ESG PRESENTATION
APR'24 – JUN'24

Contents

Environmental, Social & Governance (ESG) at Chola

ESG Framework at Chola:

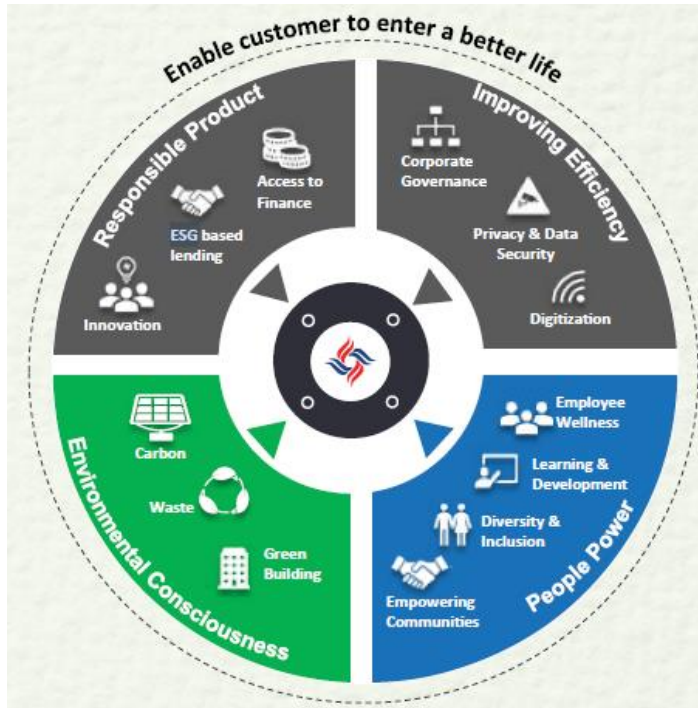This framework guides us to reinforce principles of ESG in all aspects of the company's businesses and focus its efforts on responsible products, improving efficiency, people power and environmental consciousness aligned with the expectations stated in the Business Responsibility and Sustainability Report (BRSR).

ESG Updates of Chola	Link
BRSR FY 23-24	
BRSR FY 22-23	
BRSR FY 21-22	Click here
Sustainability Report 20 – 21	
ESG Quarterly Presentations	
ESG profile update	

ESG Governance Structure

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                    Board
                CSR Committee
           ESG Steering Committee
          ESG Working Committee
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Board – The final authority for all the major policy and sustainability reports related to ESG

CSR Committee – This Committee comprises of Chairman, an independent Director and a non-executive Director to support and advise Board on the company's policies, strategies and programs related to ESG

ESG Steering Committee – This Committee comprises Executive Director, CRO and key risk managers and other invitees from Businesses as may be required.

ESG Working Committee – This Committee comprises the members of the Risk Management (ERM) division and SPOCs from lines of business and functions, directly engaged into ESG related aspects to undertake implementation of the initiatives at the ground level, data obtaining, submission of reports, regulatory compliance, coordination etc.

Policies aligned with SDG

Gist of the SDG	Complied (Y / N)	Chola Internal Policies
No Poverty	Y	CSR Policy
Zero Hunger	Y	CSR Policy
Good Health and Well-being	Y	4,12,24,28, CSR Policy
Quality Education	Y	10,24, CSR Policy
Gender Equality	Y	3,8,13,23,24,26,30, CSR Policy
Clean Water and Sanitation	Y	CSR Policy
Affordable and Clean Energy	Y	CSR Policy
Decent Work and Economic Growth	Y	1,3,5,6,7,9,10,11,13,14,15,16,17,18,19,22,24,27,28,29,31 CSR Policy
Industry, Innovation, and Infrastructure	Y	CSR Policy
Reduced inequality	Y	8,21,23,24, CSR Policy
Sustainable Cities and Communities	Y	2,20,24, CSR Policy
Responsible Consumption and Production	Y	12, CSR Policy
Climate Action	y	IT Asset Disposal Policy , CSR Policy
Life Below Water	Y	CSR Policy
Life on Land	Y	CSR Policy
Peace, justice and strong institutions	Y	2,13,17,21,24
Partnerships for the Goals	Y	CSR Policy

Sl.N	Chola Policies
1	Internal job posting policy
2	Conduct Outside office
3	Diversity Policy
4	Driving Safely Policy
5	Employee Leave Policy
6	Emergency Loan/ Employee Loan policy
7	Referral Programme
8	Murugappa Equal Opportunity Policy
9	Domestic Travel Policy

| Sl.N	Chola Policies
10	Educational expenses reimbursement
11	Local conveyance policy
12	Maternity and Paternity leave policy
13	Sexual Harassment at work place
14	Special Leave Pandemic 2020
15	Transfer policy
16	Travel policy (CFF)
17	Whistle blower policy
18	Work days condition of employement

| Sl.N	Chola Policies
19	Work days condition of employement (CFF)
20	Policy on Material Subsidiaries
21	Code of Conduct For Directors And Senior Management
22	Policy on Related Party Transactions
23	Remuneration Policy
24	Business Responsibilty Policy
25	Determination of Materiality For Disclosure of Information/Events Tothe Stock Exchanges

| Sl.N	Chola Policies
26	Code of Practices And Procedures For Fair Disclosure ofunpublished Price Sensitive Information
27	Appointment of Statutory Auditors
28	Board Policy on Resolution of Advances For Covid-19-Related Stressed Accounts
29	Policy on Co-Lending
30	Board Diversity Policy
31	Policy For Claiming Unclaimed Interest or Principal on Non-Convertible Securities
32	Products aligned with SDG
33	CSR focus areas aligned with SDG

Chola ESG Rating and Ranking

Member of FTSE4Good Index Score of 3.1
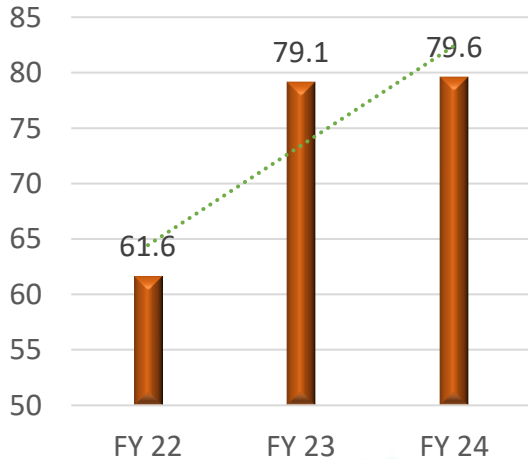(Score/rating (0 to 5) higher score are better
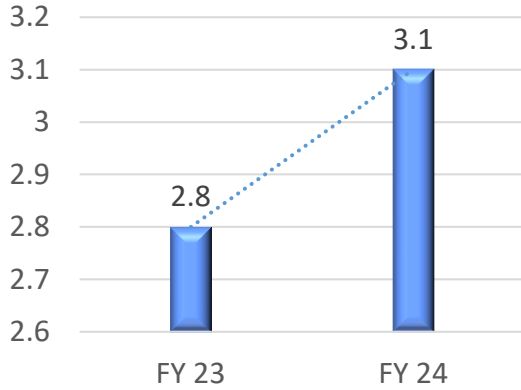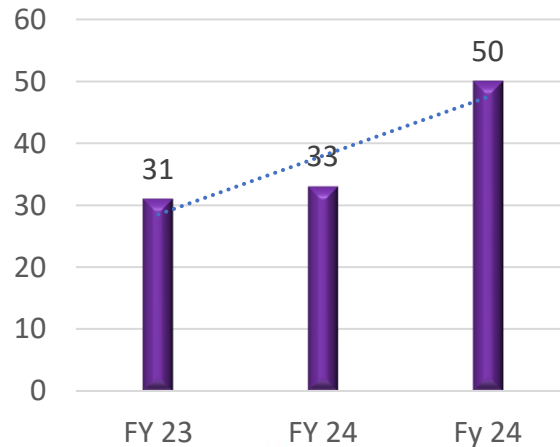
Refinitiv Rating
higher score indicates lower risks
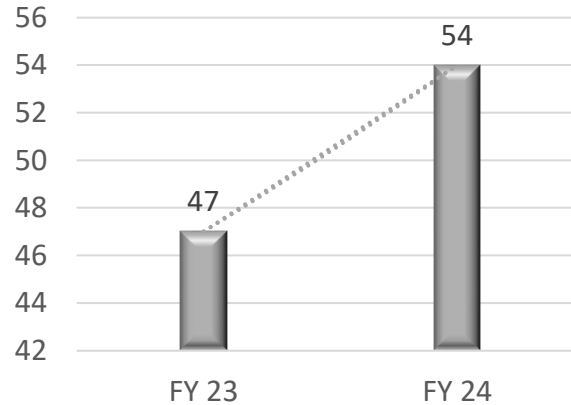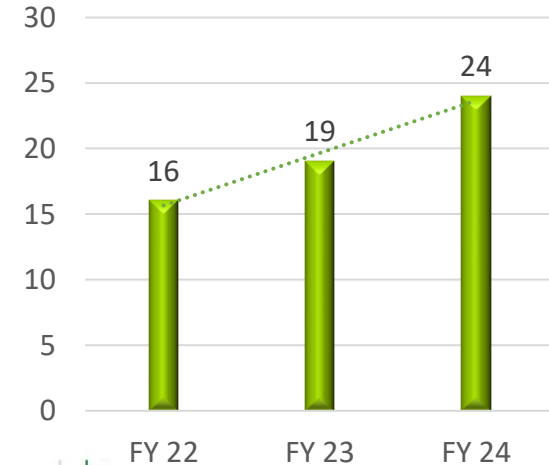
Sustainalytics
lower rank indicates lower risk
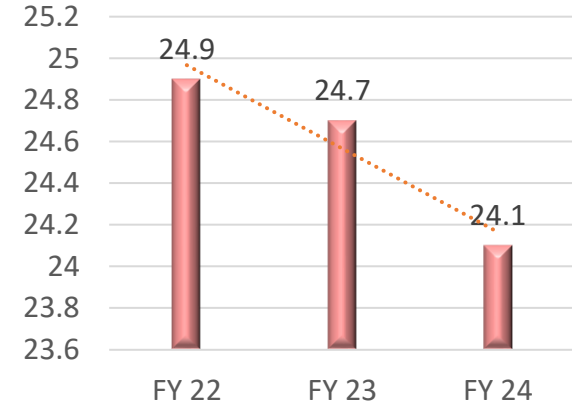
Stakeholders Empowerment Services (SES) Rating
higher score indicates lower risks *

CSRHub
higher score indicates lower risks

S & P Global
higher score indicates lower risks

* Fy 24 rating as on 11th Sep'24   * FY 24 Ratings an Sep'24

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Environmental Consciousness

Green Building

- We have constructed our new office building at Guindy, under the supervision of a green consultant to imbibe Green Building principles. We are targeting Green Building Certification.
- Sensor based lights and Renewable energy used at Head office .
- Encourage the usage of glass bottles and glasses at Head Office

Waste

The Company follows the practice of waste disposal through approved vendors for the following categories of waste.
- Plastics
- Other Non-hazardous

In respect of E-waste, the company engages authorized recyclers who certify that all the material have been Dismantled and Destroyed as per the CPCB guidelines with responsibility to follow all compliances as per Environmental Act.
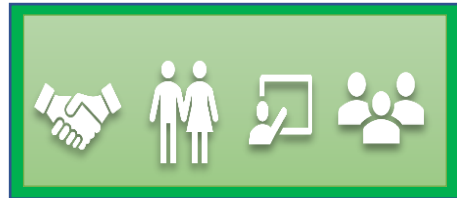
Carbon

As an environmentally responsible company we have taken various steps towards sustainability by contributing towards water conservation, energy efficiency, and supporting micro businesses. Going forward, the Company has taken strong measures to focus on carbon footprint reduction, for example use of recycled paper, double side printing etc.

People Power

Learning & Development

- **Artificial Intelligence for Internal Audit Team:** Trained the team to use AI tools for more efficient audits, enhancing risk assessment and fraud detection capabilities.
- **Product & Process Training for Vehicle Finance and Home Loans:** Equipped employees with loan product knowledge, improving customer service.
- **Credit & Operation Management for Vehicle Finance Team:** Strengthened credit assessment skills, enabling better decisions and faster loan approvals.
- **Customer Service Training for CSEL:** Enhanced communication skills and empathy for effective inquiry handling.
- **English and Hindi Business Communication Workshops:** Conducted workshops to improve spoken English skills with objective to better cross-functional collaboration and client interactions.
- **Flutter with Dart for IT Team:** Enabled mobile app development and improved project delivery.
- **Workshop on Maximize Profitability for Vehicle Finance and Home Loan : e**nabled employees to optimize profitability with a focused approach on all profitability levers
- Five employees were nominated for **RBI CAB Virtual Programme** with the objective of exposing them to industry best practices for customer satisfaction.
- **Launched Digital ESG Module for Employees.**

Employee Wellness

- **Employee Wellness initiatives –** Wellness activity conducted (Medical Health Camp) at various region to ensure Health & safety of employees. Approx.15% of the employee have utilized this activity.

- Camp's Covered – Basic , Eye and Dental

- **Occupational Health & Safety Initiative** - Launched digital course on Road Safety for front line employees. North East and west zone employees have participated the activity.

People Power

Diversity & Inclusiveness

➢ Business activities such as hiring, promotion, and compensation of employees, are conducted without any discrimination.

➢Encouraging employment and participation of women in business and functional roles.

➢Emphasis on local hiring
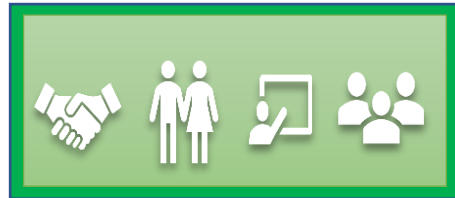
Empowering Communities

➢ Key focus areas, are ongoing projects of Health, Water & Sanitation, Education, Arts & Culture, Sports, Rural Development, Environmental Sustainability, Research and Development, Road Safety.

➢ refer link areas of implementation, reach and/or beneficiaries
https://www.cholamandalam.com/community-relations

Our Focus area	No of Project initiated on Q1
Arts	1
Education	3
Environment	1
Health	6
Health and Education	1
Research and Development	1
Rural Development	1
Sports	8
WASH	1

Responsible Products

Vehicle Financing	• *Financing of Commercial, Passenger, Two-wheelers, Tractors and Construction Equipment in both New and Used Vehicles across 1388 branches PAN India* • *Retail customers especially in smaller towns and rural areas* • *65% of disbursements are to micro & small enterprises and agri-based customers*
Housing Finance	• *Focused on providing Home Loans under affordable segment with presence across 677 (641 co-located with VF) branches* • *98% of assets are in tier 2,3,4 cities and suburbs of tier 1 cities* • *Focuses on reaching out to lower and middle-income borrowers across the country, penetrating to smallest villages and towns.*
Loan against Property	• *Over 78% of the book is financed against Residential property as collateral. Our presence across 778* • *(771 co-located with VF) branches* • *Lending to medium & small businesses against properties at affordable ROI under LAP & Micro LAP*
CSEL	• *Offers Personal Loans, Professional Loans & Business Loans to salaried, self-employed professionals and micro & small businesses through traditional DSA/DST model, partnerships and FinTech's. our presence across 446 (445 co-located with VF) branches.* • *Funding to FTU customer through our partnership business to enhance financial inclusion segment*
SBPL	• *Loans to under-served self-employed non-professional customers, across 414 (all co located with VF) branches* • *Monthly income range Rs. 25,000- 30,000, unorganised segment (grocery shop, dairy owners, low salaried/cash salaried workers)*
SME	• *Lending to micro, small and medium enterprises, across 86 (all co located with VF) branches* • *Focus on small scale entrepreneurs in industries such as flour mills, textiles, automobile, hospitality, agricultural, plastics, Iron and steel, education institutions, etc. against the collateral of machinery/property or invoice at affordable ROI, who in-turn provide gainful employment to many more people in the workforce in remote locations.*

Responsible Process

|	
Access to Finance	• Enabling organised credit to First time borrowers and ' New-to-credit' customers • Partnerships to use advanced techniques to appraise and underwrite customers (for unsecured Personal Loans), in the monthly income range of INR 15000-20000, in underserved professions. • Catering to customers with D2C digital processes that help eliminate paper and save fuel.
ESG Based Lending	• No exposure to clients in case those activities are detrimental to society and environment at large. • Target for EV based lending (covered in subsequent slides)
Innovation	• Gaadi Bazar: online Trusted marketplace for buying and selling car, truck, bus, two wheeler and three wheeler. • SBPL, HL, VF: B.Y.O.D (bring your own device) for SFEs, digitized collection(QR code) • LAP, HL & CSEL: App for all financial needs • HL: Digital Onboarding for pre-approved top up offers to existing customers APF module launch for enabling builder projects
Initiatives	• 300 branches in the under- banked districts identified by RBI circular • 80+ branches in Aspirational Districts(MSME), • Across 32 states/Union Territories 90% presence across tier III—VI towns

Improving Efficiency

Corporate Governance

Privacy & Data Security

Digitization

Effective Governance
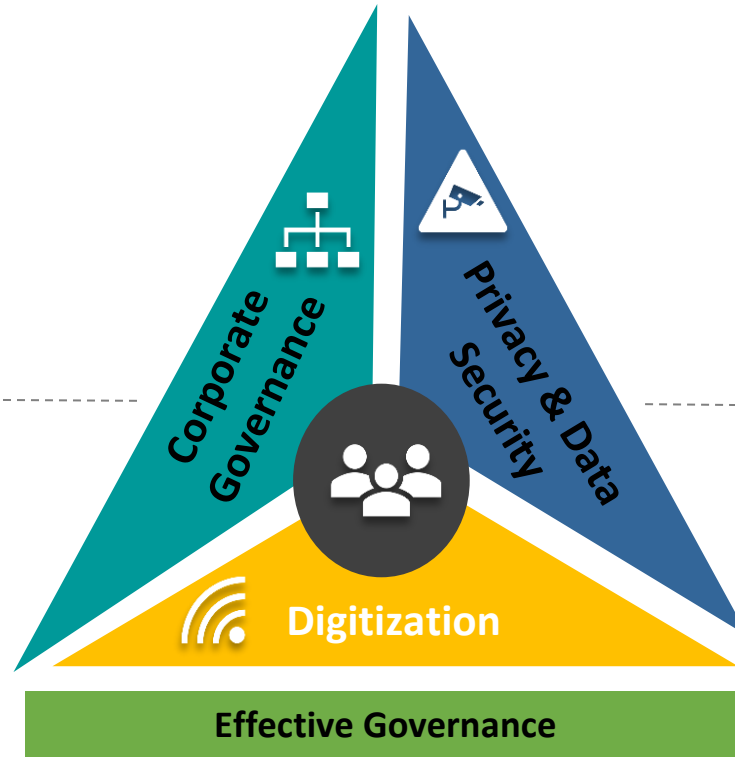
Corporate Governance

Policies and process in place to enable highest standards in governance and transparency; ethical behaviour, board diversity etc form a part of our Code of Conduct Policy

Adobe Acrobat Document

Digitization

Businesses and functions aligned towards going digital; minimal manual documentation currently; We are one of the first finance companies to transition all processes to a digital platform aiming at customer satisfaction with improved efficiency.

Privacy & Data Security

Policy review at board level on periodic basis; Training on data security and privacy procedures for employees; Monitoring of cyber resilience and response with a stringent SLAs. Periodic Vulnerability assessment for critical Applications & Infrastructure and effective patch management"

Internal Awareness Campaign

Customer Relationship Management

Charter of Customer Rights
- Right to Equitable and Fair Treatment
- Right to Transparency
- Right to Suitability
- Right to Privacy and customer confidentiality
- Right to Grievance Redressal and Compensation

Chola
Enter a better life

CUSTOMER SERVICE REITERATION
Session by Executive Director
while addressing the Zonal Team at Kolkata

Synopsis of the video

- Behave gently and professionally with customers.
- Even if the customers lose their temper, handle them calmly.
- No customer should be discriminated against based on any criteria.
- Ensure a very smooth repossession process.
- Give good respect to the customers and make them feel good about Chola.
- Explain your concern politely to the customers.
- Do a Root Cause Analysis (RCA) and solve the issues of the customers elegantly.
- Follow 5 Lights of The Murugappa Group – Integrity, Passion, Quality, Respect & Responsibility

You are the representative of Chola!
Your attitude is the identity of Chola!
You are an ambassador of Chola!

Click to watch the video

Chola
Enter a better life | LOAN AGAINST PROPERTY

Tips For Effective Customer Handling
Mr. Suresh Kumar S, Business Head - Loan Against Property

We Promise, We Deliver!
Exceptional Customer Care

Follow Fair Practices

- Explain to the customers about the loan process and procedures in collection.
- Inform the customers how and why we are carrying out the repossession process.
- At the early stages of EMI collection, kindly notify the customers about the consequences of repossession and how they can avoid it.
- Be kind and talk politely to the customers in a professional tone.
- Always treat the customers gently with due respect.

A Customer-Friendly Company is A Customer-Preferred Company

Click to view the video

Chola
Enter a better life

Importance of Internal Ombudsperson & Customer Handling
Speech by
Mr. Krishnakumar K P
Vice President, Operations

Synopsis of the video

- Everyone should be aware of the RBI Ombudsperson Scheme.
- Do not use unparliamentary words with the customer.
- Please address our customers in the right way.
- Follow instructions from the awareness mailers that are being sent.

Be respectful to the customer!
Make sure you represent Chola the right way!

Click to watch the video

Decoding KYC Policy

What is FATF?

The **Financial Action Task Force (FATF)** is an international intergovernmental organisation established to combat money laundering, terrorist financing, and other threats to the integrity of the global financial system. It is the global money laundering and terrorist financing watchdog. The FATF was established in 1989 in Paris, France.

FATF regularly publishes reports that raise awareness about the latest money laundering, terrorist financing, and proliferation financing techniques so that countries and the private sector can take the necessary steps to mitigate these risks.

For clarifications, please contact the Compliance Team at HO
Mr. Balaji H - balajih@chola.murugappa.com | Mr. Shakil - shakilac@chola.murugappa.com

Decoding KYC Policy
Suspicious Transaction

A suspicious transaction means a transaction, including an attempted transaction, whether or not made in cash, to a person acting in good faith, arising suspicion of crime, or involves financing activities relating to terrorism; unusual or unjustified complexity; having no economic rationale or bona fide purpose.

Suspicious Transactions Reporting

Suspicious Transactions Reporting (STR) is a critical tool for financial institutions to detect potentially illicit activities. Suspicious Transactions Reporting (STR) plays a crucial role in assisting law enforcement agencies and regulatory bodies in investigating and combating financial crimes. Any transaction identified as suspicious shall be reported to the Financial Intelligent Unit – India (FIU-IND) by the regulated entity.

For clarifications, please contact the Compliance Team at HO
Mr. Balaji H - balajih@chola.murugappa.com | Mr. Shakil - shakilac@chola.murugappa.com

Fair Practice Code

- Appearance Matters
- It's Right time to Contact
- Refrain from Spray Painting

- Peaceful Repossession
- Strict No to Personal Humiliation
- Watch your Language

Code of Conduct

DO'S ✓   ✗ DONT'S

DO'S	DONT'S
Respect your customers: Follow Chola's five lights	Always remember Customer is the King. Don't be rude to your customers
Always take ownership to resolve the complaint and provide complete resolution	Don't be indifferent to customers or ignore their queries
Always put yourself in the customer's shoes before responding to their query	Don't treat customers as transactions
Be transparent with customers on company's grievance escalation matrix	Don't refuse. Try & resolve the issue as soon as possible
Equip yourself with: • Product/Service Knowledge • Process/Service Knowledge	Don't be ignorant of company's products/processes
Maintain turnaround time to respond to customer's TAT	Don't delay responses to customers
Maintain decorum while dealing with customers. Follow the code of conduct of the company	Don't deviate from company policies and procedures
Always ensure mandatory displays at branches • RBI Ombudsman Scheme • Escalation matrix of the company	

YOU ARE AN AMBASSADOR OF CHOLA TO THE CUSTOMERS!

PARAMETER	✓ DO'S	✗ DON'T'S
APPEARANCE	The person visiting the customer must be neatly dressed and tidy in appearance	Untidy and unprofessional appearance to be avoided
CONTACT PLACE	Customer should ordinarily be contacted at residence or at his mailing address.	Do not visit the customer at a place which they specifically want to avoid
IDENTITY	Representative should identify themselves and mention they are representative of the company while interacting with customer. Please carry ID cards.	Please do not give fake names while speaking to the customer
PRIVACY	For initial delinquency, please visit customer with appointment. Please respect his privacy requirements if he puts forth any request	Do not enter premises without customer consent. Do not call customer at unspecified times if he asks to avoid the same. Avoid occasions such as accidents or bereavements
LANGUAGE	Treat the customer with dignity and be polite in speech with customer. Maintain decency and decorum in all discussions	Avoid communications which is abusive and rude. Do not use obscene language
CONTACT TIME	Customer should be ideally contacted between 8 am and 7 pm only	Customer requirement to avoid calls during specific times/hours to be honored
DETAILS OF DUES	Customer to be given all his details of his dues correctly	Do not provide any incorrect or adhoc information regarding dues.
CONFIDENTIALITY	The customer's debt obligations should be discussed with customer only	In case of customer non availability, discussions should not be done with elderly, minors or third party
DISPUTES	If customer raises dispute, the same to be noted and all assistance rendered to resolve the same	No misleading of customer or avoidance should be done
COMPANY CONTACTS	Please provide correct contact information of company basis customer requirement	Please do not provide any false or incorrect contact inputs
RECIEPTS	Please issue receipts to the customer for every payment collected immediately	Do not delay receipt issuance or take payment without receipt issuance
FAIR PRACTICE	CFE /Caller shall engage in fair practices only	CFE /Caller shall not engage in any unfair or misleading practices or resort to any forcible, unfair, illegal or criminal means and shall not engage in any conduct or practice which harasses, oppresses or abuses the Customer or any person in connection with Collection services; CFE should not show any violent behavior towards any person or property while meeting the customer
COLLECTION OF AUTHORIZED AMOUNTS	Agent /Caller shall collect only any amount that he is authorized to collect	Agent /Caller should not collect any amount that he is not authorized to collect
NO PERSONAL HUMILIATION	Discussion will confine to the loan and emi or vehicle recovery. No personal comments to be made	Caller/CFE will not falsely state the character, amount or legal status of any Outstanding or imply that the Customer has committed a crime in order to disgrace and/or humiliate the Customer.

Customer Cyber Information

Digital Arrest

Alert against incidents of 'Blackmail' and 'Digital Arrest' by Cyber Criminals Impersonating State/UT Police, NCB, CBI, RBI and other Law Enforcement Agencies

A large number of complaints are being reported on National Cyber Crime Reporting Portal (NCRP) regarding intimidation, blackmail, extortion and "**Digital Arrests**" by cyber criminals posing as Police Authorities, Central Bureau of Investigation (CBI), Narcotics Department, Reserve Bank of India (RBI), Enforcement Directorate and other Law Enforcement Agencies.

These fraudsters typically call a potential victim and inform that the victim has sent or is the intended recipient of a parcel, which contains illegal goods, drugs, fake passports or any other contraband item. Sometimes, they also inform that a near or dear one of the victim has been found to be involved in a crime or an accident and is in their custody. A demand for money is made to compromise the "case". In certain instances, unsuspecting victims are made to undergo "**Digital Arrest**" and remain visually available over Skype or other video conferencing platform to the fraudsters, till their demands are met. The fraudsters are known to use studios modelled on Police Stations and Government offices and wear uniforms to appear genuine.

Across the country, several victims have lost large amounts of money to such criminals. This is an organized online economic crime and is learnt to be operated by cross-border crime syndicates.

The Indian Cyber Crime Coordination Centre (I4C), under the Ministry of Home Affairs, coordinates activities related to combating cybercrime in the country. MHA is closely working with other Ministries and their agencies, RBI and other organizations to counter these frauds. I4C is also providing inputs and technical support to Police Authorities of States/UTs for identifying and investigating the cases.

Employees are advised to be alert and spread awareness about these types of cyber frauds to your peers / family members.

WhatsApp & Social Media / Cyber Fraud : BE VIGILANT

Some of you might have received a WhatsApp / Social Media message as below which expressions from our Chairman who has initiated a conversation and ask our employee to do activity / purchase gift coupons. Please note this is a FORGED message and some offender is trying to masquerading as our senior members and intending to do Illegitimate activity across the organization. **If you come across such occurrence please "DO NOT REPLY" and report to your State / Zonal Head / Department Head /HR/ IT Cybersecurity Team for further assessments.**

Please remain vigilant and do not succumb to any such intimations, contact us if you need any further clarifications / assistance.

Request your support to combat the Cybercrime.

Password Security

Password security measures for the users having accounts for accessing the "Applications / Systems / Services", Please adhere the password security actions as furnished.

1. Users shall be responsible for all activity performed with their personal user IDs. Users shall not permit others to perform any activity with their user IDs or perform any activity with IDs belonging to other users.
2. All user-level passwords (e.g., email, web, desktop computer, etc.) shall be changed periodically.
3. Passwords shall not be stored in readable form in batch files, automatic logon scripts, Internet browsers or related data communication software, in computers without access control, or in any other location where unauthorized persons might discover or use them.
4. Any kind of Passwords must not be communicated though email messages / WhatsApp or other forms of electronic communication such as phone to anyone.
5. Passwords shall not be revealed on questionnaires or security forms
6. Users shall refuse all offers by software to place a cookie on their computer such that they can automatically log on the next time that they visit a particular Internet site
7. The password shall be changed immediately if the password is suspected of being disclosed, or known to have been disclosed to an unauthorized party.
8. Misusing of organization password will leads to disciplinary action
9. Please follow the organization password policy

Feel free to discuss if you need any further clarifications.

ESCALATION MATRIX

Company is committed to serving customers during the first reach out. However, to ensure transparency, we are also communicating the escalation matrix for reference.

First Level Touch point

Head Office Customer Care

GRO Grievance Redressal Officer

PNO Principal Nodal officer

NBFC Ombudsman as per circular

Social Media Google Review
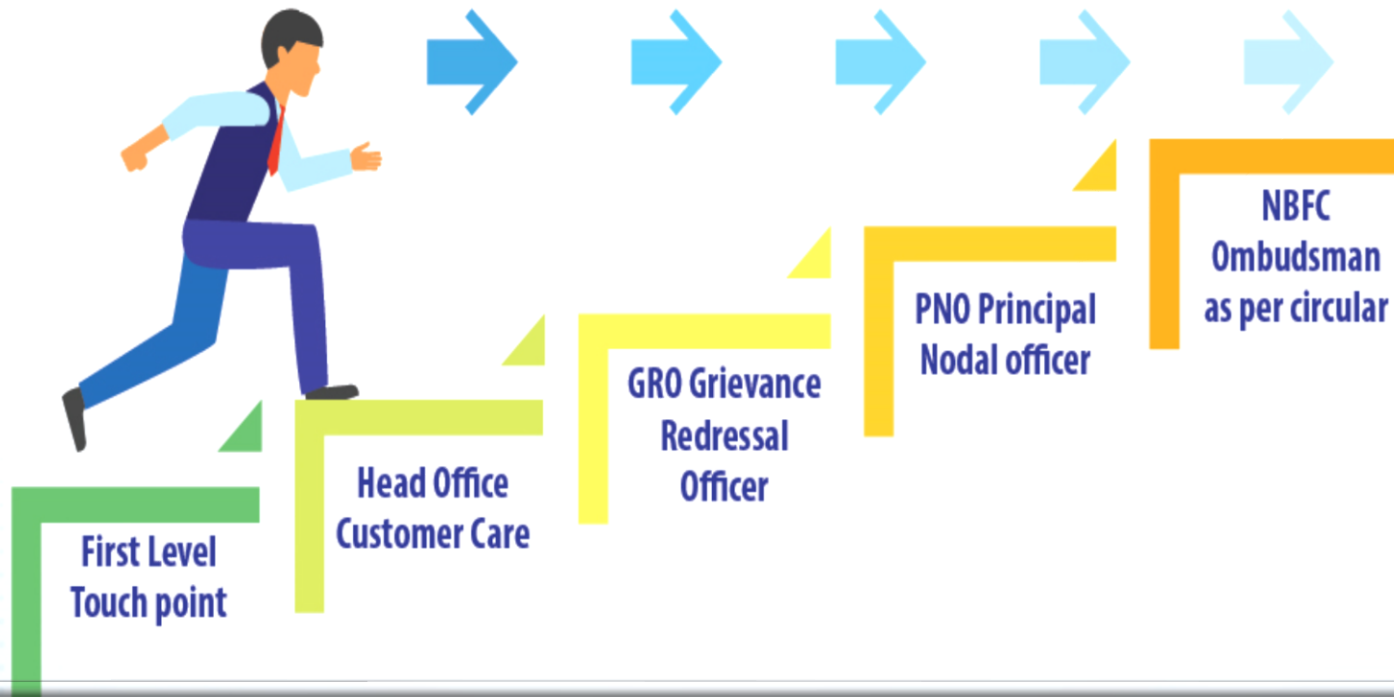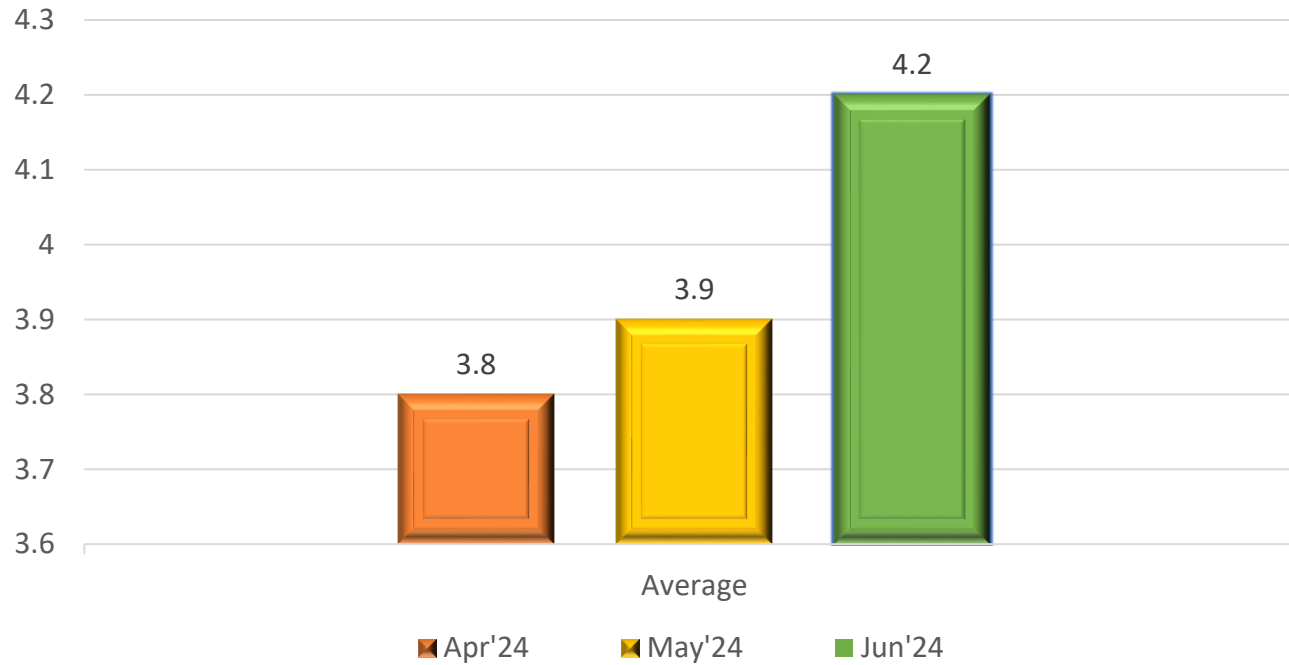
PAN CHOLA overall ratings have reached **4.2** on a scale of 1-5 as on 30st Jun'24

GOAL: Support greener environment through Electric Vehicles (EV's) financing..

Target:

- Support the cause of a greener environment through initiating electric vehicle financing and attempting to increase EV loan disbursements by 5% YOY from 2023-2025

Achievement:

- EV loan disbursements were INR 48.55 Cr in QTD Jun'23. Presently they are INR 65.61 Cr in QTD Jun'24.

- **GOAL:** Establish green operational measures across all office branches and raise green awareness among employees and key stakeholders including customers, visitors, CSR recipients etc

Target:

- Achieve green building status for corporate office.

- Replacement of all the CFL's to LED's across all our operations - replace 100% of CFL lighting with LED systems by 2025

- Reduce water consumption through efficient water flow solutions

Achievement:

- Green building status will be achieved shortly.

- All our new branches have LED lighting. The older branches are in process of being replaced with LED lighting and we expect to complete this well before 2025, almost 99%+ branches replaced.

- All Chola(New & Existing) branches are fitted with water aerators.
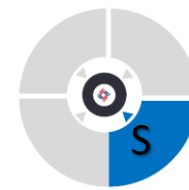
GOAL: Continue to focus on providing credit to transport entrepreneurs, new to credit customers and first-time buyers and users

Target:

- Continue to have strong focus towards ensuring financial inclusion of various marginalized sections of society by offering loans for the purchase of, new and used commercial & passenger vehicles, tractors/farm equipment, construction equipment etc. that contribute to the economy and to the social well-being of the borrowers.

Achievement:

- We are majorly present in in Tier III+ cities which makes it organically focused on transport entrepreneurs, new to credit customers and first-time buyers and users.

- New to credit constituted 42+% of total VF disbursements.

GOAL: Implement best-in class data protection tools and IT governance to ensure 0% data breaches in customer data protection

Target:

- We will organize periodic information security awareness programs across the organization which will include all types of learning mediums, and the same will be measurable

- We will attain ISMS certification by the year 2025

Achievement:

- Continuous cyber awareness activity through Phishing Simulation Exercise and Cybersecurity awareness campaigns through periodic mailer and various types of assessments.

- ISO 27001: 2022 Stage1 & Stage2 audit has been completed successfully and recommended for ISO 27001: 2022 Certification

Risk governance & reporting | Clearly defined roles & responsibilities for effective corporate governance

Organization structure setup to ensure effective governance

Board of Directors
- Oversee the entire risk management process

Risk Management Committee
- Meet four times in a year
- Periodic review of risk framework & process, key risk movement & other initiatives

Executive Director
- Review the risk management process

Chief Risk Officer
- Establish framework, tools & techniques
- Create risk awareness
- Works with organization to identify, assess, mitigate, monitor & report key risks

Risk Management Division

Business/ Functions risk champions

Well-defined tracking mechanism & review cadence

1. **RCSA (Risk control and self-assessment)** conducted across businesses periodically
2. **Multiple Board-led committees** to monitor org risk-

Name of the committee	Key risk reviewed
Risk Management Committee	Overall enterprise risk management policies & processes across each key risk area
Asset Liability Committee	Capital & liquidity position & risk
Audit Committee	Chola's compliance of policies and processes
Business Committee	Business-wise performance & key risks
IT Strategy Committee	IT & cybersecurity framework; IT disaster recovery process
Stakeholders' Relationships Committee	Reputational risk & shareholders' outlook
CSR Committee	Policies, strategies and programs related to ESG
...	

3. **Comprehensive monitoring & tracking thresholds by in-house team:**
   - **Risk Appetite Statement** to define organizational risk goals
   - **Risk registers defined** encompassing **300+ metrics** with strong linkages to businesses/functions

Regulatory & compliance risk | Governance further strengthened by robust compliance mechanisms

Compliance is the only Way

Annual review and approval of all key policies **by the Board**

Internal Disciplinary Committee to review violations of policies/process

Robust and transparent whistle blower mechanism & policy

Regular **Independent Audit Committee meetings** held
Specific focus on review of compliance of policies and processes

Monthly concurrent compliance **audits on 'Know Your Customer' & 'Fair Practice Code'** compliance

Fully automated stringent insider trading compliance system in place
Any transaction by insiders need prior compliance approval

Cyber risk | Regular monitoring & strong internal processes to prevent, detect & mitigate cyber risk

People

1 Well-equipped, adept team of security professionals to mitigate cyber risk at organizational level

2 Regular employee trainings & readiness exercises

- Phishing simulations, crisis management drills, etc.

Process

3 Continued effort towards strengthening protocols

- Code review process
- Business continuity & Disaster recovery exercises

4 Quarterly war gaming & red teaming assessments

Tools & Technology

5 Continuous expansion of suite of tools to monitor threats, potential privacy breaches and improve cyber resilience-

- User access security (SASE)
- DevSecOps
- Cloud container security
- API security

50+ initiatives planned for FY25 to further strengthen cyber risk mitigation

THANK YOU

CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY