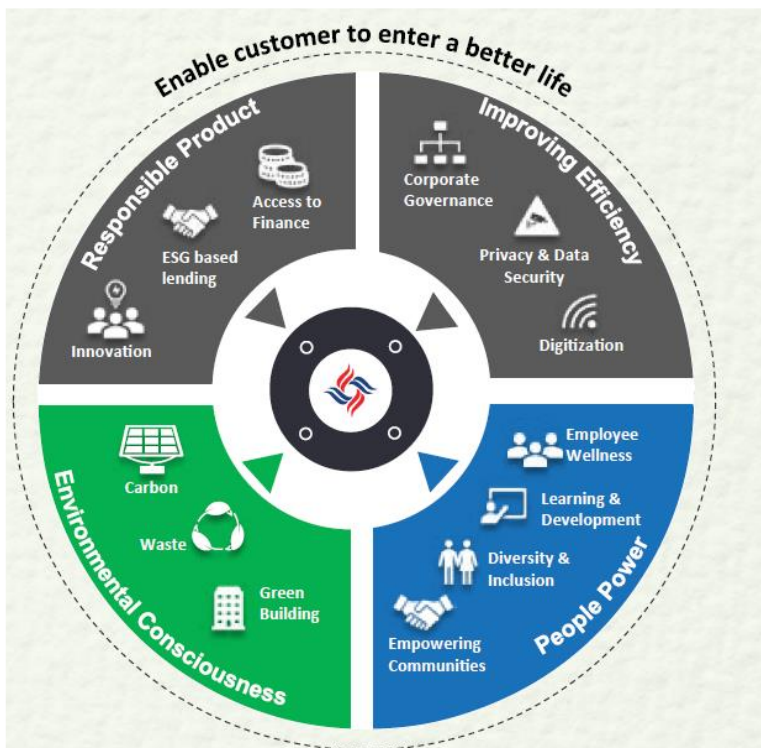




ESG PRESENTATION OCT - DEC 2023



Environmental, Social & Governance (ESG) at Chola



Rating agency	Category	Rating
FTSE Russell	FTSE4Good Index	Renewal of Certificate of membership
SES	ESG Rating	
S & P Global	ESG Rating	24  +5
Others	ESG Presentation, ESG Reports - Cholamandalam Finance	

ESG Updates of Chola	Link
Sustainability Report 20 – 21	www.cholamandalam.com/esg
BRSR FY 21-22	
ESG Quarterly Presentations	
ESG profile update	
BRSR FY 22-23	



Environmental Consciousness



Green Building

- We are constructed our new office buildings at Guindy, under the supervision of a green consultant to imbibe Green Building principles. We are targeting Gold LEED Certification.
- Sensor based lights at Head office



Waste

The Company has the practice of waste disposal through approved vendors for the following categories of waste.

- Plastics
- E-waste
- Other Non-hazardous



Carbon

As an environmentally responsible company we have taken various steps towards sustainability by contributing towards water conservation, energy efficiency, supporting micro businesses in the Renewable energy sector etc. Going forward, we will focus on carbon footprint reduction



People Power

Employee Wellness

- Employee Wellness initiatives for engaging mind, body, spirit of employees.
- Occupational Health & Safety Initiative - Launched digital course on Road Safety for front line employees
- Employee Assistance program – confidential, one on one, private therapy session to manage stress and handle distortions.
- Touching lives – continued financial support for a period of 2 years for families of deceased during Covid
- Workshop conducted to build a community of Mental Health First Aiders
- Nil instances of work-related injury.
- Employee wellness initiatives through ISO 30408:2016 certified HR operations.



Learning & Development

- Launched Psychometric Assessment and 360 Feedback Survey for 61 Regional Level Managers
- Conducted virtual sessions for the Human Resources team on Mental Health First Aid.
- Launched a digital learning module on the Prevention of Sexual Harassment (POSH) for all employees.
- Launched a digital learning module on Cyber Security for all employees.
- Conducted an ISO 9001 Internal Auditor Course

Diversity & Inclusiveness

- Business activities such as hiring, promotion, and compensation of employees, conducted without regard to race, state, religion, gender etc.
- Hiring more women in business roles and achieve gender equality in our organization.
- 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>



Responsible Products

Vehicle Financing

- *Financing of Commercial, Passenger, Two-wheelers, Tractors and Construction Equipment in both New and Used Vehicles.*
- *Retail customers especially in smaller towns and rural areas*
- *Focus on transport entrepreneurs, that can be classified as Micro, Small or Medium Service Enterprises*
- *65% of disbursements are to micro & small enterprises and agri-based customer segment usage customers*

Housing Finance

- *96% of assets are in tier 2,3,4 cities and suburbs of tier 1 cities*
- *Focus on underserved customers in tier III,IV,V, VI cities to enable them to achieve their dream of entering a better home, minimal documentation.*
- *Chola continues to consolidate its position across branches pan-India while also targeting expansion in newer underpenetrated geographies*

Loan against Property

- *Over 80% of the book is financed against Self-Occupied residential property as collateral.*
- *Lending to small businesses against the collateral of self occupied residential property at affordable ROI*

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.*
- *Funding to FTU customer through our partnership business to enhance financial inclusion segment*

SBPL

- *Loans to under-served self-employed non-professional customers*
- *Monthly income range Rs. 25,000- 30,000 & who do not have traditional documents. E.g. businesses that operate in cash (grocery shop, dairy owners, low salaried/cash salaried workers)*

SME

- *Lending to micro, small and medium enterprises*
- *Focus on customer who normally don't fit financial and banking norms, in various industry 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 to customers, 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 more than 1.5 Lac customers every month in a complete digital process and are eliminating significant paper and saving fuel.

ESG Based Lending

- No exposure to clients who are substantially involved in IFC excluded activities.
- Target for EV based lending (covered in subsequent slides)

Innovation

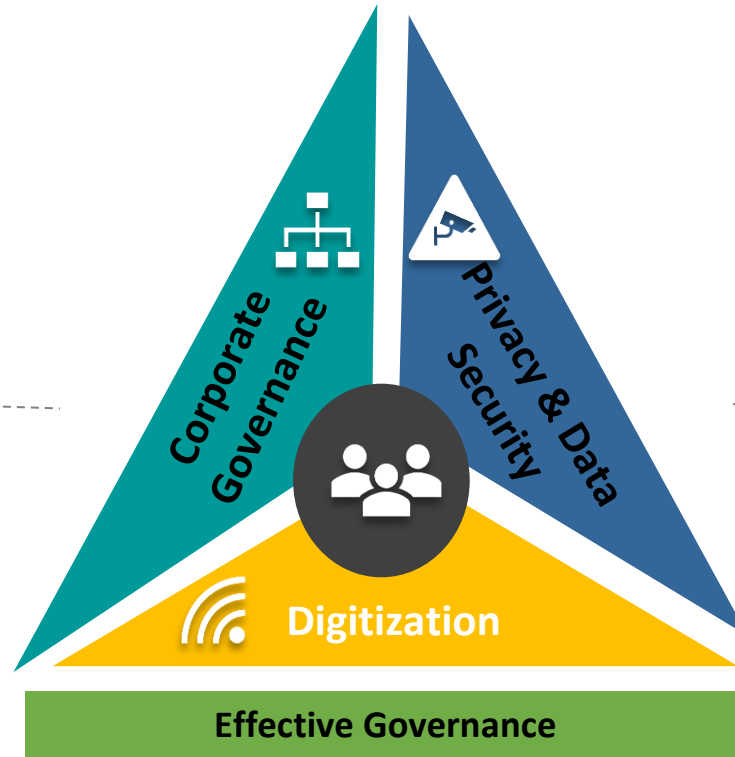
- [Gaadi Bazar](#): online marketplace (App & Portal) for buying and selling used CVs.
- SBPL, HL, VF: B.Y.O.D (bring your own device) for SFEs, digitized collection(QR code)
- LAP, HL & CSEL: [App for all financial needs](#)
- HL: Digital Onboarding for pre-approved top up offers to existing customers APF module launch for enabling builder projects

Initiatives

- 247 branches in the under- banked districts identified by [RBI](#) circular
- 70+ branches in [Aspirational Districts](#)(MSME),
- Across 29 states/Union Territories 90% presence across tier III—VI townsTarget for Environment friendly initiatives (covered in subsequent slides)



Improving Efficiency



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



Chola Policies & BRSR Principles

Digitization

Businesses and functions aligned towards going digital; minimal manual documentation currently; first finance company to get all processes on a digital platform aiming at improved efficiency with minimal error

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”



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 Handling

Speech by
Mr. Ravindra Kumar Baidi, Executive Director
or
Mr. Babji P, 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 job.
- 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](#)



Chola
Enter a better life

Tips For Handling Customers Efficiently

Speech by
Mahesh Madhukar Walker, Head - Operations

CUSTOMER IS THE KING!

6 Tips For Effective Customer Handling

1. Treat the customer with due respect.
2. Take ownership of customer's query and provide the best solution possible.
3. Tackle the aggressive customers in the most professional way possible.
4. Transparency is the key - Explain our collection and repossession policies clearly to the customer.
5. Toll-free number for exceptional support - Give the customer our helpline number & principal nodal officer's contact number. Also inform about the escalation matrix to our customers.
6. Turnaround time - Enquire about customer's queries within from the customer when you can solve the query.



**The respect you give to the customers is
the respect you earn to the company!**

Responsible Cholaite's Build Respectable Chola!

[Click to watch the video](#)



Chola
Enter a better life

CUSTOMER SERVICE REITERATION

Session by Executive Director
while addressing the Zonal Team at Kolkata

Synopsis of the video

- Believe gently and professionally with customer.
- 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 customer.
- 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](#)



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.





Chola
Enter a better life

CYBER SECURITY AWARENESS MONTH
DID YOU KNOW?

The CIA Is Here To Protect You
#TrustTheTriad

Information assets are any data, information, knowledge, software, hardware, IT service, data storage, or IT equipment that has value to the company and its loss, theft or misuse would be a problem for the company. Information Assets should be secured to maintain Confidentiality, Integrity, and Availability.

C I A
Information Security

- CONFIDENTIALITY** Refers to protecting information from being accessed by unauthorized parties.
- INTEGRITY** Refers to ensuring the authenticity of information.
- AVAILABILITY** Ensuring that authorized users have access to information and associated assets when required.

Follow CIA, Stay Vigilant!



Chola
Enter a better life

CYBER SECURITY
AWARENESS MONTH - OCTOBER 2023

STAY SMART, STAY SAFE!

Tips to stay Vigilant :

- Do not share your ID details with anyone and full pay to identity thieves
- Do not share your OTP/CVV/Password on unknown calls/SMS/WhatsApp
- Do not click on unknown links received through call/SMS/Email
- Do not scan a QR code or share OTP to receive money
- Do not fall prey to emails displayed as "Special Offers" or respond to calls/SMS/WhatsApp pretending to be your bank/BBFC



Chola
Enter a better life

CYBER SECURITY AWARENESS MONTH
DID YOU KNOW?

The Phishing Net Is Out There
#DontGetHooked

Phishing by SMS is called Smishing and Phishing by voice call is called Vishing.

- Don't share your personal information. Look for unusual or irregular requests often paired with a sense of urgency.
- Don't respond to spam texts. Watch out for links to a URL that's suspicious or shortened to hide identity.
- If a caller asks you to provide account data or personally identifiable information, refuse to do so.
- Be suspicious of unrecognized phone numbers.

Stay Vigilant!
Keep Phishers Away



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 52.77 Cr in YTD Dec'22. Presently they are INR 211.49 Cr YTD Dec'23. The target has been achieved for FY 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 in 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 90%+ 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.
- We have commenced the process to implement ISO 27001 for applicable Information Technology domains.





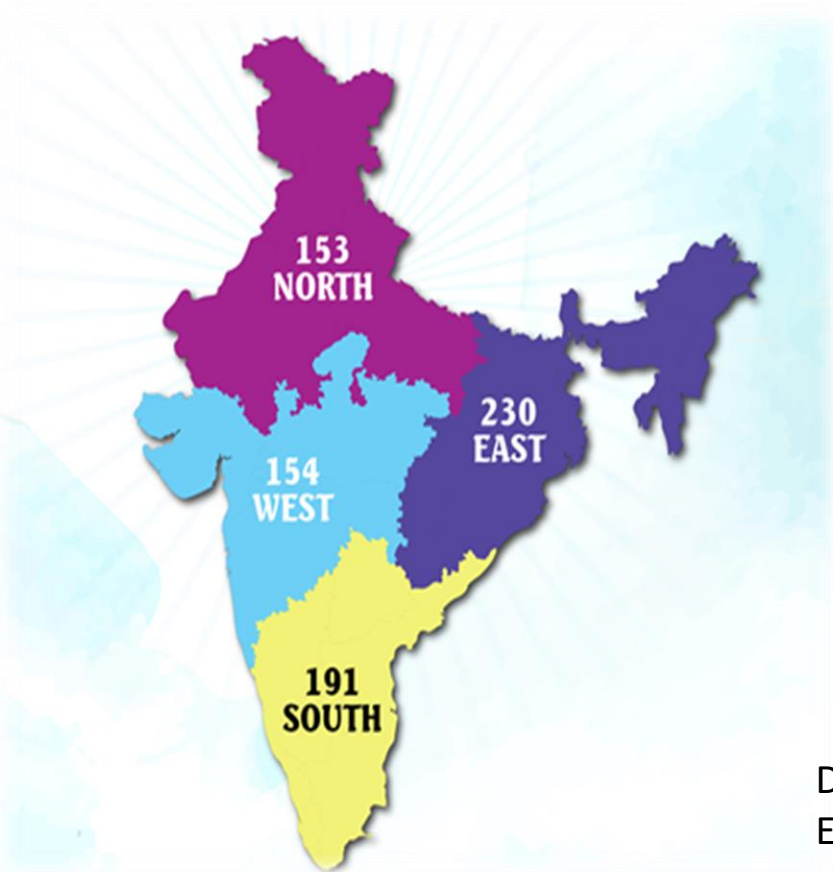
We Chola officially announce the launch of Believeathon on 16th November 2023 , a pan India Campaign that aims to unite Cholaites to our common vision – Believe in India, Believe in Chola and Believe in Yourself.

The campaign focuses on the belief torch that will travel to all our branches across the country. The Believe Torch is a symbol of light, hope and belief and as we pass it on, we pass on the message of belief to every nook and corner of the country.



Believeathon - Glimpses of the Journey so far

The Believeathon Torch reached 728 branches on 47 days



During the said Believeathon Journey covered the below Environmental and Social activities.



THANK YOU

