Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	**Corporate Identity number**	L65993TN1978PLC007576
2.	**Name of the Listed Entity**	Cholamandalam Investment and Finance Company Limited
3.	**Year of incorporation**	17 August, 1978
4.	**Registered office address**	"Dare House", No.2, N.S.C. Bose Road, Parrys, Chennai – 600001
5.	**Corporate address**	"Dare House", No.2, N.S.C. Bose Road, Parrys, Chennai – 600001
6.	**E-mail**	investors@chola.murugappa.com
7.	**Telephone**	044 - 4090 7172
8.	**Website**	www.cholamandalam.com
9.	**Financial year for which reporting is being done**	1 April, 2022 to 31 March, 2023
10.	**Name of the Stock Exchange(s) where shares are listed**	National Stock Exchange of India Limited (NSE) and BSE Limited
11.	**Paid-up Capital**	₹ 164.48 crores
12.	**Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report**	1. DIN: 07337155
		2. Name: Mr. Ravindra Kumar Kundu
		3. Designation: Executive Director
		4. Telephone number: 044 - 4090 7172
		5. E-mail id: kundur@chola.murugappa.com
13.	**Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together)**	The disclosures under this report are made on standalone basis for Cholamandalam Investment and Finance Company Limited.

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
I	Financial Services – Lending	The company provides Vehicle Finance (VF), Home Loans (HL), Loan Against Property (LAP), Secured Business and Personal Loans (SBPL), Consumer and Small Enterprises Loans (CSEL) and Small and Medium Enterprises Loans (SME).	97.4%

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
i)	Financial Services (Lending) - Vehicle Finance, Home Loans, Loan against Property, Secured Business and Personal Loans, Consumer and Small Enterprises Loans, and Small and Medium Enterprises Loans (SME).	K649	97.4%

III. Operations

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

Location	Number of plants	Number of offices	Total
National	0	1,191	1,191
International	0	0	0

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of states)	29 states, 5 Union Territories
International (No. of countries)	0

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

Nil

c. A brief on types of customers:

The company focuses on retail customers including first time borrowers (FTB) and new to credit customers (NTCC) ensuring financial inclusion of sections of society including micro business owners. The following are types of customers based on products:

a. Vehicle Financing: Focus on transport entrepreneurs, FTB and NTCC predominantly in geographies with limited presence of banks and other organized financiers

b. Loan against Property: Focus on lending to small business entrepreneurs against the collateral of self-occupied residential property

c. Affordable Housing:

   i. focus on underserved customers in tier III, IV, V, VI cities to enable them to achieve their dream of owning a home

   ii. customers from unorganised segments who receive their salaries in cash

   iii. women borrowers

d. SBPL: Funding to the under-served self-employed non-professional customers (eg. grocery shop, dairy owners, unskilled labourers, low salaried/cash salaried workers).

e. SME Loans: Micro, Small and Medium Enterprises (MSME) customers, Factoring and Inventory Funding to support SME customers.

f. CSEL: unsecured lending to retail customers including New To Credit (NTC) customer through partnership business to support lower income segment people.

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)	13,248	12,814	97%	434	3%
2.	Other than permanent (E)	8	6	75%	2	25%
3.	**Total employees (D+E)**	13,256	12,820	97%	436	3%
Workers						
4.	Permanent (F)	Not Applicable				
5.	Other than Permanent (G)					
6.	**Total workers (F + G)**					

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)	49	49	100%	0	0%
2.	Other than permanent (E)	0	0	0	0	0%
3.	**Total differently abled employees (D+E)**	49	49	100%	0	0%
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	Not Applicable				
5.	Other than permanent (G)					
6.	**Total differently abled workers (F+G)**					

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors#	8	1	12.5%
Key Management Personnel	2	1	50%

#includes executive director, who is also the KMP of the company.

20. Turnover rate for permanent employees and workers

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	18.3%	16.2%	15.36%	15.3 %	18.5%	15.4%	13.7%	19.8%	13.8%
Permanent Workers	Not Applicable								

V. 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	Indicate whether it is a holding / Subsidiary / Associate / or 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	Cholamandalam Securities Limited	Subsidiary	100%	No
2	Cholamandalam Home Finance Limited	Subsidiary	100%	No
3	Payswiff Technologies Private Limited	Subsidiary	74.8%	No
4	White Data Systems India Private Limited*	Associate	30.87%	No
5	Vishvakarma Payments Private Limited	Associate	21%	No

*Ceased to be an associate of the company on 20 April, 2023.

VI. CSR Details

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

(ii) Turnover (in Rs.): ₹ 12,756 crores

(iii) Net worth (in Rs.): ₹ 14,306 crores

VII. 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)*	FY 2022-23			FY 2021-22		
		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://cholamandalam.com/files/business_responsibility_policy	0	0	--	0	0	--
Investors (other than shareholders)	Yes https://cholamandalam.com/files/whistle_blower_policy	0	0	--	0	0	--
Shareholders	Yes https://cholamandalam.com/files/business_responsibility_policy	6	0	--	1	0	--
Employees and workers	Yes https://cholamandalam.com/files/whistle_blower_policy	0	0	--	0	0	--
Customers	Yes https://www.cholamandalam.com/contact-us/grievance-redressal	747	0	--	812	0	--
Value Chain Partners	Yes https://cholamandalam.com/files/business_responsibility_policy	0	0	--	0	0	--
Other (please specify)		Not Applicable					

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	Financial Inclusion	O	To fulfil the company's corporate vision to enable customers to enter a better life		Positive Implication
2	Corporate Governance (Transparency and Disclosures)	O	Ethical governance is central to the company's values and way of doing Business		Positive Implication
3	Data Privacy and Cyber Security	R	To ensure protection of customers' personal data and privacy and compliance with applicable regulations	The company has secured 100% of customers' data in 1,191 branches and has deployed the latest multi-layer protection technology company – wide, including encryption tools to protect stakeholders' personal information against breaches of privacy. The company continuously creates awareness amongst employees and conducted training programs on data privacy and cyber security.	Negative Implication
4	Regulatory Compliance	R	Ensures adherence to all applicable regulations and monitoring of upcoming regulations	Compliance plays a key role in responsible lending and the company strives to ensure complete adherence to regulatory requirements. The company adheres with the guidelines of the IFC on ESG based lending to support responsible businesses.	Positive Implication
5	Employee Growth and Development	O	Catalyzes employee potential to enable professional and personal growth		Positive Implication
6	Employee Well-being (Health and Safety)	O	Enables employees to develop health as a personal asset and emphasizes the company as an organization that prioritizes employee well-being		Positive Implication
7	Customer Support and Satisfaction	O	To be the preferred choice for customers' financial needs		Positive Implication

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
8	Geographical Expansion	O	Enables greater financial inclusion of Indians across the country		Positive Implication
9	Human Rights	O	Ensures respect for individual rights and minimizes discrimination on grounds of demographic and social differences		Positive Implication
10	CSR	O	The company's brand is leveraged as a force for good to support community development		Positive Implication
11	Branding and Reputation	O	Enhances credibility and trust among diverse stakeholders, emphasizes the company's reputation as an ethically managed business		Positive Implication
12	Climate Change (emissions, renewables/ energy efficiency	R	This has implications for managing impact on the climate and is key to transitioning to a carbon neutral business	The new office buildings of the company will necessarily follow sustainable design and architecture principles and be LEED certified green buildings. The company is also consciously focusing on financing electric vehicles.	Negative Implication
13	Operational Eco-Efficiency and Waste	O	Represents responsible operations and management of waste in compliance with regulations		Positive Implication
14	Diversity and Inclusiveness	O	Reiterates the company's commitment to social inclusion and merit-based engagement of employees, customers, suppliers etc.		Positive Implication
15	Local Employment	O	Ensures financial inclusion and enables a sensitive understanding of customers' socio – cultural context and needs		Positive Implication

Section B: Management and process disclosures

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	*https://cholamandalam.com/files/business_responsibility_policy*								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/ certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.			ISO 30408:2016			ISO 9001:2015 Quality Management System			
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Ensure 0% data breaches in customer data protection	Increase EV loan disbursements by 5% YOY from 2023-2025	To achieve and sustain Zero accident culture through the company's road safety awareness initiatives and programs. Implement digitization solutions for enhanced learning and development purposes.			Achieve green building status for corporate office by 2023. Replace 100% of CFL lighting with LED systems at all operations by 2025. Reduce water consumption across the company operations through efficient water flow solutions			Attain ISMS certification by the year 2025

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	P1: 0% breach in data security in FY 23 P2: EV disbursement target of 5% improvement Y-o-Y was achieved and exceeded. ₹ 115 crores disbursed in FY 23, while ₹ 12.9 crores was disbursed in FY 22. P6: Green building status will be achieved in 2023. Other targets are ongoing in nature. The company has successfully achieved all the specific commitments within the stipulated timelines and in fact has exceeded the set goals.								

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

I am pleased to present the BRS report of Cholamandalam Investment and Finance Company Limited, committed to driving positive change in the society and environment. The range of solutions offered by the company includes Vehicle Finance (VF), Home Loans (HL), Loan Against Property (LAP), Secured Business and Personal Loans (SBPL), Consumer and Small Enterprises Loans (CSEL) and Small and Medium Enterprises Loans (SME).

The company recognises that it has the dual responsibility of ensuring sustainable finance and protect the environment in its day-to-day activities.

Additionally, the company has transitioned itself to digital processes to reduce paper wastage and embraced energy-efficient lighting fixtures and electronic equipments to conserve energy. Water-saving measures have also been adopted to optimised the usage of water.

Chola is fully dedicated to promoting Environmental, Social and Governance (ESG) practices. The company has incorporated ESG principles into its operations and are committed in creating a sustainable future for all.

Sincerely,
Ravindra Kumar Kundu
Executive Director

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Ravindra Kumar Kundu, Executive Director
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, the company has an executive level senior management personnel of the company to monitor various aspects of social, environmental and governance responsibilities of the Company. The company's business responsibility performance is reviewed by the CSR Committee and board of directors on a periodic basis. During the year, the CSR committee/board discussed and reviewed the update on the sustainable and responsive business conduct initiatives. In addition, the risk management committee also assesses internal/external risks pertaining to sustainability as identified.

10. Details of Review of NGRBCs by the Company:

	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	Board Committee									Quarterly								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Steering Committee									Quarterly								

Section B: Management and process disclosures

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
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.	No, the company has in place an internal task force which evaluates the working of this policy.								

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

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

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

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 (Risk Management Committee)	4	The company ESG strategy awareness (BRSR Principle 1-9)	100%
Key Managerial Personnel	4	The company ESG strategy awareness (BRSR Principle 1-9)	100%
Employees other than BoD and KMPs	74	Employees of the company undergo various training programmes throughout the year. Various trainings were undertaken during the year such as prevention of sexual harassment at the workplace (Principle 5), CIFCL code of conduct (Principle 1), know your customer guidelines, sales training, ISO 9001:2015 (Principle 3). Other trainings included modules on soft skills, programmes on mental and physical well-being, amongst several others (Principle 3).	56%
Workers	--		--

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 INR)	Brief of the case	Has an appeal been preferred (Yes/No)
Penalty / Fine	NIL				
Settlement					
Compounding fee					
Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Amount (In INR)	Brief of the case	Has an appeal been preferred (Yes/No)
Imprisonment	NIL				
Punishment					

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
	Not applicable

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, the company has a code of conduct and ethics policy in place. The policy extends to the company, its subsidiaries and its business associates. The company's commitment to ethical and lawful business conduct is a fundamental shared value of the board of directors, the senior management, and all employees of the company. The company adopts highest governance standards, and its employees adhere to the robust "Code of Conduct and Ethics Policy". The employees are also required to comply with relevant legal, regulatory, and internal compliance requirements in letter and spirit.

Web link: *https://cholamandalam.com/files/code_of_conduct_board_and_senior_management*

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

	FY 2022-23	FY 2021-22
Directors	Nil	Nil
KMPs		
Employees		
Workers		

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

	FY 2022-23	FY 2021-22
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.

Not Applicable

Leadership Indicators

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

Total number of awareness programmes held	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with each partner) under the awareness programmes
64 mailers, 1 online training module & 25 physical training sessions	Fair practices code	100%

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

Yes, the company has Code of Conduct for directors and senior management which provides clear guidelines for avoiding and disclosing actual or potential conflict of interest with the company. Annual declaration by board of directors and senior management confirming compliance with the code of conduct is obtained. The policy is available on the company's website at *https://cholamandalam.com/files/code_of_conduct_board_and_senior_management*

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

	FY 2022-23	FY 2021-22	Details of improvements in environmental and social impacts
R&D	Nil	Nil	Nil
Capex	7.72 crores (33.65%) 0.08 crore (0.35%) 0.50 crore (2.18%)	1.56 crores (14.46%)	VF: BYOD (Bring Your Own Device) has been implemented for collection field executives. E-receipts are issued to customers in place of physical receipts. HL: In FY 23 the company is moving towards BYOD capability and saved the procuring 1000 tabs. SBPL: The company has digitised the customer onboarding, credit underwriting process, Initial Money Deposit (IMD) collection through QR codes implemented instead of collecting it through demand drafts.

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

2. b. If yes, what percentage of inputs were sourced sustainably?

Yes, the company has a policy for sustainable sourcing, that covers recycled A4 sheets for its head office and central processing unit. In FY 23, 87.5 % of A4 sheets used at these locations were sourced sustainably.

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.

(a) Plastics - segregated plastic sent to the approved external vendor for disposal
(b) E-waste - E waste is disposed off by the company through approved agencies
(c) Hazardous waste – not applicable
(d) Other waste – other wastes are recycled, through the approved agencies

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.

No

Leadership Indicators

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

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link
Not Applicable					

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	
	FY 2022-23	FY 2021-22
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:

	FY 2022-23			FY 2021-22		
	Re-used	Recycled	Safely disposed	Re-used	Recycled	Safely disposed
Plastics (including packaging)	Not Applicable			Not Applicable		
E-waste						
Hazardous Waste						
Other Waste						

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
Not Applicable	

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

Essential Indicators

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

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent Employees											
Male	12,814	12,718	99%	3,762	29%	NA	NA	8,856	69%	--	--
Female	434	416	96%	176	41%	416	96%	NA	NA	6	1.38%
Total	**13,248**	**13,134**	**99%**	**3,938**	**30%**	**416**	**3%**	**8,856**	**67%**	**6**	**0.05%**
Other than Permanent Employees											
Male	6	6	100%	0	0%	0	0%	0	0%	0	0%
Female	2	2	100%	0	0%	0	0%	0	0%	0	0%
Total	**8**	**8**	**100%**	**0**	**0%**	**0**	**0%**	**0**	**0%**	**0**	**0%**

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

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent Workers											
Male	Not Applicable										
Female											
Total											
Other than Permanent Workers											
Male	Not Applicable										
Female											
Total											

2. Details of retirement benefits, for Current FY:

Benefits	FY 2022-23			FY 2021-22		
	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/NA)	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/NA)
PF	100%	Not Applicable	Yes	100%	Not Applicable	Yes
Gratuity	100%		Yes	100%		Yes
ESI	100%		Yes	100%		Yes

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

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

Yes, we have implemented equal opportunity policy across all our operating facilities in accordance with the Rights of Persons with Disabilities Act, 2016. The policy is available to all our employees through the company portal.

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

	Permanent Employees					
Gender	**Total number of people returned after parental leave in FY 23 (A)**	**Total Number of people who took parental leave in FY 23 (B)**	**Return to work rate (A/B)**	**Total Number of people retained for 12 months after returning from parental leave (C)**	**Total number of people returned from parental leave in prior FY (D)**	**Retention rate (C/D)**
Male	56	56	100%	56	56	100%
Female	11	11	100%	11	11	100%
Total	**67**	**67**	**100%**	**67**	**67**	**100%**

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

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Not Applicable
Other than Permanent Workers	Not Applicable
Permanent Employees	Yes. We follow whistle blower policy
Other than Permanent Employees	Yes. We follow whistle blower policy

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

Category	**FY 2022-23**			**FY 2021-22**		
	Total employees / workers in respective category (A)	**No. of employees / workers in respective category, who are part of association(s) or Union (B)**	**% (B / A)**	**Total employees / workers in respective category (C)**	**No. of employees / workers in respective category, who are part of association(s) or Union (D)**	**% (C / D)**
Total Permanent Employees	Nil					
Male						
Female						
Total Permanent workers	Not Applicable					
Male						
Female						

8. Details of training given to employees and workers:

Category	FY 2022-23					FY 2021-22				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	12,814	4,184	33%	7,265	57%	8,856	1,122	12%	2,008	22%
Female	434	150	35%	175	40%	269	32	11%	53	19%
Total	**13,248**	**4,334**	**33%**	**7,440**	**56%**	**9,125**	**1,154**	**12%**	**2,061**	**22%**
Workers										
Male	Not Applicable									
Female										
Total										

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

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	12,814	7,953	62%	8,856	7,938	89.63%
Female	434	233	54%	269	233	86.61%
Total	**13,248**	**8,186**	**62%**	**9,125**	**8,171**	**89.54%**
Workers						
Male	Not Applicable					
Female						
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?

Yes, the company aims to inculcate a culture of 'behaviour safety' across the business operations through a strengthened occupational health and safety management system. This will enable better safety practices and emergency preparedness and response among employees.

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

The company uses employee feedback and walk-through approach across all locations to identify work-related hazards and risks on a regular basis.

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

Yes

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	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Worker	Not Applicable	Not Applicable
Total recordable work-related injuries	Employees	0	0
	Worker	Not Applicable	Not Applicable
No. of fatalities	Employees	0	0
	Worker	Not Applicable	Not Applicable
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Worker	Not Applicable	Not Applicable

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

The company has given safety in workplace the utmost importance. It upholds the highest standards of health, safety and well-being for its employees. The company has a dedicated environment health and safety team that focuses on this aspect. The company has made it mandatory for all its employees to wear a helmet on two-wheeler while commuting to office. The employees are covered under health and accident insurance. It is also made sure that a doctor is available all the time to cater to any incidents in the head office. Moreover, the head office is located in a certified green building. Therefore, safety measures are taken in the office premises like sign boards on electrical devices, emergency exit marking, and fire extinguishers. The employees are also provided with regular safety awareness programs.

13. Number of complaints on the following made by employees:

	FY 2022-23			FY 2021-22		
	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	0	0	--	0	0	--
Health & Safety	0	0	--	0	0	--

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	0%
Working Conditions	0%

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.

There has been no concern or significant risk arising from health & safety practices and working conditions, hence, corrective action is not applicable.

Leadership Indicators

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

(A) Employees (Y/N) - Yes

(B) Workers (Y/N) - 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.

A clause to ensure compliance with payment of statutory dues has been made mandatory as part of the agreements executed with value chain partners (material vendors).

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	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Employees - Group Medical Policy	Nil	Nil	Nil	Nil
Employees – Group Term Insurance	Nil	Nil	Nil	Nil
Workers	Not Applicable			

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) No

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	100%
Working Conditions	100%

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

There has been no concern or significant risk arising from health & safety practices and working conditions, hence, corrective action is not applicable.

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.

The company engages with its stakeholders through various formal and informal communication channels. The key stakeholders who have a significant impact on the business operations of the Company are determined based on these engagements.

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

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Digital platforms and applications. In - person engagement	Periodic	• Product customization and personalization • Consistently enable better lives for a larger number and diverse segments of Indians • Ensure protection of personal information • Consistent improvement in customer satisfaction
Local Communities	Yes	Corporate social responsibility initiatives	Periodic	• Improved quality of life via improved health and access to education and skill development • Preservation of natural resources and environment • Disaster relief (as required) • Supporting cultural heritage
NGO partners	No	Corporate social responsibility initiatives	Periodic	Managerial support and capacity building
Investors	No	Press releases and publications; investor conferences; annual general meeting; stock exchange announcements; website disclosures; through RTA (Registrar and transfer agent)	Quarterly	• Financial performance • Business updates • ESG performance
Regulators	NA	Mandatory compliance filings; in person meetings	Periodic	• Statutory compliance requirements: governance, social, environmental • Filing online returns
Banks	No	In person and online meetings and visits	Periodic	• Transparent financial transactions • Timely repayment of debt
Employees	No	Internal communication platforms; Periodic Townhall meetings Monthly review meetings E-learning platforms and capability development programs; Engagement. Employee connect tool and personalized help desk	Periodic	• Continuous value creation • Fulfillment of company's vision, mission and achieving sustainability objectives • Professional capacity building

Leadership Indicators

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

The management makes a periodic presentation to the CSR Committee and the Board on the developments during the quarter in the ESG areas. Besides, the company leverages various formal as well as informal channels of communication to engage with other stakeholders. These encompass digital means as well as Corporate Social Responsibility (CSR) initiatives, statutory report, learning and development platforms and events for internal communications.

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

Yes. The key ESG material issues of the company have been identified from consultation with stakeholders. Activities and implementation plans have been set in place as measures to mitigate the risk arising from these material issues.

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

The company's vehicle finance and home loan business offer a highly diversified range of products in diverse rural, semi – urban and urban geographies ensuring financial inclusion of especially those who are disadvantaged, vulnerable and marginalized. The company believes that affordable and appropriate access to financial services is a key driver of economic growth, poverty alleviation and prosperity. Hence, the company provides finance for home loans, acquisition of new assets for economic upliftment as well as for working capital/ vehicle maintenance, and financing insurance to protect their assets and life.

The company has set up 80% of its branches in Tier-III, Tier-IV, Tier V and Tier-VI towns ensuring financial inclusion. With reference to Reserve Bank of India circular (RBI-circular no RBI/2016-17/60 dated 1 September, 2016) the company has 226 branches in the under-banked districts identified by RBI.

Further to this, the company also has a corporate social responsibility committee in place which works on strategies to include expectations of different stakeholders including customers & communities who are at the bottom of the social pyramid. The company initiates various projects through their CSR initiatives for the upliftment of the stakeholders. The major focus areas of CSR are:

- Healthcare
- Holistic development of commercial vehicle crew members
- Access to education & rural sports
- WASH (Water, Sanitation and Hygiene)
- Environmental sustainability
- Rural development
- Promoting arts, culture and heritage

Principle 5: Businesses should respect and promote human rights

Essential Indicators

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

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
	Employees					
Male	12,814	5,060	39%	9,125	1,873	20%
Female	434	188	43%	--	--	--
Total	**13,248**	**5,248**	**40%**	**9,125**	**1,873**	**20%**
	Workers					
Male	Not Applicable					
Female						
Total						

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

Category	FY 2022-23					FY 2021-22				
	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)	No. (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	13,248	-	-	13,248	100%	9,125	-	-	9,125	100%
Male	12,814	-	-	12,814	100%	8,865	-	-	8,865	100%
Female	434	-	-	434	100%	269	-	-	269	100%
Other than Permanent	8	-	-	8	100%	-	-	-	-	-
Male	6	-	-	6	100%	-	-	-	-	-
Female	2	-	-	2	100%	-	-	-	-	-
Workers										
Permanent	Not Applicable									
Male										
Female										
Other than Permanent										
Male										
Female										

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

		Male	Female	
	Number	Median remuneration/ salary/ wages of respective category (₹ in crores)	Number	Median remuneration/ salary/ wages of respective category (₹ in crores)
Board of Directors (BoD)	7	0.18	1	0.19
Key Managerial Personnel	1	2.71	1	1.76
Employees other than BoD and KMP	12,812	0.07	433	0.06
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.

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

The company has diversity policy, policy on sexual harrassment at workplace and whistle blower policy in place to redress grievances related to human rights. The polices are availble to the employees in the intranet website of the Company. Whistle blower policy is available on the weblink: *https://cholamandalam.com/files/whistle_blower_policy*

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

	FY 2022-23		FY 2021-22	
	Filed during the year	Pending resolution at the end of year	Filed during the year	Pending resolution at the end of year
Sexual Harassment	Nil	Nil	Nil	Nil
Discrimination at workplace				
Child Labour				
Forced Labour/Involuntary Labour				
Wages				
Other human rights related issues				

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

Yes. The whistle blower policy covers the terms that no harm will be caused to the complainant in case of discrimination and harassment cases. Confidentiality of the whistle blower is maintained to ensure that she is protected. The mechanism provides for adequate safeguards against victimization of directors / employees/ customers who avail of the mechanism and also for appointment of an ombudsperson who will deal with the complaints received.

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

Yes

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100% assessment has been carried out. As a part of Recruitment policy, the company does not engage child labour in any of its branches. The same is verified by the labour inspectors and Internal Audit team during their visits.
Forced/ involuntary labour	100% assessment has been carried out. The Company's disciplinary actions does not have any provision to award punishment / penalty to employees. Also, there has been no situation wherein employees were asked to work involuntarily.
Sexual harassment	100% assessment has been carried out. The company has a policy on Sexual Harassment at the workplace and it is reviewed by internal complaints committee periodically. During the year 2022-23, no complaints/referral were received by the committee.
Discrimination at workplace	100% assessment has been carried out. As a part of Recruitment policy, the Company does not discriminate either on the basis of sex or caste or otherwise. If a person fulfils the qualification/knowledge/skill requirement required by the role, the candidate would be considered irrespective of their sex or caste.
Wages	100% assessment has been carried out. The company is complying with wages payable as per the Minimum Wages Act, 1948 and complying with wages being notified by the State Governments. There is a mechanism also in place to check on the wages paid on a monthly basis. As company's wage period is monthly as per Payment of Wages Act, 1936, wages to employees are being paid on last working day of the calendar month. This aspect is being inspected by labour authorities periodically.
Others – please specify	Nil

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

Not Applicable

Leadership Indicators

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

There has been no grievance or complains received for human rights violation. The company is of the belief that it has upheld the basic principles of human rights in all its dealings. The company has implemented a Code of Conduct for all its employees, senior management, and Board of Directors.

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

The assessment was conducted across the business operations of a wide range of human rights issues including child labour, forced labour, harassment, discrimination and wage.

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, the company has ramp/wheelchair facility in Head Office, central processing unit and in few branches. In line with the Rights of Persons with Disabilities Act, the company is taking appropriate steps and measures to improve access to differently able visitors across all our main branches.

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	100%
Discrimination at workplace	100%
Child Labour	100%
Forced Labour/Involuntary Labour	100%
Wages	100%
Others – please specify	100%

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

There has been no concern or significant risk arising from health & safety practices and working conditions, hence, corrective action is not applicable.

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	FY 2022-23	FY 2021-22
Total electricity consumption (in GJ)	57,539	44,014
Total fuel consumption (in GJ)	2,606	3,594
Energy consumption through other sources (C)	0	0
Total energy consumption (A+B+C) excluding aux consumption (in GJ)	60,145	47,608
Energy intensity per rupee of turnover *(Total energy consumption/ turnover in rupees)*	4.63 GJ/INR crores	4.69 GJ/INR crores

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.

No

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.

No

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

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	--	--
(ii) Groundwater	--	--
(iii) Third party water (Municipal Water Supply)	36,348	31,858
(iv) Seawater / desalinated water	--	--
(v) Others (Rainwater Harvesting structures)	--	--
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	36,348	31,858
Total volume of water consumption (in kilolitres)	36,348	31,858
Water intensity per rupee of turnover *(Water consumed KL / turnover)*	2.80	3.17

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.

No

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

No

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

Parameter	Please specify unit	FY 2022-23	FY 2021-22
NOx	MT/m3	Not Applicable	Not Applicable
Sox	MT/m3		
Particulate matter (PM)	MT/m3		
Persistent organic pollutants (POP)	-		
Volatile organic compounds (VOC)	-		
Hazardous air pollutants (HAP)	-		
Others – please specify	-		

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.

No

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

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	*Metric tonnes of CO2 equivalent*	194	267
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	*Metric tonnes of CO2 equivalent*	12,627	9,659
Total Scope 1 and Scope 2 emissions per rupee of turnover	Tonne CO2 per INR crores	0.99	0.97

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.

No

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

Yes, the company has taken steps towards enhanced energy efficiency in order to minimize emissions of greenhouse gases into the atmosphere, and actively creates awareness about energy within the organization and among its customers. The company runs a green awareness campaign at all its branches and continuously collaborates with its IT teams to circulate e – mailers to customers carrying information about energy efficiency and sustainability. The company has also made it mandatory for all its new office buildings to be LEED certified green buildings. The company has also started financing electric vehicle loans as a step towards creating a green and clean future.

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

Parameter	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)		
Plastic waste ***(A)***	Not Applicable	Not Applicable
E-waste ***(B)***	0.608	26.880
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)*** 1. Grease 2. Used Oil 3. ETP Sludge 4. Dry ink waste 5. Waste containing oil	Not Applicable	Not Applicable
Other Non-hazardous waste generated ***(H)***. *Please specify, if any*. (Break-up by composition i.e., by materials relevant to the sector)	7.5 (Carton, White Paper, Colour Paper, New paper, Plastics, Tissues, Paper Cups, Mixed Paper, Metal Waste)	5.7 (Carton, White Paper, Colour Paper, New paper, Plastics, Tissues, Paper Cups, Mixed Paper, Metal Waste)
Total (A+B + C + D + E + F + G + H)	8.108	32.58
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
(i) Recycled	7.5	5.7
(ii) Re-used	--	--
(iii) Other recovery operations	--	--
Total	**7.5**	**5.7**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	--	--
(ii) Landfilling	--	--
(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

No

9. a. Briefly describe the waste management practices adopted in your establishments.

The company being in financial services sector does not generate any hazardous and toxic waste.

The following waste management practices have been adopted by the company:

Information Technology: The company is cognizant of the impact of the environmental impact of improper management of e-waste and has adopted a strong e-waste management practice to minimize adverse outcomes. It strives to make sure that e-waste is disposed of in the most scientific way, that the recycling organization has a valid permit and follows the required protocols laid down by regulatory bodies. The company has also adopted a tool that monitor print usage by user. This helps to reach high volume users and educate the users on sensitiveness of paper/saving trees.

Infra and Admin: With a view to conserve paper, the company has transitioned all paper – related processes to a digital platform and carry out minimal manual documentation. Implementation of new software has helped save at least 3500 papers per month. The company has started promoting the use of recycled paper in FY 23 and has taken steps across the organization that allow for more efficient paper usage.

b. 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.

Not Applicable

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 as there are no operations near above-mentioned zones.			

11. Details of environmental impact assessments (EIA) 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
No EIA undertaken in FY 2022-23					

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

Yes, the head office and all its branches are in compliance with applicable laws.

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 taken, if any action
-	-	-	-	-

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	FY 2022-23	FY 2021-22
From renewable sources		
Total electricity consumption (in GJ) (A)	-	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C) (in GJ)		
From non-renewable sources	--	--
Total electricity consumption (in GJ) (D)	57,539	44,014
Total fuel consumption I (in GJ) (E)	2,606	3,594
Energy consumption through other sources (F)	0	-
Total energy consumed from non-renewable sources (D+E+F)	60,145	47,608

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.

No

2. Provide the following details related to water discharged: Nil

	FY 2022-23	FY 2021-22
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	Not Applicable	Not Applicable
- No treatment		
- With treatment – please specify level of treatment		
(ii) To Groundwater	Not Applicable	Not Applicable
- No treatment		
- With treatment – please specify level of treatment		
(iii) To Seawater	Not Applicable	Not Applicable
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third parties	Not Applicable	Not Applicable
- No treatment		
- With treatment – please specify level of treatment		
(v) Others	Not Applicable	Not Applicable
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)	Not Applicable	Not Applicable

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.

No

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres): Not applicable

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	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)	--	--
(i) Surface water	--	--
(ii) Groundwater	--	--
(iii) Third party water	--	--
(iv) Seawater / desalinated water	--	--
(v) Others	--	--
Total volume of water withdrawal (in kilolitres)	--	--
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	--	--
No treatment	--	--
With treatment – please specify level of treatment	--	--
(ii) Into Groundwater	--	--
No treatment	--	--
With treatment – please specify level of treatment	--	--
(iii) Into Seawater	--	--
No treatment	--	--
With treatment – please specify level of treatment	--	--
(iv) Sent to third-parties	--	--
No treatment	--	--
With treatment – please specify level of treatment	--	--
(v) Others	--	--
No treatment	--	--
With treatment – please specify level of treatment	--	--
Total water discharged (in kilolitres)	--	--

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.

No

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

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 3 emissions	Metric tonnes of CO_2 equivalent	8,032	2,883 (Scope 3 emissions consist of business travel)
Total Scope 3 emissions per rupee of turnover	Tonne CO_2 per INR crores	0.62	0.3

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.

No

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:

Sr. No	Initiative undertaken	Details of the initiative *(Web-link, if any, may be provided along-with summary)*	Outcome of the initiative
1	Sustainable Financing	The company's efforts are on sustainable financing with a target to support the cause of a greener environment through initiating electric vehicle financing and attempting to increase loan disbursements for purchase of electric vehicles. (Weblink: https://www.cholamandalam.com/esg)	For the details of the outcome achieved please refer to Section B, point number 6 of this report.

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

Yes, the company has established a robust disaster recovery as well as business continuity plans which has enabled the company to run critical functions efficiently during any crisis like the covid lock down. The business continuity team is responsible to carry out activities to ensure continuity of business. The team organises a drill once every 6 months and required training programs are conducted as a measure for the employees to be prepared in times or emergency / crisis.

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 regard?

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

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

NIL

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.

Is affiliated with 4 associations.

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

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Confederation of Indian Industry	National
2	Finance Industry Development Council	National
3	Finance Companies' Association (India)	National
4	South India Hire Purchase Association	National

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
Not Applicable		

Leadership Indicators

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

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

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
Not Applicable					

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 INR)
Not Applicable						

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

The company carries out a needs assessment after the project has been implemented. The grievance of the community is received through this practice. The company takes a suitable action to redress the issues of the community at the end of the assessment.

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

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	Not Applicable	Not Applicable
Sourced directly from within the district and neighbouring districts	Not Applicable	Not Applicable

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
Not Applicable	

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 crores)
1	Telangana	Adilabad	1.02
2	Bihar	Aurangabad	0.04
3	Bihar	Muzaffarpur	0.04
4	Chhattisgarh	Korba	0.04
5	Andhra Pradesh	Visakhapatnam	0.04
6	Telangana	Warangal Rural	0.04

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

No

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

Not Applicable

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

Not Applicable

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

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 benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Sightsavers Truckers Eye Health Project Phase- VI	1,24,510	11.538%
2	The Gift of Life	39	0.004%
3	Strengthening the Maternal Health Project	31	0.003%
4	Arts in Education	289	0.027%
5	My Dream Scholarship Program	235	0.022%
6	Financial Literacy plus allied services	19,450	1.802%
7	Swachha Odisha Gram Vikas	207	0.019%
8	Swachha Hathiyana Village	50	0.005%
9	Cancer treatment for children	46	0.004%
10	Action for Rural Rejuvenation	23,712	2.197%
11	Free Yoga	1,49,892	13.891%
12	Arogyasarthy	1,423	0.132%

6. Details of beneficiaries of CSR Projects: (Contd.)

S. No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
13	The Dakshina Chitra Museum - Arts & Museum Management Project	19	0.002%
14	New class rooms at Government Girls Higher Secondary School, Mogappair	931	0.086%
15	Expansion of Toilets in B1 North Beach Chennai Police Station	100	0.009%
16	AKKAM- STEM Education & Labs in Government School	4,106	0.381%
17	CNC Tutor Machine for WORTH Technical Training Centre, Pondicherry	32	0.003%
18	Farmer Producer Organization (FPOs)	5,525	0.512%
19	Swaccha Telangana Project-Phase VI	12,675	1.175%
20	Mini-Library for 40 Anganbadis	2,040	0.189%
21	Mobile Health Van -Sarigam	16,749	1.552%
22	Mobile Health Van -Assam	21,283	1.972%
23	Mobile Health Van -Utharkhand	20,909	1.938%
24	Mobile Health Van -Nagercoil	19,140	1.774%
25	Mobile Health Van- Sivagangai	6,615	0.613%
26	Solar Panel-SISH & MPC	5,00,000	46.335%
27	Murugappa Scholarship	88	0.008%
28	AMM Hospital	1,41,143	13.080%
29	School Social Work	6,000	0.556%
30	Murugappa Youth Football Academy	250	0.023%
31	Murugappa Polytechnic College	1,598	0.148%

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.

The first level touchpoint for customers to interact with company is through multiple modes like the Toll-Free number for customer calls, email, web, SMS, Chatbot, WhatsApp and the Gaadi Bazaar app for customer self-service as well. During first level interactions, customer queries are handled and responded by the company. Further, The company has a multi – level grievance redressal system to address disputes registered by customers, that adheres to the requirements of the RBI's Ombudsman Scheme.

The mechanism is as follows:

Level 1: written requests from registered email ids, if grievance is not satisfactorily resolved, escalated to level 2

Level 2: Approach grievance redressal officer via telephone or in writing. Escalated to level 3 if redressal is unsatisfactory

Level 3: Approach Principal Nodal Officer. If grievance is not resolved within 1 month of registering the complaint, customer can approach the regional offices of Department of Supervision (DBS) - RBI

Level 4: RBI Ombudsman may also be approached, if grievance is not resolved to customer's expectation within 1 month of registering the complaint

The company takes the ownership and responds to all customer complaints within turnaround time with applicable resolution.

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	Not Applicable
Recycling and/or safe disposal	Not Applicable

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

	FY 2022-23			FY 2021-22		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	--	0	0	--
Advertising	0	0	--	0	0	--
Cyber-security	0	0	--	0	0	--
Delivery of essential						
Services	0	0	--	0	0	--
Restrictive Trade Practices	0	0	--	0	0	--
Unfair Trade Practices	0	0	--	-	0	--
Other (Product related)	747	0	--	812	0	--

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

	Number	Reasons for recall
Voluntary recalls	Not Applicable	
Forced recalls		

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

Yes, the Company's IT policy and related framework for data privacy and security are formulated to minimize risks associated with customers' privacy and cyber security (Weblink: *https://www.cholamandalam.com/privacy-policy)*.

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.

Not Applicable. However, the company's Cyber & Brand threats are being monitored real time. Threat indicators are being live monitored and reviewed. True positive alerts will undergo legal and take-down actions.

Leadership Indicators

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

The information on the products can be accessed on the company website, the Chola App, and other associated brand website like the company's customer facing application and Gaadi Bazaar platform (Weblink: *https://www.cholamandalam.com/)*.

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

The customers are made aware about the product usage through a list of Do's and Don'ts which is given on the company's website *https://www.cholamandalam.com/contact-us/dos-and-donts*. The list specifies the steps that a customer should take in situations when there is a malpractice or a fraud. They are also made aware of the process on how a customer can know about their loan period, the EMI amount and the ways in which they can repay it. Feedback on SMS is also requested from customers on the service provided to them by the company. The company strives to practice responsible lending and informs its customers about the same through various modes of formal and informal communication channels.

The customer awareness initiatives were undertaken in this financial year using means direct meetings, camps, workshops and digital platforms (Facebook, Instagram, LinkedIn, YouTube, WhatsApp, SMS and E-mail). Topics like safeguards against frauds (including digital frauds), awareness about grievance redressal mechanism and financial literacy for the family of customers were covered through these initiatives

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

The customers are informed about any disruption/discontinuation of essential services like server maintenance of the company's website.

4.a. 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.

Not Applicable

b. 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 carries out survey with regard to consumer satisfaction. Customer satisfaction trend (CSAT) is monitored basis inflow and query to complaint percentages. Further, we also monitor the transactional CSAT for customer calls that land on the inbound tollfree number basis a SMS that goes out at the conclusion of the call asking for satisfaction levels.

5. Provide the following information relating to data breaches:

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

Nil

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

Nil