ESG PRESENTATION
JUL'24 – SEP'24
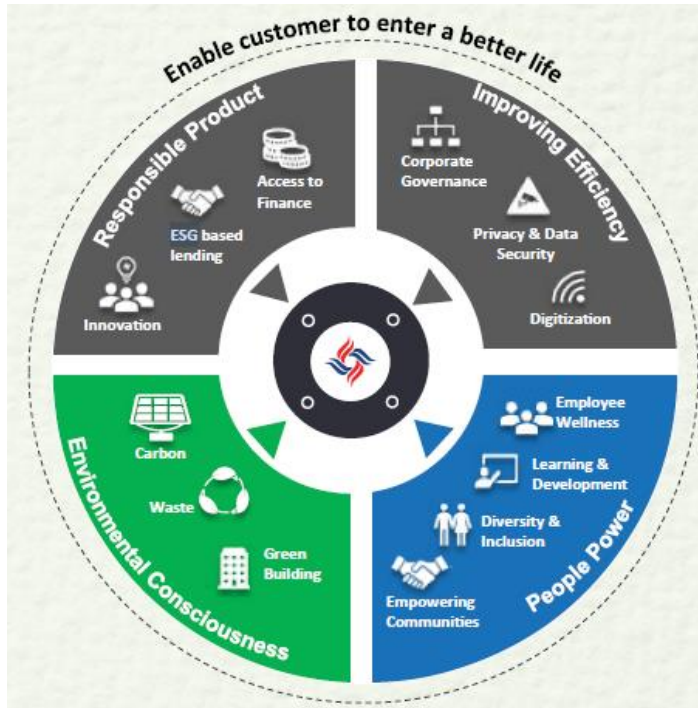
Contents

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

Board

CSR Committee

ESG Steering Committee

ESG Working Committee

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 Managing 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

Sl. N	Chola Policies	Complied (Yes/No)	SDG
1	Internal job posting policy	Yes	SDG 8
2	Conduct Outside office	Yes	SDG 11 & 16
3	Diversity Policy	Yes	SDG 5 & 8
4	Driving Safely Policy	Yes	SDG 3
5	Employee Leave Policy	Yes	SDG 8
6	Emergency Loan/ Employee Loan policy	Yes	SDG 8
7	Referral Programme	Yes	SDG 8
8	Murugappa Equal Opportunity Policy	Yes	SDG 5 & 10
9	Domestic Travel Policy	Yes	SDG 8
10	Educational expenses reimbursement	Yes	SDG 4 & 8
11	Local conveyance policy	Yes	SDG 8
12	Maternity & Paternity leave policy	Yes	SDG 3
13	Sexual Harassment at work place	Yes	SDG 5, 8, & 16
14	Special Leave Pandemic 2020	Yes	SDG 8
15	Transfer policy	Yes	SDG 8
16	Travel policy (CFF)	Yes	8

Policies aligned with SDG

Sl. N	Chola Policies	Complied (Yes/No)	SDG
17	Whistle blower policy	Yes	SDG 8 & 16
18	Work days condition of employment	Yes	SDG 8
19	Work days condition of employment (CFF)	Yes	SDG 8
20	Policy on Material Subsidiaries	Yes	SDG 11
21	Code of Conduct For Directors & Senior Management	Yes	SDG 10
22	Policy on Related Party Transactions	Yes	SDG 8
23	Remuneration Policy	Yes	SDG 5 & 10
24	Business Responsibility Policy	Yes	SDG 3, 4, 5, 8, 10, 11, 12 & 16
25	Code of Practices & Procedures For Fair Disclosure of unpublished Price Sensitive Information	Yes	SDG 5
26	Appointment of Statutory Auditors	Yes	SDG 8
27	Board Policy on Resolution of Advances For Covid-19-Related Stressed Accounts	Yes	SDG 5 & 8
28	Policy on Co-Lending	Yes	SDG 8
29	Board Diversity Policy	Yes	SDG 5
30	Policy For Claiming Unclaimed Interest or Principal on Non-Convertible Securities	Yes	SDG 8
31	Products aligned	Yes	SDG 1, 2, 3, 4, 5, 7, 8, 9, 10, 11, & 12
32	CSR focus areas	Yes	SDG 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, & 17

Chola ESG Rating and Ranking

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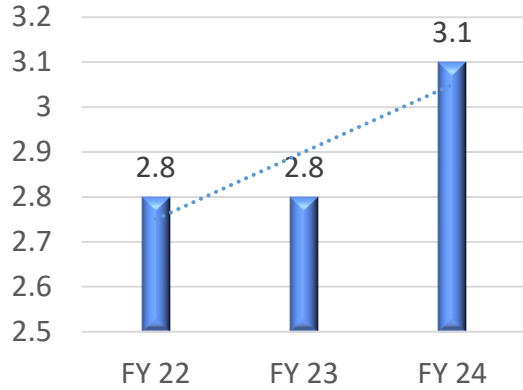
Refinitiv Rating
higher score indicates lower risks
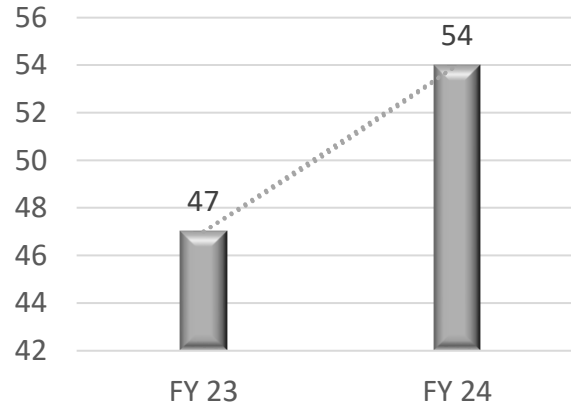
Sustainalytics
lower rank indicates lower risk
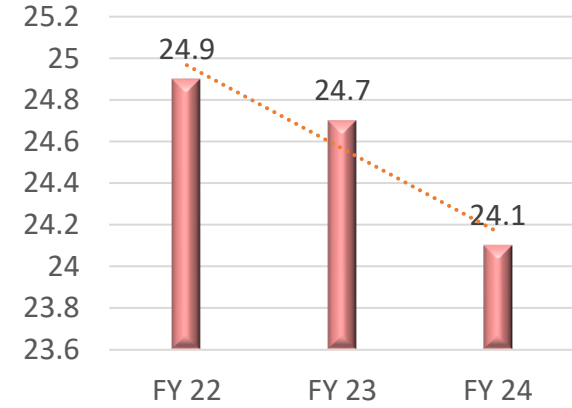
Stakeholders Empowerment Services (SES) Rating
higher score indicates lower risks

CSRHub
higher score indicates lower risks

S & P Global
higher score indicates lower risks

* FY 24 Rating as on 18th Oct'24

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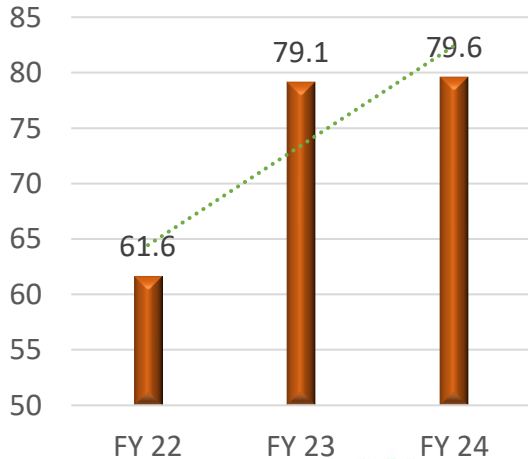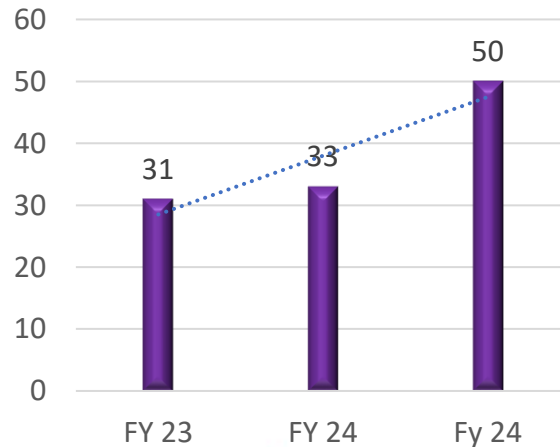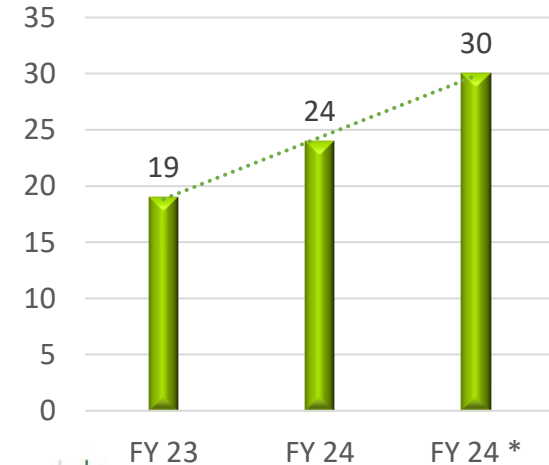# Environmental Consciousness

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 .

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.

Encourage the usage of glass bottles and glasses at Head Office, to eliminate paper/plastic cups

## 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.

Refer slide 22 for targets and achievements

People Power

Employee Wellness

- **Employee Wellness initiatives –** Wellness activity conducted (Medical Health Camp) at various region to ensure Health & safety of employees. Approx.400 of the employee have utilized this activity.
- **Camp's Covered** – Basic , Eye and Dental Care and Blood Donation Camp
- **Occupational Health & Safety Initiative** - Launched digital course on Road Safety for front line employees. large number of employees participated
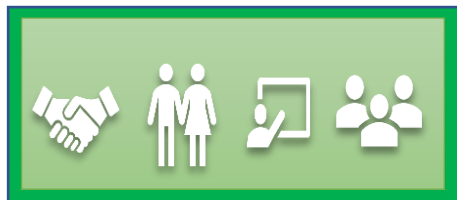
Learning & Development

- **Audit & Credit Appraisal Training** was organized for **2,000+** VF employees enhance their financial assessment skill.
- Refresher Training was conducted for **7,000+** FOS on Product and Processes.
- **Artificial Intelligence session for Internal Audit Team t**o introduce AI concepts and applications relevant to internal auditing. **110** Internal Auditors attended the session.
- **Area Wise Health Report Training was conducted for CSEL Area Managers** to enable them understand and interpret performance data and P&L reports.
- **First Time Resolution Training was conducted for 724 Home Loan Credit employees** to improve TAT for processing of home loan proposals.
- Conducted **Libre Training** for **294** Branch and Area Level employees of **SBPL SBU** to promote cost efficient operations.
- Developed and launched comprehensive e-Module for **CSEL SBU on Sales**, **Credit & Collections** to provide functional knowledge and skills for new joinees.
- **Launched Gamified Home Loan Property Identification Modules for FOS** to understand their current knowledge and skill gap in identifying properties without legal and financial complexities. **872** employees have undergone this module.

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
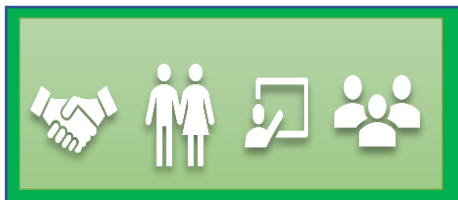
Empowering Communities

➤ Key focus areas, are ongoing projects of Health, Water and 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	Combination of Projects initiated on Q1 & Q2
Arts	5
Education	8
Environment	2
Health	13
Research and Development	1
Rural Development	1
Sports	12

Responsible Products

Vehicle Financing	• *Financing of Commercial, Passenger, Two-wheelers, Tractors and Construction Equipment in both New and Used Vehicles across 1461 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 697 (664 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 779 (772 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 482 (481 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 88 (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	• 298 branches in the under- banked districts identified by **RBI** circular • 73+ branches in **Aspirational Districts**(MSME), • Across 32 states/Union Territories 92% presence across tier III—VI towns

Improving Efficiency

Corporate Governance

Privacy & Data Security

Digitization

Effective Governance

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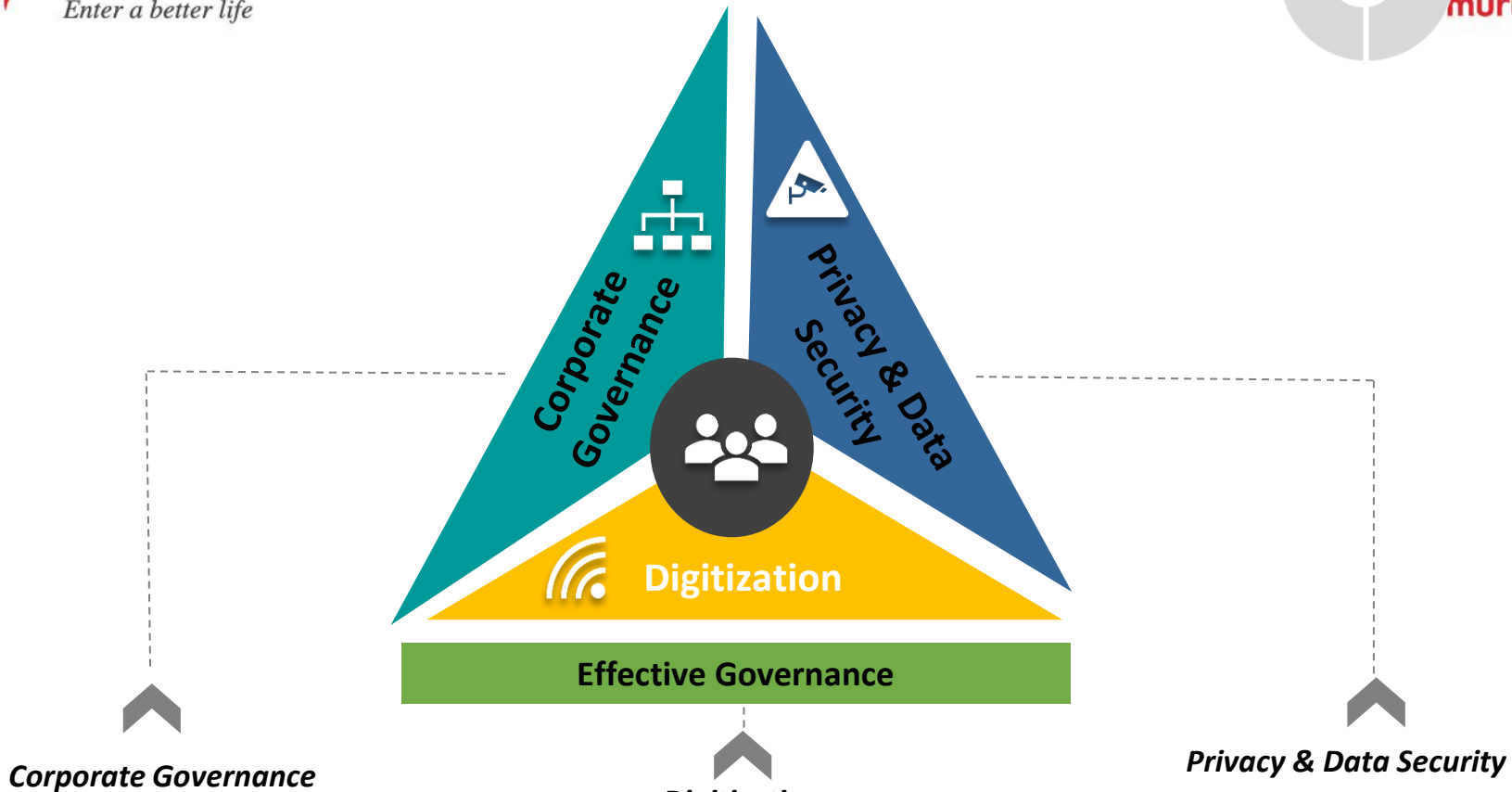
Policies and process in place to enable highest standards in governance and transparency; ethical behaviour, board diversity etc form a part of our Code of Conduct Policy

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

Chola
Enter a better life

G
murugappa

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

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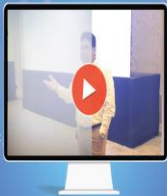
You are the representative of Chola!
Your attitude is the identity of Chola!
You are an ambassador of Chola!

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

Chola *Enter a better life*

Customer Handling

Speech by
Mr. Ravindra Kumar Kundu, Executive Director
&
Mr. Balaji H, Senior Assistant Vice President

You're a Reflection of Chola's Reputation!
Let your conduct reflect Chola's value!

Synopsis of the video

- Repossession and Collection should happen in a peaceful manner.
- Maintain your calm and composure while speaking to the customer.
- Rules and regulations of Chola and RBI should be implemented to the core.
- Create an emotional attachment with the customer.
- It is a cyber world. Please be careful when you speak with the customer.

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

Click to watch the video

Decoding KYC Policy
What is FATF?

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

Decoding KYC Policy
What is CDD?

Customer Due Diligence (CDD) is a mandatory process of verifying a customer's identity (such as name, address, photographs, KYC documents, the customer's business activities, etc.) to ensure that the true identity of the customer is established.

When the true identity of the potential customer is not established or the company is unable to apply appropriate CDD measures, no transaction or account-based relationship will be undertaken with such a person or 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

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

E-Mail Phishing Threat & Prevention

Impersonation Calls / Scams

This is regarding to **"Impersonation Calls / Scams"**
Scammers mimic genuine organisations or authorities, such as "Our organization, Senior Management Officials of the Reserve Bank Of India" via mobile phone calls. These calls aim to illicitly gather information (personal & organizational) or making payments

To address this, request your support to promptly report such incident along with the mobile numbers, from which impersonation calls are received.

Financial Frauds Through Social Engineering

Glimpse Of Social Engineering Risk : A tactic of manipulating / influencing the victim in order to gain control a bank account, computer or mobile devices to steal personal and financial information

Financial Frauds Through Social Engineering
There has been an increase in social engineering financial frauds where the customers themselves initiate the fraudulent transactions without sharing or compromising their credentials. The two major types frauds are.

1. **Investment Scams**: Scammers lure individuals with promises of high returns on fake investment schemes. They may target victims through phone calls, social media messages, or convincing websites, leading them to invest money in fraudsters accounts.
2. **Government Impersonation**: Fraudsters pose as officials from reputed organizations like the Central Bureau of Investigation (CBI) or the Income Tax Department. They threaten legal action or heavy fines to extort money from victims.

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

Chart showing Google Review ratings:
- Mar'24: 3.8
- Jun'24: 4.2
- Sep'24: 4.5
- Nov'24: 4.7

Legend: Mar'24, Jun'24, Sep'24, Nov'24

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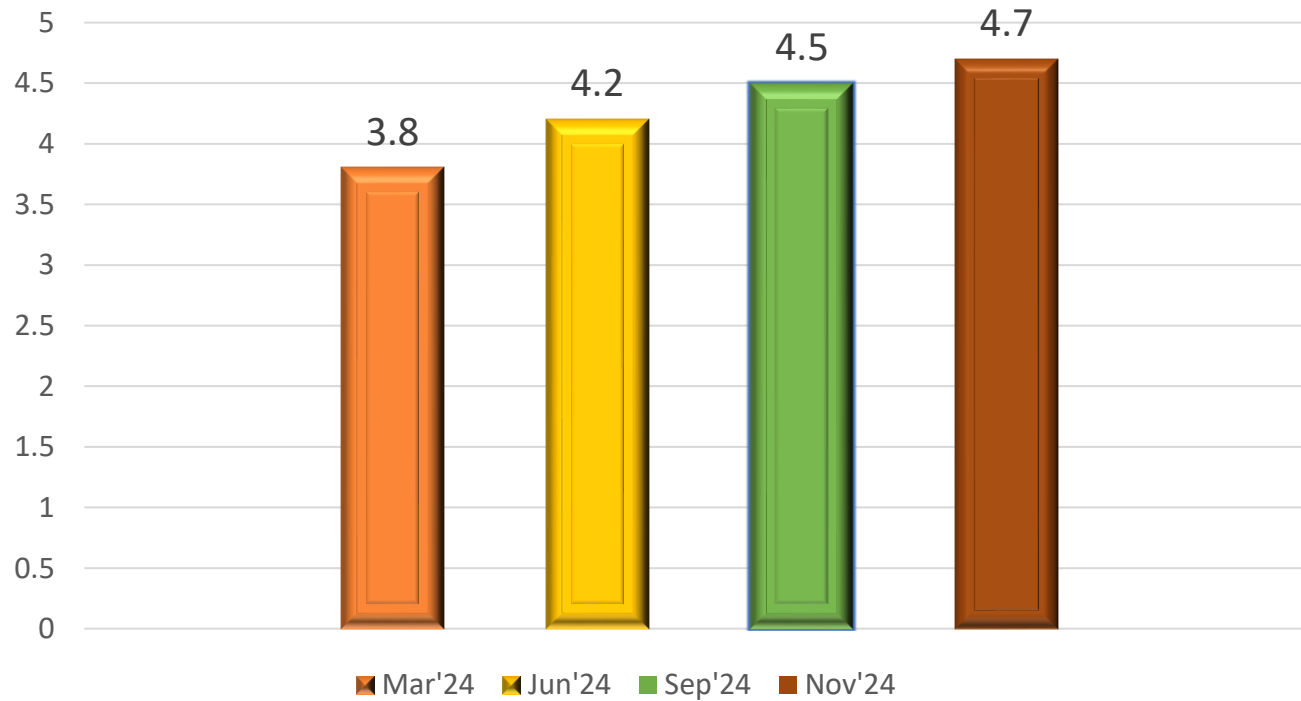
GOAL: Support greener environment through Electric Vehicles (EV's) financing..

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 77.41 Cr in QTD Sep'23. Presently they are INR 108.79 Cr in QTD Sep'24.

Sustainability achievements

- **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.

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

- Water conservation 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.

Sustainability achievements

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.

- Achieved ISO 27001:2022 Certification

TÜVINDIA

Certificate

Management system as per
ISO/IEC 27001:2022

The Certification Body TUV INDIA PVT. LTD. hereby confirms as a result of the audit, assessment and certification decision according to ISO/IEC 17021-1:2015, that the organization

CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED
No. 1, SIDCO Industrial Estate, Tamarai Tech Park,
2nd Floor North Wing and South Wing,
Guindy, Chennai – 600 032,
Tamil Nadu,
India

operates a management system in accordance with the requirements of ISO/IEC 27001 : 2022 and will be assessed for conformity within the 3 year term of validity of the certificate.

Scope
Enabling CIFCL's Businesses Through Digital Technology Services which Includes
(I) **Deployment and Maintenance of IT Infrastructure.**
(II) **Design, Development, Testing, Deployment and Support of Mobile and Web Based Applications.**
As per the Statement of Applicability of 01.12.2023 Version 1.0

Certificate Registration No. **IND 121 24395459**   Valid from   27.09.2024
Audit Report No. Q 13483/2024   Valid until   26.09.2027
                                                       Initial certification 27.09.2024

Mumbai, 27.09.2024   Certification Body at TUV INDIA PVT. LTD.

Visit our database to verify the validity of this certificate

TUV INDIA PVT. LTD.
801, Raheja Plaza 1, L.B.S Marg,
Ghatkopar (W) Mumbai – 400 086,
India
www.tuv-nord.com/in

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ISO/IEC 27001:2022
www.tuv-nord.com/in

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

Managing 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

Chola – Risk Culture

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