

# Business Responsibility and Sustainability

Report

IIFL Home Finance Ltd.

FY 2022 - 2023



## INTRODUCTION

IIFL Home Finance Limited (IIFL HFL) is on a mission to fulfill the homeownership aspirations of millions through innovative technology, streamlining the home buying process for enhanced convenience. With a strong focus on environmental, social, and governance (ESG) principles, these values are intricately woven into every aspect of our operations, reflecting our commitment to responsible business practices.

Driven by a pursuit of profitable growth while minimizing ecological impact, IIFL HFL is dedicated to reducing its environmental footprint. Through our innovative technological solutions and initiatives like Kutumb and Disha, we are committed to offering value and pioneering ideas that benefit our customers and stakeholders across the housing value chain. Moreover, IIFL introduces the Green Value Partner (GVP) initiative, bridging energy-efficient building practices with a mission for widespread sustainable impact in the realm of eco-friendly affordable housing.

The Securities and Exchange Board of India's (SEBI) Business Responsibility and Sustainability Reporting (BRSR) framework, rooted in India's dedication to responsible business practices, derives from the National Guidelines for Responsible Business Conduct (NGRBC). It drives transparent, ethical, and socially conscious practices in India's corporate world. BRSR offers a structured channel for companies to exhibit adherence to NGRBC principles. By integrating the nine principles into operations and reporting, businesses contribute to sustainability while enhancing credibility among stakeholders, investors, and the wider community. The NGRBC principles encompass integrity, safe products, employee well-being, stakeholder engagement, human rights, environmental responsibility, ethical policy influence, inclusive growth, and responsible customer engagement.

By embracing the BRSR framework for FY 22-23, IIFL HFL underlines its commitment to transparent reporting and a sustainable corporate value. This decision showcases the seamless integration of high-quality sustainability practices into our operations, signifying a profound dedication to responsible business conduct.

The reporting period for this Business Responsibility and Sustainability Reporting (BRSR) is from April 1, 2022 to March 31, 2023.

SEBI has introduced a set of 9 principles that aim to guide companies in adopting sustainable business practices and reporting them in a transparent and comprehensive manner.

**PRINCIPLE 1.** Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

**PRINCIPLE 2.** Businesses should provide goods and services in a manner that is sustainable and safe

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

**PRINCIPLE 4.** Businesses should respect the interests of and be responsive to all its stakeholders

**PRINCIPLE 5.** Businesses should respect and promote human rights

**PRINCIPLE 6.** Businesses should respect and make efforts to protect and restore the environment

**PRINCIPLE 7.** Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

**PRINCIPLE 8.** Businesses should promote inclusive growth and equitable development

**PRINCIPLE 9.** Businesses should engage with and provide value to their consumers in a responsible manner

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## SECTION A: General Disclosure

### I. Company Details:

S. N.	Questions	Responses
1	Corporate Identity Number (CIN) of the Listed Entity	U65993MH2006PLC166475
2	Name of the Listed Entity	IIFL Home Finance Limited (also known as IIFL HFL)
3	Year of incorporation	2006
4	Registered office address	IIFL Home Finance Ltd Road No. 16V, Plot No. B-23, MIDC, Thane Industrial Area, Wagle Estate, Thane – 400604
5	Corporate address	IIFL Home Finance Ltd Plot No. 98, Udyog Vihar Phase IV, Gurgaon, Haryana 122015
6	E-mail	<a href="mailto:secretarialhfc@iifl.com">secretarialhfc@iifl.com</a>
7	Telephone	(91-124) 478 0900
8	Website	<a href="http://www.iiflhomeloans.com">www.iiflhomeloans.com</a>
9	Financial year for which reporting is being done	FY 2022-23
10	Name of the Stock Exchange(s) where shares are listed	Nil
11	Paid-up Capital	₹ 26.3 crore
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Name: Madhvi Gupta Designation: Head – Marketing and Communications, and Social Impact E-mail: <a href="mailto:madhvi.gupta@iiflhomeloans.com">madhvi.gupta@iiflhomeloans.com</a>
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).	On a consolidated basis (IIFL Home Finance Limited and IIFL Sales)

### II. Product and Services

#### 14. Details of business activities (accounting for 90% of the turnover):

S. N.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Financial and Insurance Service	IIFL HFL offers affordable home loans, Secured business loans, affordable project finance, and Shakthi loans, focusing on marginalized segments with transparent processes.	100%

#### 15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. N.	Product/Service	NIC Code	% of total Turnover contributed
1	Home Loans	65922	100%

### 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	NA	386	386
		International	NA	NA	NA
17	Markets served by the entity:				
	a. Number of locations	Locations	Number		
		National (No. of States)	16 states & 2 Union Territory		
		International (No. of Countries)	NA		
	b. What is the contribution of exports as a percentage of the total turnover of the entity?	NA			
c. A brief on types of customers	IIFL HFL primarily serves Economically Weaker Section (EWS), Lower Income Group (LIG).				

### IV Employees

#### 18. Details as at the end of Financial Year: a. Employees and workers (including differently abled):

S. N.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
1	Permanent (D)	4565	4244	92.97%	321	7.03%
2	Other than Permanent (E)	NA	NA	NA	NA	NA
3	Total employees (D + E)	4565	4244	92.97%	321	7.03%

Note: IIFL HFL does not have any Workers and Differently abled employees as of now.

#### 19. Participation/Inclusion/Representation of women -

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	9	1	11.11%
Key Management Personnel <sup>1</sup>	3	0	0

#### 20. Turnover rate for permanent employees and workers –

	FY 22-23			FY 21-22		
	Male	Female	Total	Male	Female	Total
Permanent Employees	33%	35%	33%	50%	38%	50%

<sup>1</sup> Key Management Personnel refers to the Chief Executive Officer & Whole-time Director, Chief Financial Officer and Company Secretary as defined under Section 203 (1) of the Companies Act, 2013.

## V. Holding, subsidiary, and associate companies (including joint ventures)

### 21. Names of holding/subsidiary / associate companies / joint ventures

S.no	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	IIFL Finance Limited	Holding	79.59%	Yes
2.	IIHFL Sales Limited	Subsidiary	100%	Yes

## VI. CSR Details

### 22. CSR details

Whether CSR is applicable as per Section 135 of Companies Act, 2013:	Yes
(ii) Turnover (in ₹) for FY22	₹ 26,035,852,125
(iii) Net worth (in ₹) as on 31 March 2022	₹ 55,532,036,011

## VII. Transparency and disclosures compliances

### 23. Complaints/Grievances on any of the principles (Principles 1 to 9)

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 22-23			FY 21-22		
		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	0	0	0	0	0	0
Investors	Yes	63	63	Nil	3	3	Nil
Shareholders	Yes	0	0	0	0	0	0
Employees and workers	Yes	0	0	0	0	0	0
Customers	Yes	728	25	Nil	732	16	Nil
Value Chain Partners	Yes	0	0	0	0	0	0

Web-link for grievance redress policy: - [www.iiflhomeloans.com/grievance-redressal-procedure](http://www.iiflhomeloans.com/grievance-redressal-procedure)

### 24. Overview of the entity's material responsible business conduct issues –

S. N.	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	Climate change and GHG emissions	Risk and Opportunity	<p>Climate change and GHG emissions represent both a risk and an opportunity for IIFL HFL.</p> <p><b>Risk rationale:</b> Evolving climate landscape poses significant risk to our loan-focused company. Climate change-induced events can disrupt loan repayments, projects, and property values, leading to defaults, reduced assets, and financial instability.</p> <p><b>Opportunity rationale:</b> Addressing climate risks promotes efficiency, innovation, and growth. Green financing options attract eco-conscious borrowers, boost demand for sustainable projects, enhance market reputation, ensuring responsible lending practices and positive outcomes.</p>	<p>To tackle identified risks, our Company employs a comprehensive strategy, including an ESG policy, seamlessly integrating ESG aspects into our business strategy, operations, risk management, and governance. This proactive approach addresses climate and sustainability risks, aligning our lending with responsible practices. Continuous monitoring and stakeholder engagement enhance resilience and value creation.</p>	<p><b>Negative implications:</b> Potential increase in operational costs, regulatory fines for non-compliance, and reputational damage affecting public perception and business legitimacy.</p> <p><b>Positive implications:</b> Implementation of sustainable and ethical energy management strategies leading to cost savings through reduced energy consumption, enhanced operational effectiveness, and exploration of profitable avenues through renewable energy utilization.</p>
2	Energy use and management	Risk and Opportunity	<p>Energy use and management represent both a risk and an opportunity for IIFL HFL.</p> <p><b>Risk rationale:</b> Effective energy management is a substantial concern for our loan-focused company, covering home</p>	<p>In response to identified risks, our Company adopts a comprehensive approach, including an ESG policy, integrating environmental, social, and governance considerations into</p>	<p><b>Negative implications:</b> Potential rise in operational costs, regulatory fines for non-compliance, and damage to reputation affecting public perception and</p>

			<p>purchase, construction, renovation, secured loans, and affordable housing construction. Energy price fluctuations and regulatory shifts may impact borrowers' repayment ability, potentially harming our lending portfolio and business stability.</p> <p><b>Opportunity rationale:</b> Addressing energy challenges offers a chance to drive efficiency, innovation, and growth. Through green financing options for energy-efficient projects and collaborations with sustainable developers, we attract conscientious borrowers, reduce default risks, and enhance our market reputation as a forward-thinking institution.</p>	<p>our strategy, operations, risk management, and governance processes. This proactive stance addresses climate-related and sustainability risks, aligning our lending portfolio with responsible practices and promoting long-term value creation.</p>	<p>business integrity.</p> <p><b>Positive implications:</b> Integration of sustainable energy practices resulting in reduced energy consumption, enhanced operational effectiveness, and profitable opportunities through renewable energy adoption, contributing to cost savings and environmental responsibility.</p>
3	<b>Economic performance</b>	Risk and Opportunity	<p>Economic performance represents both a risk and an opportunity for IIFL HFL.</p> <p><b>Risk rationale:</b> Economic fluctuations pose a substantial risk to our versatile lending company, spanning home-related loans, secured loans, and affordable housing construction. Market downturns, interest rate volatility, or recession could lead to increased loan defaults, reduced demand for credit, and potential financial instability, directly impacting our financial performance and growth prospects.</p> <p><b>Opportunity rationale:</b> Proactively managing economic risks presents an</p>	<p>To mitigate risks related to "Economic Performance," our company, IIFL HFL, leverages a diversified loan portfolio, conducts thorough risk assessments, employs dynamic interest rate management, fosters regulatory collaboration, and emphasizes customer education. This proactive approach ensures resilience, informed decision-making, and sustainable growth within our lending operations.</p>	<p><b>Negative implications:</b> Possible economic downturn affecting loan repayment, increased credit risk, and decreased demand for loans, impacting profitability and business expansion.</p> <p><b>Positive implications:</b> Effective economic management leading to stable loan performance, enhanced credit quality, and increased demand for loans, driving</p>



			<p>opportunity to bolster financial performance, ensure business survival, and support expansion efforts. By closely monitoring market trends, adjusting lending strategies, and offering flexible financial solutions during economic challenges, we can minimize default risks, maintain healthy credit ratings, and enhance our goodwill within the industry. This strategic approach not only safeguards profitability but also reinforces our reputation as a resilient and customer-focused financial institution.</p>		<p>financial stability and growth in the lending portfolio.</p>
4	<p><b>Diversity and equal opportunity</b></p>	<p>Risk and Opportunity</p>	<p>Diversity and equal opportunity represent both a risk and an opportunity for IIFL HFL</p> <p><b>Risk rationale:</b> Inadequate diversity and equal opportunity practices pose a significant risk to our comprehensive lending company, encompassing diverse loan offerings for homes, affordable housing projects. Failing to promote diversity in our workforce and lending practices could lead to reputational damage, legal liabilities, and hinder business growth due to a lack of inclusivity.</p> <p><b>Opportunity rationale:</b> Embracing diversity and equal opportunity fosters a culture of innovation, creativity, and better decision-making across our lending operations. By actively promoting diverse hiring, ensuring fair lending practices, and offering tailored financial solutions to underrepresented groups, we can attract a wider customer base, tap into</p>	<p>To mitigate risks related to "Diversity and Equal Opportunity," IIFL HFL fosters an inclusive workplace culture, implements unbiased lending practices, and conducts regular training on diversity awareness. Through transparent policies and proactive measures, we ensure fair treatment, representation, and access to financial opportunities for all customers and employees, enhancing social impact and business sustainability.</p>	<p><b>Negative implications:</b> Lack of diversity can lead to limited perspectives, hinder innovation, and result in potential legal and reputational risks, affecting business growth and customer trust.</p> <p><b>Positive implications:</b> Embracing diversity fosters innovation, enriches decision-making, and enhances employee morale, driving a more inclusive and competitive business environment, leading to sustainable growth and</p>

			emerging markets, and strengthen our brand reputation. This strategic approach not only mitigates risks but also positions us as a socially responsible and forward-looking financial institution, contributing to sustainable growth and long-term success.		customer satisfaction.
5	<b>Non-discrimination</b>	Risk	<p>Non-Discrimination represents as a risk for IIFL HFL.</p> <p><b>Risk rationale:</b> Non-discrimination challenges within our lending company, offering diverse loan products including home, affordable housing financing, pose a substantial risk. Inadequate measures to prevent discrimination based on race, gender, or other factors could result in legal actions, reputational harm, and hindered customer trust, leading to potential revenue loss and business constraints.</p>	<p>To mitigate "Non-discrimination" risks, IIFL HFL upholds a zero-tolerance policy against discrimination. We ensure unbiased loan approval processes, offer equal access to financing opportunities, and conduct regular training to raise awareness. Through transparent practices and stringent enforcement, we promote a diverse and inclusive environment, fostering customer trust and sustainable growth.</p>	<p><b>Negative implications:</b> Discrimination can lead to legal actions, damage the company's reputation, and hinder access to a diverse customer base, limiting growth and profitability.</p>
6	<b>Customer privacy and data security</b>	Risk	<p>Customer Privacy and Data Security represents as a risk for IIFL HFL.</p> <p><b>Risk rationale:</b> Inadequate customer privacy and data security practices in our lending business, catering to home, affordable housing loans, pose a significant risk. Data breaches or privacy violations could lead to legal penalties, reputational damage, loss of</p>	<p>To mitigate "Customer privacy and data security" risks, IIFL HFL employs robust cybersecurity measures. We implement encryption, access controls, and regular audits to safeguard sensitive information.</p>	<p><b>Negative implications:</b> Insufficient data security can result in breaches, compromising customer trust, legal consequences, and financial losses, damaging the company's</p>

			customer trust, and potential regulatory sanctions, negatively impacting our operations and financial stability.	Through strict compliance with data protection regulations and continuous employee training, we ensure the highest level of customer data privacy, fostering trust and maintaining our reputation.	reputation and customer relationships.
7	<b>Transparent information and fair advice for customers</b>	Risk and Opportunity	<p>Transparent information and fair advice for customers represent both a risk and an opportunity for IIFL HFL</p> <p><b>Risk rationale:</b> Insufficient transparency in information and advice for our diverse lending services, including home, affordable housing loans, poses a notable risk. Inaccurate or unclear information, biased advice, or non-compliance with regulatory standards could lead to customer dissatisfaction, legal liabilities, reputational harm, and potential financial losses, adversely affecting our business operations.</p> <p><b>Opportunity rationale:</b> Embracing transparent information dissemination and fair advisory practices offers the chance to build strong customer relationships, enhance credibility, and foster sustainable growth. By providing clear, accurate, and unbiased information about loan terms, conditions, and risks, we can empower customers to make informed decisions. Implementing robust advisory frameworks and conducting regular training for our staff can enhance customer satisfaction, loyalty, and retention. This</p>	<p>To mitigate "Transparent information and fair advice for customers" risks, IIFL HFL emphasizes clear and accurate communication. We provide comprehensive loan terms and conditions, ensuring customers fully understand their obligations. Our well-trained staff offer unbiased advice, promoting informed decisions. Regular audits and customer feedback mechanisms ensure adherence to ethical practices and build long-term trust.</p>	<p><b>Negative implications:</b> Lack of transparent information and unfair advice can lead to customer dissatisfaction, complaints, legal actions, and reputational damage, undermining the company's credibility and customer relationships.</p> <p><b>Positive implications:</b> Providing transparent information and fair advice enhances customer trust, fosters positive word-of-mouth, and establishes the company as a reliable and customer-centric financial partner, driving sustainable growth.</p>

			strategic approach not only mitigates potential risks but also positions us as a reliable and customer-centric financial partner, driving positive customer experiences, business expansion, and long-term success.		
8	<b>Responsible Lending and debt prevention</b>	Risk and Opportunity	<p>Responsible Lending and debt prevention represent both a risk and an opportunity for IIFL HFL</p> <p><b>Risk rationale:</b> Failure to ensure responsible lending practices across our diverse loan offerings, including home, affordable housing loans, can lead to over-indebtedness, defaults, and financial distress for borrowers. This risk could result from inadequate assessment of borrowers' creditworthiness, improper loan structuring, or insufficient debt prevention measures. Such outcomes could harm our reputation, lead to higher provisioning for loan losses, and impact on our overall financial stability.</p> <p><b>Opportunity rationale:</b> Embracing responsible lending and robust debt prevention strategies presents an opportunity to build a resilient loan portfolio and foster customer financial well-being. By implementing thorough credit assessment processes, tailored loan structuring, and proactive debt management, we can reduce the risk of defaults and over-indebtedness. Offering financial literacy programs and personalized debt prevention advice can empower borrowers to manage their obligations</p>	To mitigate "Responsible Lending and debt prevention" risks, IIFL HFL implements stringent loan assessment criteria. Thorough financial analysis ensures borrowers' repayment capacity. We offer customized repayment plans, promoting sustainable borrowing. Regular financial literacy programs educate customers on responsible debt management, reducing default risk and fostering financial well-being.	<p><b>Negative implications:</b> Irresponsible lending practices can lead to high default rates, increased bad debts, and legal actions, adversely affecting the company's financial stability, reputation, and regulatory standing.</p> <p><b>Positive implications:</b> Embracing responsible lending practices reduces credit risk, enhances customer trust, and fosters long-term borrower relationships, strengthening the company's financial performance and market position.</p>

			effectively. This approach not only minimizes potential risks but also enhances customer trust, loyalty, and long-term business success while contributing to a financially healthier customer base.		
9	<b>Customer management</b>	Risk and Opportunity	<p>Customer Management represents both a risk and an opportunity for IIFL HFL</p> <p><b>Risk rationale:</b> Ineffective customer management across our diverse loan offerings, encompassing home, affordable housing loans, can lead to dissatisfaction, communication breakdowns, and potential loss of business. Poorly addressing customer inquiries, concerns, and feedback, as well as inadequate post-loan servicing, can result in negative customer experiences. Such outcomes could harm our reputation, lead to reduced customer retention, and impact on our market competitiveness.</p> <p><b>Opportunity rationale:</b> Implementing robust customer management practices offers an opportunity to enhance customer satisfaction, loyalty, and business growth. By providing timely and transparent communication, addressing customer queries and concerns promptly, and offering personalized post-loan support, we can build strong and lasting relationships. Engaging in proactive outreach, educational initiatives, and responsive complaint resolution demonstrates our</p>	<p>To enhance "Customer management," IIFL HFL emphasizes personalized interactions. Dedicated relationship managers assist clients throughout the loan lifecycle. Regular feedback mechanisms capture customer insights for process improvement. Swift grievance resolution and transparent communication build trust, ensuring customer satisfaction and loyalty, ultimately minimizing churn and enhancing business growth.</p>	<p><b>Negative implications:</b> Poor customer management may result in dissatisfied clients, hindered repeat business, impacting the company's reputation, customer retention, and potential growth.</p> <p><b>Positive implications:</b> Effective customer management enhances client satisfaction, loyalty, and referrals, contributing to a strong customer base, improved brand perception, and sustainable business expansion.</p>

			commitment to customer well-being. This approach not only fosters customer loyalty but also positions us as a trusted financial partner, driving positive word-of-mouth referrals, repeat business, and long-term success in a competitive market.		
10	<b>Digitization</b>	Opportunity	<p>Digitization represents as an opportunity for IIFL HFL.</p> <p><b>Opportunity rationale:</b> Embracing comprehensive digitization offers the opportunity to optimize loan processes, enhance customer experiences, and drive business expansion. The Company's approach in imbibing new technologies and making the overall business process digital can lead to improved quality and efficiency. By implementing user-friendly online application platforms, automated document verification, and seamless digital disbursement methods, we can provide transparent, faster, and timely services to customers. As customer awareness of digital platforms increases, digital financial services become a preferred mode, potentially expanding our reach and service efficiency. This approach not only improves operational performance and customer satisfaction but also showcases our commitment to innovation, strengthening customer trust and market positioning.</p>	Not Applicable	<p><b>Positive implications:</b> Effective digitization streamlines processes, enhances customer experience, and enables data-driven decision-making, fostering operational efficiency, innovation, and improved customer satisfaction, ultimately contributing to business expansion and market leadership.</p>
11	<b>Anti-corruption</b>	Risk	<p>Anti-corruption represents as a risk for IIFL HFL.</p> <p><b>Risk rationale:</b> Inadequate anti-corruption measures within our loan operations, covering home, affordable</p>	To address "Anti-corruption," IIFL HFL enforces a strict code of ethics and anti-bribery policies. Comprehensive	<p><b>Negative implications:</b> Inadequate anti-corruption measures can lead to reputational</p>

			<p>housing loans, pose a significant risk to our integrity, reputation, and regulatory compliance. Failure to prevent corruption, bribery, or unethical practices in loan disbursement, evaluation, or approval processes can lead to legal liabilities, fines, loss of trust, and reputational damage, undermining our business credibility and growth prospects. Acts of bribery and corruption erode fair market competition and can contribute toward systemic issues like poverty and oppression. Additionally, implication in bribery and corruption-related scandals can create significant risk for companies, through reputational damage and legal and/or regulatory action.</p>	<p>training educates employees about anti-corruption laws and practices. Rigorous due diligence is conducted on partners and stakeholders. Regular audits and internal controls ensure transparency, fostering a culture of integrity and trust, and safeguarding the company's reputation.</p>	<p>damage, legal liabilities, and compromised business ethics, potentially deterring customers, partners, and investors while attracting regulatory scrutiny. <b>Positive implications:</b> Robust anti-corruption practices enhance trust, attract ethical stakeholders, and ensure compliance, safeguarding reputation, minimizing legal risks, and fostering sustainable growth and stakeholder confidence.</p>
12	<b>Transparency and corporate governance</b>	Opportunity	<p>Transparency and corporate governance represent as an opportunity for IIFL HFL.</p> <p><b>Opportunity rationale:</b> Embracing transparent and responsible governance practices presents an opportunity to bolster stakeholder confidence, strengthen regulatory compliance, and enhance long-term business resilience. By establishing robust policies for board independence, diversity, accountability, and ethical conduct, we foster a culture of integrity and good governance. Transparent reporting of our practices, remuneration policies, and adherence to ethical standards can attract responsible borrowers and</p>	Not Applicable	<p><b>Positive implications:</b> Strong transparency and governance practices build investor trust, enhance accountability, ensure legal compliance, and foster sustainable growth, bolstering reputation, attracting investments, and driving long-term success.</p>

			investors, ensuring sustainable growth. Implementing sound management practices and legal compliance not only safeguards our reputation but also positions us as a trusted financial partner, driving customer loyalty, investor trust, and business expansion.		
13	<b>Financial inclusion and literacy</b>	Opportunity	<p>Financial inclusion and literacy represent as an opportunity for IIFL HFL.</p> <p><b>Opportunity rationale:</b> Focusing on expanding access to financial services for underserved individuals and small businesses aligns with our core objective and presents a substantial opportunity. By tailoring our loan offerings, providing personalized support, and simplifying application processes, we can effectively address the unique needs of these segments. This approach not only fosters social impact but also opens up new markets, increases loan demand, and bolsters our reputation as a socially responsible lender. As we enable financial empowerment and growth within underserved communities, we contribute to a more inclusive economy while achieving sustainable business expansion.</p>	Not Applicable	<p><b>Positive implications:</b> Enhanced financial inclusion and literacy empower underserved populations, stimulate economic activity, and expand customer base, contributing to inclusive growth, social well-being, and sustainable development.</p>



## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

S. N.	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>										
1	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	N	Y	Y
	b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c. Web Link of the Policies, if available	<a href="http://www.iiflhomeloans.com/corporate-governance">www.iiflhomeloans.com/corporate-governance</a>								
2	Whether the entity has translated the policy into procedures. (Yes / No)	Yes								
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes								

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

Underscoring our dedication to upholding strong information security standards and practices, our management's active involvement in addressing security incidents is routinely evaluated by auditors during management reviews. Additionally, our company holds the ISO 27001:2013 certification, further affirming our commitment to robust information security practices.

Our company's policies have been meticulously developed in alignment with industry best practices and regulatory mandates, following thorough consultations with pertinent stakeholders.

5	<b>Specific commitments, goals and targets set by the entity with defined timelines, if any.</b>	No specific targets are set under the aforesaid policies till date. However, it is crucial to emphasize that our commitment and goal revolve around ensuring compliance with these principles. Upholding these standards is an integral part of our company's mission and vision.
6	<b>Performance of the entity against the specific commitments, goals, and targets along with reasons in case the same are not met.</b>	Our Company acknowledges the significance of establishing targets to assess advancement towards achieving all the principles of the National Guidelines on Responsible Business Conduct (NGRBC). Considering that we are in our initial years of ESG adoption, we intend to specify our objectives and targets in the upcoming reporting periods. We recognize the need to align our ESG efforts with our business goals and we are implementing a comprehensive and effective ESG strategy that ensures sustainability and creates long-term value for all our stakeholders.
7	<b>CEO's Statement</b>	Refer to Sustainability report FY 22-23.

<b>8</b>	<b>Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).</b>	Name: Mr. Monu Ratra Designation: CEO DIN: 07406284 Category: Executive Director
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**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 ESG Committee in place which comprises of the following members as on March 31, 2023:

S.N.	Name	Designation	DIN
1	Srinivasan Sridhar	Chairman	DIN:00004272
2	Ajay Jaiswal	Member	-
3	Abhishikta Munjal	Member	-
4	Mohua Mukherjee	Member	DIN:08714909
5	Monu Ratra	Member	DIN:07406284
6	Rashmi Priya	Member	-
7	Rachit Gehani	Member	-

**10. Details of Review of the policies**

**Whether each policy is reviewed, if reviewed, the frequency of review for each of the policy ((Annually/Half yearly/ quarterly/ Any other – please specify)**

Yes, the senior management team continuously evaluates the policies and the performance against them, and when necessary, follow-up actions are taken.

**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

**12. If not, all Principles are covered by a policy, reasons to be stated:**

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No).	-	-	-	-	-	-	Yes	-	-

## 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.**

**1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:**

Segment	Total number of training and awareness programs held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programs
<b>Board of Directors and Key Managerial Personnel including Senior Management</b>	2	<p>The programmes comprised of:</p> <ul style="list-style-type: none"> <li>• ESG</li> <li>• Unconscious bias</li> </ul> <p>Programmes covered principles 2, 3, 6 &amp; 8.</p>	53.57%
<b>Employees other than BoD, KMPs and Senior Management</b>	83	<p>The training covered upskilling and reskilling of employees on the following:</p> <ul style="list-style-type: none"> <li>• ESG aspects</li> <li>• Occupational Health and Safety</li> <li>• Prevention of Sexual Harassment</li> <li>• Human Rights</li> <li>• Consumer Safety</li> <li>• D&amp;I sensitization training</li> <li>• Anti-corruption</li> <li>• Cyber Security</li> <li>• Regulatory compliance</li> <li>• Code of Conduct</li> <li>• Leadership &amp; Soft skills</li> <li>• Power BI</li> </ul> <p>Training covered principles 1, 2, 3, 5, 6 &amp; 9.</p>	100%

**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:**

The Company had no monetary and non-monetary 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 FY 22-23 based on materiality thresholds.

**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.**

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, we have an anti-corruption or anti-bribery policy,

IIFL HFL's Anti-Bribery and Anti-Corruption (ABAC) Policy reflects the company's steadfast commitment to combat corruption and uphold the highest standards of ethical business conduct. This policy outlines the company's zero-tolerance approach to bribery and corruption, ensuring that all business dealings are conducted professionally, fairly, and with integrity. The scope of this policy encompasses all employees, directors, officers, shareholders, and third-party representatives of the company, emphasizing compliance with relevant anti-bribery and anti-corruption laws and regulations. It details key principles, ethical guidance, practical procedures, and responsibilities to effectively prevent and address bribery and corruption risks. IIFL HFL's dedication to maintaining transparency, accountability, and adherence to these principles is consistently reinforced throughout its operations.

The policies can be accessed at: [www.iiflhomeloans.com/corporate-governance](http://www.iiflhomeloans.com/corporate-governance)

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

There have been no cases involving disciplinary action taken by any law enforcement agency on the charges of bribery / corruption against directors / KMPs / employees / workers were reported during the reporting period.

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

No instances of complaints concerning conflicts of interest involving the directors or key managerial personnel (KMPs) were reported during the reporting period.

**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.**

There have been no fines, penalties, or actions imposed on the company or its employees by any regulators in relation to matters of corruption or conflict of interest.

## **PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe.**

### **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.**

While operating within the financial services sector doesn't allocate specific investments for R&D, we're actively exploring innovation within our industry. Our focus involves researching areas that can enhance services, including advanced financial products, digital banking solutions, and technological advancements in risk management. New technology implementations have expanded digital operations, bolstered efficiency, and reduced paper consumption. Embracing environmental sustainability, investments were made in energy-efficient equipment, LED lighting, digital onboarding and paper saved, IIFL HFL's head office has obtained the Gold Level LEED Rating under Operations and Maintenance Category (Version 4.1) with 75 points out of 100. This is our first LEED-rated building as an organization. IIFL HFL's 'Green Value Partners (GVP)' are a crucial intermediary between our developers, green certification agencies and green building consultants, supporting the developers with green building methodologies and certification.

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

Our primary resource allocation is focused on facilitating and optimizing our core financial services activities. As such, the sourcing of inputs is not directly aligned with the structure of our operational framework.

### **3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life:**

Our operational model is rooted in waste reduction and cost efficiency. We've transitioned to digital documentation on online platforms, collaborating with recyclers to embrace the "reduce, reuse, recycle" principle. Minimizing waste and extending product life are steadfast priorities.

Our digital initiatives spared 19,70,094 paper sheets this year, aligning with our ESG policy's waste management focus. Notable strides include dedicated E-Waste rooms and 201.4 kgs of e-waste disposal via authorized recyclers. Nationwide E-Waste collection bins and targeted single-use plastic reduction strategies reinforce our commitment to sustainability.

### **4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Not applicable, as our company does not fall under the category of manufacturing entities.

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

1.

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

% of permanent employees covered											
Category	Total Employees (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day facilities	Care
		No. of employees covered (B)	% (B/A)	No. of employee covered (C)	% (C/A)	No. of employee covered (D)	% (D/A)	No. of employee covered (E)	% (E/A)	No. of employee covered (F)	% (F/A)
Male	4244	3981	93.80%	NA	NA	NA	0.00%	6	1.87%	NA	NA
Female	321	319	99.38%	NA	NA	10	3.12%	NA	NA	1	0.31%
Total	4565	4300	94.19%	NA	NA	10	0.22%	6	1.87%	1	0.31%

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

Not applicable

2. Details of retirement benefits, for Current/Previous Financial Year:

Benefits	FY 22-23			FY 21-22		
	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/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
Provident Fund	84.06%	NA	Yes	81.61%	NA	Yes
Gratuity	10.04%	NA	Yes	11.77%	NA	Yes
Employee State Insurance (ESI)	19.36%	NA	Yes	27.34%	NA	Yes

3. 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:

Currently we do not have a system for disabled employees, but we are setting up a system to create a disabled friendly infrastructural changes.

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, the Company upholds an accessible Equal Opportunity, Diversity, and Inclusion policy. This fosters a work culture where employees can genuinely engage, contributing their skills and perspectives to create exceptional value for all stakeholders. The existing policy's coverage of equal opportunity rights is evident

in the code of conduct document. This document is conveniently available in the HR Handbook and accessible to all employees through the intranet portal, providing comprehensive guidance.

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

Gender	Permanent employees	
	Return to work rate	Retention rate
Male	100%	100%
Female	100%	100%
Total	100%	100%

**6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers?**

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Employees	Yes

Yes. The Grievance Redressal Policy ensures effective complaint handling across the Company's diverse business lines. The policy emphasizes fairness, timely response, and customer awareness of escalation avenues. Utilizing a robust CRM system, complaints are addressed promptly, aimed at customer satisfaction.

A hierarchy of escalation channels, including a toll-free helpline, dedicated email IDs, branch visits, and written communication, provides comprehensive access. If a customer remains dissatisfied, a structured escalation matrix involves Nodal Officers, Principal Nodal Officer, and RBI for resolution. Transparent processes uphold customer trust and service excellence.

Additionally, our AI chatbot, Amber, facilitates direct feedback and quick solutions, fostering seamless communication between management and employees, ensuring comprehensive coverage.

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

While our Company does not have an Employee Association, we fully acknowledge and uphold the Right to Freedom of Association. We support and do not discourage collective bargaining, respecting the rights of employees and workers in this regard.

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

Category	FY 22-23					FY 21-22				
	On Health and safety measures			On Skill upgradation		On Health and safety measures			On Skill upgradation	
	Total Employees (A)	No. of employee	% (B / A)	No. of employees	% (C / A)	Total Employees (D)	No. of employee	% (E/D)	No. of employees	% (F/D)

		s covered (B)		cover ed (C)		s covered (E)		cover ed (F)		
<b>Male</b>	4244	4244	100%	36	.84%	2819	2819	100%	2819	100%
<b>Female</b>	321	321	100%	14	4.36%	191	191	100%	191	100%
<b>Total</b>	4565	4565	100%	50	5.2%	3010	3010	100%	3010	100%

IIFL places a strong emphasis on employee well-being and development. Our. We conduct relevant workshops on road safety, first aid, self-defense, and fire safety to ensure a safe environment. Inclusivity is a core value at IIFL HFL, evident through our sensitization training on Diversity and Inclusion (D&I) for all employees. Capacity building training for female employees in junior and mid-level management roles receive specialized mentoring, fostering their future leadership potential.

FY 2022-23 witnessed diverse training sessions, enhancing continuous learning and efficiency, resulting in rational, data-driven decision-making. The BRIDGE refresher training further hones technical expertise essential for our operations. Our comprehensive orientation program, "Grow," seamlessly integrates new joiners by introducing them to our values, policies, and culture.

Overall, our approach reflects our commitment to employee well-being, growth, and sustainable practices.

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

Category	FY 22-23			FY 21-22		
	Total Employees (A)	No. of employees reviewed (B)	% (B / A)	Total Employees (C)	No. of employees reviewed (D)	% (D / C)
<b>Male</b>	4244	4244	100%	2819	2819	100%
<b>Female</b>	321	321	100%	191	191	100%
<b>Total</b>	4565	4565	100%	3010	3010	100%

At IIFL HFL, our commitment to performance and career development goes beyond the ordinary. We've established a robust Performance Assessment and Review System (PARS) framework that operates on a transparent and quantifiable four-point scale – Flier, Runner, Learner, and Walker – to objectively evaluate employee performance. This approach encompasses annual appraisals, multi-layered employee engagement initiatives, and a comprehensive Employee Grievance Redressal Policy, all contributing to a nurturing work environment.

Our AI chatbot, AMBER, swiftly addresses concerns, while our tailor-made reward programs serve as a cornerstone for recognizing and motivating exceptional performance. Importantly, our collaboration with FinX (ID Finxperts Skilling Foundation) through IIFL Foundation has empowered 200 women candidates in New Delhi to pursue the Chartered Financial Expert (CFX) certification course, specifically designed for thriving careers in the BFSI industry.

#### 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?



The well-being and safety of our employees are paramount. We are deeply committed to implementing practical measures to safeguard their health and prevent workplace risks. Our Employee Health and Safety Policy establishes a robust framework for ensuring a healthy and secure environment. Our ESG initiatives have been recognized, including receiving the award for Best ESG Performance in Health and Well-Being. We have further bolstered employee benefits, including Group term insurance and personal accident insurance, to enhance their health and well-being protection.

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

Due to our unique operational context, the direct applicability of traditional work-related hazard identification and risk assessment methods may be limited within our Company.

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

Due to the specific nature of our business, this aspect does not directly apply to our Company.

**d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services?**

The Company has introduced a range of initiatives aimed at promoting the health and well-being of its employees. One such program is 'Your Dost' Employee Assistance Programme that addresses both physical and mental health. In addition, all employees are provided with comprehensive health insurance coverage, ensuring their well-being not only in work-related situations but also in their personal lives. This holistic approach underscores our commitment to the overall health and safety of our workforce.

**11. Details of safety related incidents:**

No safety related incidents have been reported during the reporting years.

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

IIFL HFL holds a strong commitment to workplace diversity, acknowledging its positive impact on productivity, creativity, and overall well-being. The company's focus on maintaining a diverse workforce is aligned with its evaluation of health, safety, and environmental performance in all offices. This dedication is evident through the Employee Health & Safety Policy, which emphasizes the preventability of injuries, illnesses, and incidents (3Is). The policy underscores the creation of a secure work environment and underscores the company's active efforts in ensuring the welfare of employees and safeguarding company assets. This comprehensive approach highlights IIFL HFL's unwavering dedication to promoting health, safety, and diversity.

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

No concerns or complaints from any employees were reported in relation to working conditions and health & safety during the specified reporting year.

**14. Assessments for the year:**

Assessments for the year:	% of your offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	In the last FY, health and safety assessment (fire safety, lift safety) was carried out for our head office.
Working Conditions	

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

No corrective actions are applicable as there have been no safety-related incidents or significant risks/concerns identified from assessments of health and safety practices and working conditions.

**PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders.**

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

The identification of key stakeholder groups involves recognizing individuals and organizations that exert direct or indirect influence on our business operations. Our focus is on those who significantly impact our performance and contribute value to our Company. We engage with these stakeholders, seeking their insights and perspectives, and prioritize them based on their influence, interdependence, and responsibilities towards IIFL HFL.

Accordingly, our key stakeholders are:

- Employees
- Business partners/ Suppliers
- Community/NGOs
- Customers/Clients
- Shareholders/Investors
- Government/Regulators
- Suppliers/ Vendors/ Contractors

**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
<b>Employees</b>	No	Emails, Social Intranet, Digital LED screens, Virtual townhalls, whatsapp	Frequent or as and when required	To inform employees on key developments within the Company; to involve employees in decision making and aligning them to the shared purpose of the Company's Vision, Values, and business strategy; to invigorate employees and enable delivery of the employee promise.
<b>Business partners/ Suppliers</b>	No	Email, SMS, Website, and digital channels	Frequent or as and when required	Service existing business and increase scope for further expansion
<b>Community/NGOs</b>	Yes	Community meetings	Monthly meetings	Support CSR projects

<b>Customers</b>	Most of our customers belong to the EWS/LIG community	Direct contact, Email, SMS, Newspaper, Pamphlets, Advertisement, Website	Frequent or as and when required	To acquire new customers and provide services to existing ones
<b>Shareholders/ Investors</b>	No	Email, Website, AGM, Communication to stock exchanges, annual/quarterly calls	Frequent or as and when required	To inform on how the Company is currently doing and what it plans to do in near term future
<b>Government/ Regulators</b>	No	Email, Personal meetings, Calls	Mandatory regulatory filings, Periodical submission of business performance.	Discussions on policy regulations and amendments, inspections, and approvals

## PRINCIPLE 5: Businesses should respect and promote human rights:

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

Category	FY 22-23			FY 21-22		
	Total Employees (A)	No. of employees covered (B)	% (B / A)	Total Employees (C)	No. of employees covered (D)	% (D / C)
Permanent	4565	1415	31%	3010	1023	33.9%
<b>Total Employees</b>	4565	1415	31%	3010	1023	33.9%

2.Details of minimum wages paid to employees and workers -

Category	FY 22-23					FY 21-22				
	Total Employees (A)	Equal to Minimum Wage		More than Minimum Wage		Total Employees (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. of employees (B)	% (B/A)	No. of employees (C)	% (C/A)		No. of employees (E)	% (E/D)	No. of employees (F)	% (F/D)
Permanent	4565	NA	NA	4565	100%	3010	NA	NA	3010	100%
Male	4244	NA	NA	4244	100%	2819	NA	NA	2819	100%
Female	321	NA	NA	321	100%	191	NA	NA	191	100%

3. Details of remuneration/salary/wages

	Male		Female	
	Number	Annual median remuneration/ salary/ wages of respective category (₹)	Number	Annual median remuneration/ salary/ wages of respective category (₹)
Board of Directors (BoD)	8	14.40 Lac <sup>2</sup>	1	16 Lac
Key Managerial Personnel <sup>3</sup>	3	86.36 Lac	0	0
Employees other than BoD and KMP - Senior Management	14	61.77 Lac	4	63.05 Lac
Employees other than BoD, KMP and Senior Management	4229	3.37 Lac	317	3.19 Lac

<sup>2</sup> Median remuneration for male directors is provided.

<sup>3</sup> Key Management Personnel refers to the Chief Executive Officer & Whole-time Director, Chief Financial Officer and Company Secretary as defined under Section 203 (1) of the Companies Act, 2013.

**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)**

The head of Human Resources, overseeing the human resources function, is responsible for addressing human rights issues stemming from the business.

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

IIFL HFL has established an internal Human Rights Committee with the specific role of addressing human rights-related grievances. This committee is dedicated to effectively addressing and resolving such concerns, ensuring the protection of human rights within the organization. Our Human Rights Policy reflects our commitment to upholding strong ethical standards. Aligned with the Protection of Human Rights Act, 1993, it draws guidance from global benchmarks like the UN Guiding Principles on Business and Human Rights, Universal Declaration of Human Rights, International Labour Organization's Declaration on Fundamental Principles and Rights at Work, Principles of the UN Global Compact, UN Principles for Responsible Investment (PRI), and relevant standards.

Our Grievance Redressal Policy aims to provide an efficient and fair process for addressing concerns from a diverse range of stakeholders, including customers and pensioners. We prioritize quick and impartial resolution, regardless of the origin or nature of the grievance, to ensure transparency and inclusivity in our approach.

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

Throughout both FY 22-23 and FY 21-22, the company did not encounter any reported cases of sexual harassment, workplace discrimination, child labor, forced or involuntary labor, issues related to wages, or any other human rights violations. This consistent track record underscores the company's unwavering commitment to upholding ethical standards and ensuring a safe, respectful, and inclusive work environment for all stakeholders.

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

Our organization ensures protection for those reporting discrimination and harassment through the Sexual Harassment and Redressal Policy. This policy aims to create a fair workplace by addressing all forms of mistreatment, including sexual harassment. We offer clear avenues for reporting and educate all employees about their rights and available support. Confidentiality is a priority, and we strictly prohibit any retaliation. Complaints are investigated transparently, with regular updates provided. We provide emotional support like counseling and legal assistance, and we work swiftly to resolve issues. Continuous policy reviews and feedback from complainants help us improve. Our goal is a safe, respectful, and equitable workplace for all.

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

Yes, our company ensures that its code of conduct and human rights requirements are incorporated into relevant business agreements.

**9. % of your plants and offices that were assessed (by entity or statutory authorities or third parties) on child Labor, Forced labor, Sexual harassment, discrimination at workplace, wages.**

During FY 22-23, none of our company offices underwent evaluations on child labor, forced or involuntary labor, sexual harassment, workplace discrimination, and wages. It is important to emphasize that the company maintains compliance with all relevant laws and regulations.

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

During the reporting period, no relevant incidents arose that would necessitate corrective action. Our efforts included establishing multiple Complaints Committees to address concerns and implementing a resolution mechanism supported by Standard Operating Procedures (SOPs).

**PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment.**

**1. Details of total energy consumption (in Joules or multiples) and energy intensity:**

E1- Energy	Unit	FY 22-23	FY 21-22
Total Fuel Consumption (A)	GJ	921.4	792.2
Total electricity consumption (B)	GJ	2966	3241
Energy Consumption from Solar PV (C)	GJ	88.42	-
<b>Total Energy Consumption (A+B+C)</b>	GJ	3975.8	4033.2
Energy intensity per rupee of turnover (Total Energy Consumption/ Turnover in million Rs)	GJ/ Million INR	0.146	0.182

**2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

Not applicable

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

Water withdrawal by source (in kiloliters)	FY 22-23	FY 21-22
(ii) Groundwater (kL)	869	12145
(ii) Third party water (kL)	1920	4859
(iii) Others- Bottled Water (kL)	445	729.66
<b>Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v) (kL)</b>	3234	17004
<b>Total volume of water consumption (in kiloliters)</b>	3234	17004
<b>Water intensity (Water consumed / turnover in million Rs)</b>	0.118	-
<b>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</b>	No	No

The Gurgaon head office of IIFL HFL features an **8000-liter** sewage treatment plant, recycling water for gardening and cleaning. Treated water is also supplied to softeners for washrooms, cleaning, and cooling towers. Water consumption is further reduced by aerators, and soil protection chambers are in place to prevent soil from entering drainage systems. Additionally, a **6000-liter** rainwater harvesting system is in operation.

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

Not applicable



**5. Please provide details of air emissions (other than GHG emissions) by the entity.**

Not applicable

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

Parameter	Please specify unit	FY 22-23	FY 21-22
Total Scope 1 Emissions	Metric tonnes of CO <sub>2</sub> equivalent	68.69	56.19
Total Scope 2 Emissions	Metric tonnes of CO <sub>2</sub> equivalent	589.06	711.22
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tonnes of CO <sub>2</sub> equivalent/million INR	0.024	0.035

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

<p><b>Steps taken or impact on conservation of energy hence saving GHG Emissions</b></p>	<ul style="list-style-type: none"> <li>IIFL HFL's head office, has bagged a significant milestone by securing the prestigious Gold Level LEED Rating in the Operations and Maintenance Category (Version 4.1), with an impressive score of 75 out of 100. This accomplishment signifies the organization's inaugural LEED-rated building, a realization that has been eagerly anticipated since the project's inception.</li> <li>As part of our effort to curtail GHG emissions, we've replaced 536 existing 72-Watt CFL lights with energy-efficient LED lights rated at 36 Watts. This move results in an estimated annual energy saving of around 212 MWh, leading to a reduction of 152 metric tonnes of CO<sub>2</sub> emissions. Additionally, the transition to LED lights contributes to an annual cost saving of ₹21,18,701.</li> <li>IIFL HFL is committed to curbing energy consumption and greenhouse gas emissions within our business operations. One of our impactful initiatives involves providing discounted loans for green affordable housing to customers. This endeavour not only aids in diminishing greenhouse gas emissions but also plays a pivotal role in minimizing waste generation, reducing water usage, and conserving energy. Through these efforts, we aim to foster a more sustainable and eco-friendly approach to housing and contribute positively to the environment.</li> <li>At the IIFL HFL head office, we have employed Low-VOC paints, a choice that significantly contributes to the reduction of our indirect emissions. This decision not only minimizes the concentration of contaminants in the ozone layer but also has a lesser impact on groundwater and landfills.</li> <li>Additionally, we are actively endorsing green housing products and sustainable living principles through initiatives such as 'Kutumb,' 'Disha,' and our 'Green Value Partnership (GVP).'</li> </ul>
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<b>The steps taken by the Company for utilizing Alternate Sources of Energy hence reducing emissions</b>	<ul style="list-style-type: none"> <li>At our head office, we have installed solar panels with a capacity of 25kWp, further solidifying our dedication to environmentally conscious practices.</li> </ul>

**8. Provide details related to waste management by the entity:**

	Unit	FY 22-23	FY 21-22
<b>Plastic waste</b>	Metric tonnes	Not Quantified	Not Quantified
<b>E-waste Recycled</b>	Metric tonnes	0.2014	1.31
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>			
<b>Waste Recycled</b>	Metric tonnes	0.2014	1.31
<b>Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, me of the external agency.</b>	Yes/No	No	No

Our approach to e-waste treatment aligns with eco-friendly practices. Our digital business push has conserved 19,70,094 paper sheets this year, in line with our ESG policy's emphasis on sustainable waste management.

**9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

Due to the nature of our business, hazardous and toxic chemicals are not utilized by the Corporation. We maintain comprehensive nationwide systems for e-waste management, partnering with certified handlers for proper disposal. In the FY 22-23, approximately 201.4 kg of e-waste was appropriately disposed of through authorized recyclers.

Our commitment to e-waste treatment is guided by eco-conscious principles. Furthermore, our drive toward digitalization has conserved 19,70,094 paper sheets this year, harmonizing with our ESG policy's focus on sustainable waste management.

**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.**

No, the entity does not have operations or offices in or around ecologically sensitive areas.

**11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year.**

Not applicable

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

Based on the nature of business, the Corporation is in compliance with applicable environmental norms.

**PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.**

**1. a. Number of affiliations with trade and industry chambers/ associations.**

We are not directly affiliated with any chambers.

**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.**

Not applicable

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

Not applicable

**PRINCIPLE 8: Businesses should promote inclusive growth and equitable development.**

**1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Not applicable

**2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity.**

Not applicable

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

The company has established diverse mechanisms to effectively receive and address grievances from its stakeholders. This includes a stakeholder policy and well-defined grievance mechanisms aimed at resolving any issues stemming from the impact of our business operations on these stakeholders.

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

Not applicable

**PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner.**

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

The Grievance Redressal Procedure at IIFL Home Finance Limited (IIFL HFL) is robust and customer centric. With a comprehensive system in place, complaints and grievances are effectively received, registered, and resolved across offices and online platforms. Customers have various channels for communication, including raising online requests, visiting branches, or contacting the designated helpline. In cases of grievances, customers can register complaints at their branch, receiving a unique complaint number and date. IIFL HFL commits to acknowledging and responding to complaints within a week, ensuring transparency and communication throughout the process. The company's commitment to customer satisfaction is evident through its escalation matrix, which includes designated officers and external avenues for unresolved issues. This meticulous approach aligns with IIFL HFL's dedication to addressing concerns promptly and fostering a transparent and customer-centric environment.

The Grievance Redressal Procedure can be accessed at: [www.iiflhomeloans.com/grievance-redressal-procedure](http://www.iiflhomeloans.com/grievance-redressal-procedure)

**2. Turnover of products/services as a percentage of turnover from all products/services that carry information about Environmental and social parameters relevant to the product, Safe and responsible usage, Recycling and/or safe disposal.**

Not applicable, our products and services are not subject to this requirement.

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

	FY 22-23		FY 21-22	
	Received during the year	Pending resolution at end of year	Received during the year	Pending resolution at end of year
Data privacy	0	0	0	0
Advertising	0	0	0	0
Cyber-security	0	0	0	0
Restrictive Trade Practices	0	0	0	0
Unfair Trade Practices	0	0	0	0
Others*	728	25	732	16

\*The complaints pertain to concerns related to CLSS subsidy, Rate of interest, Loan repayment, Loan moratorium etc.

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

Not applicable.

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

Yes, the Company's intranet portal provides employees with access to the information and cyber security policy. This policy, aligned with NHB, RBI, and ISO 27001 standards, is supervised by the Chief Information Security Officer. Prior to utilizing customer information, consent is obtained, and protective measures

include firewall security, endpoint controls, regular patching, and frequent VAPT assessments. Security awareness initiatives, cyber insurance, periodic audits, and secure VPN solutions contribute to data protection. In the event of potential breaches, a robust process involves customer service, incident investigation, and prompt resolution. The comprehensive incident management plan, encompassing breaches and network intrusion, undergoes regular internal and external audits.

Also, the privacy policy is available at company's business website at [www.iiflhomeloans.com/privacy-policy](http://www.iiflhomeloans.com/privacy-policy).

**6. 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.**

No incidents related to cyber security and data privacy were reported during the FY 22-23.