (BRSR) Assurance Statement

No member of the assurance team has a business relationship with “MMFSL”, its Directors, Managers or officials beyond that required of this assignment. We have conducted this verification independently and there has been no conflict of interest.

The assurance team has extensive experience in conducting assurance over environmental, social, ethical and health & safety information, systems and processes an excellent understanding of BVIPL standard methodology for the assurance of BRSR Report.

Bureau Veritas (India) Private Limited

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Aanandkrishna Akilla
Lead Assurer

Sanjay Patankar
Technical Reviewer

Date: 17/06/2023
Place: Mumbai, India