



June 30, 2026

<b>The Manager, Listing Department, BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001. BSE Scrip Code: 532636</b>	<b>The Manager, Listing Department, The National Stock Exchange of India Ltd., Exchange Plaza, 5<sup>th</sup> Floor, Plot C/1, G Block, Bandra - Kurla Complex, Bandra (E), Mumbai 400 051. NSE Symbol: IIFL</b>
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**Subject: Business Responsibility and Sustainability Report for the Financial Year 2025-26**

Dear Sir/Madam,

Pursuant to Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, enclosed herewith is the Business Responsibility and Sustainability Report ("BRSR") for the Financial Year 2025-26 along with an Independent Practitioners' Reasonable and Limited Assurance Report ("Assurance Report").

The BRSR and Assurance Report forms an integral part of the Annual Report of the Company for the Financial Year 2025-26.

The BRSR has also been uploaded on the Company's website and can be accessed at [www.iifl.com](http://www.iifl.com)

Kindly take the same on record and oblige.

Thanking You,

For **IIFL Finance Limited**

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**Samrat Sanyal**  
**Company Secretary & Compliance Officer**  
**ACS- 13863**  
**Email Id: [csteam@iifl.com](mailto:csteam@iifl.com)**  
**Place: Mumbai**

*Encl: as above*

**IIFL Finance Limited**

**CIN No.: L67100MH1995PLC093797**

Corporate Office – 802, 8<sup>th</sup> Floor, Hub Town Solaris, N.S. Phadke Marg, Vijay Nagar, Andheri East, Mumbai 400069

Tel: (91-22) 6788 1000. Fax: (91-22) 6788 1010

Regd. Office – IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B-23, Thane Industrial Area, Wagle Estate, Thane – 400604

Tel: (91-22) 41035000. Fax: (91-22) 25806654 E-mail: [csteam@iifl.com](mailto:csteam@iifl.com) Website: [www.iifl.com](http://www.iifl.com)

# Business Responsibility and **Sustainability Report**

FY 2025-26



## SECTION A: GENERAL DISCLOSURES

### i. Details:

1	Corporate Identity Number (CIN) of the Listed Entity	L67100MH1995PLC093797
2	Name of the Listed Entity	IIFL Finance Limited ("IIFL / the Company")
3	Year of Incorporation	1995
4	Registered office address	IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B-23, Thane Industrial Area, Wagle Estate, Thane, Maharashtra - 400604.
5	Corporate address	802, 8 <sup>th</sup> Floor, Hubtown Solaris, N. S. Phadke Marg, Vijay Nagar, Andheri East, Mumbai – 400069.
6	E-mail	<a href="mailto:shareholders@iifl.com">shareholders@iifl.com</a>
7	Telephone	(91-22) 6788 1000
8	Website	<a href="http://www.iifl.com">www.iifl.com</a>
9	Financial year for which reporting is being done	April 01, 2025 - March 31, 2026
10	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited ("NSE") BSE Limited ("BSE")
11	Paid-up Capital	₹85.06 Crores (As of March 31, 2026)
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Samrat Sanyal Company Secretary and Compliance Officer Telephone No. (91-22) 6788 1000 Email: <a href="mailto:shareholders@iifl.com">shareholders@iifl.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)	Disclosures made in this Report are on a standalone basis and pertain only to IIFL Finance Limited.
14	Name of assurance provider	TUV India Private Limited
15	Type of assurance obtained	Reasonable Assurance for BRSR Core requirements as per ISAE 3000(Revised), ISAE 3410





ii. Products/Services

16. Details of business activities (accounting for 90% of the entity's turnover)

Description of main activity	Description of business activity	% of turnover of the entity
Financial services	IIFL is a financial services Company offering financing through varied loan products through itself and its subsidiaries.	99.74%

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

Product/Service	NIC code	% of total turnover contributed
Other credit granting  IIFL is a financial services Company offering financing through varied loan products via., Gold Loan, MSME Loan, Construction & Real Estate Finance and Capital Market Finance	64920	99.74%

ii. Products/Services

18. Number of locations where operations/offices of the entity are situated

Location	Number of plants	Number of offices	Total
National	0	2,930	2,930
International	0	0	0

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (States and Union Territories)	26 (21 states and 5 UTs)
International (No. of Countries)	Nil

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

Not Applicable.



## Brief on types of customers



### Individuals

Private individuals or consumers who require financial services for personal reasons.



### Small and Medium-Sized Enterprises (SMEs)

SMEs who require funds for their operations, to purchase equipment, manage cash flow, expand their operations, or invest in new projects.



### Startups and Entrepreneurs

Startups and Entrepreneurs who require capital to launch or grow their businesses.



### Corporations

Large corporations requiring finance for mergers and acquisitions, capital expenditure projects, restructuring debt, or managing cash flow gaps.



### Retailers and Merchants

Financing in partnership with retailers and merchants to provide consumer-financing options.



### Real Estate Developers and Investors

Those who require funding for property acquisitions, construction projects, renovations, or real estate investments.



### Healthcare and Medical Institutions

Medical practitioners, hospitals, clinics, and healthcare providers requiring finance for equipment purchases, facility expansions, technology upgrades, or to bridge cash flow gaps.



### Government and Public Sector Entities

Government agencies, municipalities, and other public sector organizations requiring finance for infrastructure development, public projects, etc.

## iv. Employees

### 20. Details as of March 31, 2026

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1	Permanent (D)	16,341	12,033	73.6%	4,308	26.36%
2	Other than permanent (E)	381	206	54.00%	175	45.90%
<b>3</b>	<b>Total employees (D + E)</b>	<b>16,722</b>	<b>12,239</b>	<b>73.19%</b>	<b>4,483</b>	<b>26.80%</b>

\*The Company does not have any worker as defined in the guidance note of BRSR.



## BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

### b. Differently abled employees:

We, at IIFL Finance are committed to all employees regardless of their background, abilities or disabilities. We believe in fostering an inclusive and diverse work environment, which values the contribution from every employee. In line with The Company's commitment to treat all employees fairly, we do not track specific details related to an individual's disability - as we believe in the privacy of the employee and strive to avoid any biases or stigmatization. Our Company's goal is to remain an equal opportunity employer and ensure all employees are treated fair.

## 21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of women	
		No. (B)	% (B/A)
Board of Directors	9	1	11.11
Key Management Personnel*	2	0	0.00%

\*Mr. Nirmal Jain and Mr. R Venkataraman, though qualifying as both Key Managerial Personnel and Board members, have been classified only under the Board of Directors.

## 22. Turnover rate for permanent employees

Particulars	FY 2025-26				FY 2024-25				FY 2023-24			
	Male	Female	Others	Total	Male	Female	Others	Total	Male	Female	Others	Total
Permanent employees	30.8%	36.7%	0.00%	<b>32.3%</b>	34.40%	39.50%	0.00%	<b>35.70%</b>	40.80%	46.10%	0.00%	<b>42.20%</b>
Permanent workers	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

\*The Company does not have any worker as defined in the guidance note of BRSR.

## v. Holding / Subsidiary / Associate companies / Joint ventures

### 23. As on March 31, 2026

Sl. No.	Name of the holding / subsidiary / associate company / 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 Home Finance Limited (HFC)	Subsidiary	79.59%	No
2	IIFL Samasta Finance Limited	Subsidiary	99.56%	No
3	IIFL Fintech Private Limited (Formerly known as IIFL Open Fintech Private Limited)	Subsidiary	100%	No
4	IIFL Sales Limited*	Step – down Subsidiary	79.59%	No

\*Subsidiary company of IIFL Home Finance Limited.






## vi. CSR Details

### 24. As on 31<sup>st</sup> March 2026

CSR Details		
(i)	Whether CSR is applicable as per section 135 of Companies Act, 2013 (Yes/No)	Yes
(ii)	Turnover (in ₹ Crores)	7,447.94
(iii)	Net worth (in ₹ Crores)	3,728.63

## vii. Transparency and Disclosures Compliances

### 25. Complaints/Grievances on any of the principles under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in place (Yes/No)  (If yes, then provide web-link for grievance redress policy)	FY 2025-26			FY 2024-25		
		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 <sup>§</sup>	Remarks
 → Communities	Yes  <a href="https://storage.googleapis.com/iifl-finance-storage/files/2023-07/CSR%20policy_IIFL%20Finance.pdf">https://storage.googleapis.com/iifl-finance-storage/files/2023-07/CSR%20policy_IIFL%20Finance.pdf</a>	-	-	-	-	-	-
 → Shareholders*	Yes  <a href="https://www.iifl.com/finance/investor-relations/contact-centre?redirect=menu-bar">https://www.iifl.com/finance/investor-relations/contact-centre?redirect=menu-bar</a>	25	5 <sup>§</sup>	-	11	0	-
 → Employees <sup>#</sup>	Yes  <a href="https://storage.googleapis.com/iifl-storage/files/2025-09/Vigilance%20Policy_v3.pdf">https://storage.googleapis.com/iifl-storage/files/2025-09/Vigilance%20Policy_v3.pdf</a>	136	12	-	166	6	Complaints were received at the end of the FY
 → Customers	Yes  <a href="https://www.iifl.com/finance/grievance-redressal-procedure">https://www.iifl.com/finance/grievance-redressal-procedure</a>	40,530	53	-	45,098	167	-
 → Value chain partners	Yes  <a href="https://www.iifl.com/finance/grievance-redressal-procedure">https://www.iifl.com/finance/grievance-redressal-procedure</a>	168	1	-	184	4	-

\*For reporting purposes, complaints received from debenture holders and shareholders have been included under shareholder complaints.



<sup>#</sup>Complaints on sexual harassment are reported separately.

<sup>§</sup>Complaints pending as on March 31, 2026, were subsequently resolved.








26. Overview of the entity's material responsible business conduct issues

	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)
	<p>Corporate Governance and Ethics</p>	<p>Opportunity</p>	<p>Maintaining the highest standards of ethics and corporate governance is necessary to gain the trust of our Company's stakeholders. Our Company has instituted various policies and measures to constitute a strong corporate governance framework per regulatory guidelines. We have in place a fair, transparent and accountable corporate governance structure to safeguard the interests of all stakeholders. There is an effective mechanism, supported by strong policies to supervise the management and oversee the critical functions of the Company. An effective grievance redressal mechanism for stakeholders to address their concerns is also integrated into our Company's policies.</p>		<p><b>Positives</b></p> <ul style="list-style-type: none"> <li>Strengthened reputation</li> <li>Positive perception of the Company</li> <li>Wider acceptability across all stakeholder groups</li> <li>Ease in attracting high quality talent</li> </ul>
	<p>Financial Inclusion and Literacy</p>	<p>Opportunity</p>	<p>It is our constant endeavor to expand access to our financial services to underserved people and groups in need of support such as small businesses or women. This an important objective of our business.</p>		<p><b>Positives</b></p> <ul style="list-style-type: none"> <li>Enhanced goodwill among stakeholders</li> <li>Market expansion</li> <li>Enabling social impact-based borrowing</li> </ul>
	<p>Employment practices</p>	<p>Opportunity</p>	<p>Our work culture is focused on providing fair and inclusive environment to all our employees, across their entire journey with the Company. We undertake efforts to build a congenial work environment through structured training and performance appraisal practices, thereby helping us in attracting and retaining superior talent.</p>		<p><b>Positives</b></p> <ul style="list-style-type: none"> <li>Better employee retention</li> <li>Improvement in employee productivity</li> <li>Attracting high quality talent</li> </ul>

	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)
 →	Data and Customer Privacy	Risk	Security and protection of customer data is crucial to avoid data misuse. Our Company relies heavily on its technology infrastructure. As majority of transactions are processed digitally, it increases cyber/ information security risks.	Our Company has a strong Information and cyber security policy wherein cyber risk and its mitigation are monitored and updated. The IT Strategy Committee and Board of Directors review and approve any updates in data and customer privacy related matters. The Chief Technology Officer (CTO) and Chief Information Security Officer (CISO) are responsible for the Company's data and customer privacy and take decisions on any related issues. Plans for managing data privacy matters have been constituted, like Cyber Crisis Management Plan (CCMP), to adapt/mitigate any data and customer privacy related occurrences. We have increased efforts to update employees, customers and other stakeholders of any potential cyber frauds, data privacy etc. Informative materials on data and customer privacy are shared via mail, and on social media. We have adopted ISO 27001:2022 Risk Assessment methodology to identify and mitigate security risks.	<b>Negatives</b> <ul style="list-style-type: none"> <li>• Reputational risk</li> <li>• Litigation risk</li> <li>• Regulatory risk</li> <li>• Financial risk</li> <li>• Business loss</li> </ul>
 →	Customer satisfaction	Opportunity	Customer centricity is at the core of all our activities and helps serve them better. As we fulfill their needs and expectations, we build enduring relationships with them, based on their trust in our capabilities.		<b>Positives</b> <ul style="list-style-type: none"> <li>• Increase in repeat customer business</li> <li>• Improvement in market share</li> <li>• Better asset quality</li> <li>• Better financial performance</li> </ul>



	<b>Material issue identified</b>	<b>Indicate whether risk or opportunity (R/O)</b>	<b>Rationale for identifying the risk / opportunity</b>	<b>In case of risk, approach to adapt or mitigate</b>	<b>Financial implications of the risk or opportunity (Indicate positive or negative implications)</b>
	Regulatory compliance	Risk	Compliance with rules and regulations helps us gain confidence of stakeholders and grow responsibly. However, any deviations from the same can have significant adverse consequence for us.	We ensure that there are no delays or discrepancies in complying with regulations applicable to our Company. A dedicated team led by the Chief Compliance Officer, of qualified people has been set up to ensure efficient and timely compliance with all regulations we need to follow.	<b>Negatives</b> <ul style="list-style-type: none"> <li>• Non-transparent and poorly governed organization</li> <li>• Regulatory sanctions</li> </ul>
	Digitalization	Opportunity	Our focus is on leveraging the full potential of digitalization to drive innovation across our offerings, as well as processes. Strategic partnerships with fintech companies, along with strong in-house digital capabilities have allowed us to expand our customer base significantly and serve niche segments efficiently.		<b>Positives</b> <ul style="list-style-type: none"> <li>• Seamless business operation at lower cost</li> <li>• Improved turnaround time</li> <li>• Competitive edge</li> </ul>
	Responsible lending	Risk	While we serve the underbanked sections, any inadequate evaluation of ESG factors on our part prior to loan disbursement, may lead to rise in risk of default on the part of such borrowers.	Integrating ESG factors into our service/product offerings helps us expand market access and reach out to more marginalized / vulnerable groups. Greater disclosures on ESG aspects may help increase access to larger pools of green financing.	<b>Negatives</b> <ul style="list-style-type: none"> <li>• Lower profits</li> <li>• Weaker asset quality</li> </ul>
	Community development	Opportunity	Our Company has a strong CSR practice in the areas of health, education & environment, livelihood and poverty alleviation. These programs are designed to care for women and youth, make healthcare accessible to the marginalized sections of the society, contribute to the fight against climate change and drive holistic development across our communities.	-	<b>Positives</b> <ul style="list-style-type: none"> <li>• Long lasting positive impact across our communities</li> <li>• Enhanced reputation and brand image</li> </ul>

	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)
 →	Risk management	Risk	Our Company operates in a high-risk business involving large amounts of data and funds. Any error in compliance and ensuring business sustainability can adversely affect our business and performance.	Optimizing our risk-return equation is possible through responsible risk identification and management processes – of both financial and non-financial risks. Our Company places immense focus on constantly strengthening and improving its risk management and control systems.	<b>Negatives</b> <ul style="list-style-type: none"> <li>• Unstable and unpredictable business</li> <li>• Value destruction</li> <li>• Affects business continuity</li> </ul>
 →	Engagement with business partners	Risk	We work with several business partners in the regular course of our business. Any potential negative ESG impact through their operations could be a risk for us.	We are committed to imbuing ESG related factors while identifying and associating with our business partners. This approach will help us create sustained value in the long run.	<b>Negatives</b> <ul style="list-style-type: none"> <li>• Reputation risk</li> <li>• Business losses</li> </ul>
 →	Diversity and Inclusion	Opportunity	Fostering diversity and inclusion within our Company not only nurtures innovation, creativity and a positive work culture but also extends our Company's reach in terms of talent acquisition.	-	<b>Positives</b> <ul style="list-style-type: none"> <li>• Strong employer branding</li> <li>• Ability to attract and retain superior talent</li> </ul>
 →	Responsible marketing	Risk	In the NBFC sector, there may be concerns related to misleading sales tactics, inaccurate marketing, aggressive selling strategies, and making false promises to facilitate sales.	We ensure that all our marketing initiatives and communication complies with all applicable regulations. It is our constant endeavor to ensure high level of transparency and clarity in all our marketing campaigns and communication.	<b>Negatives</b> <ul style="list-style-type: none"> <li>• Reputational damage</li> <li>• Loss of customer trust</li> <li>• Loss of business</li> </ul>
 →	Customer financial protection	Opportunity	With the rise in digital banking services, consumer financial protection plays a key role in establishing trust, ensuring regulatory compliance, and fostering financial inclusion. Effective protection measures, including educating customers about financial products and risks, ensure customer loyalty.	-	<b>Positive</b> <ul style="list-style-type: none"> <li>• Aid customer acquisition</li> <li>• Enhance customer trust and loyalty</li> </ul>



	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)
	→ Human rights	Risk	Upholding human rights through the promotion of equal opportunities, anti-discrimination, and the eradication of child and forced labor is not just a moral imperative but also a legal necessity.	We ensure that we provide a culture of equal opportunities, anti-discrimination within our Company, and do not engage with child and/or forced labor. Compliance with labor laws is paramount, for us at IIFL.	<b>Negatives</b> <ul style="list-style-type: none"> <li>• Reputational damage</li> <li>• Financial and non-financial penalties</li> </ul>
	→ Climate Change and GHG emissions	Opportunity	Mitigating climate risks provides opportunities for enhancing efficiency, innovation and growth. Our Company seeks to reduce carbon footprint in its everyday operations. Furthermore, being an NBFC, we can play an important role in the fight against climate change through our products. Our community initiatives also involve regular tree plantation drives, maintenance of public gardens and similar initiatives.	-	<b>Positives</b> <ul style="list-style-type: none"> <li>• Drives better work environment</li> <li>• Widens sources of fund raising to include development finance institutions</li> </ul>
	→ Resource management	Risk	Failing to manage resources like energy, water and waste properly poses several risks for the Company, including legal penalties due to non-compliance with environmental regulations.	At IIFL, we are committed to reduce the environmental footprint of our operations. Our focus lies on achieving resource efficiency in terms of energy, water, paper and e-waste, since we do not have any other significant environmental impact.	<b>Negatives</b> <ul style="list-style-type: none"> <li>• Reputational damage</li> <li>• Increased operational costs</li> <li>• Statements of business</li> </ul>



## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

The National Guidelines for Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocates nine principles referred as P1-P9 as given below:

P1	Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive towards all their stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect and make efforts to protect and restore the environment
P7	Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner





Disclosure questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
<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)	Yes								
b. Has the policy/policies been approved by the Board? (Yes/No)	Yes								
c. Web Link of the policies, if available	<a href="https://www.iifl.com/finance/investor-relations/corporate-governance?redirect=menu-bar">https://www.iifl.com/finance/investor-relations/corporate-governance?redirect=menu-bar</a> The above URL contains the general policies of the Company that apply to all employees and stakeholders. These policies cover various aspects of our Company's vision, mission, values, ethics, compliance and governance. In addition to these general policies, there are also specific policies related to different functions and roles within the Company. These policies are accessible to the relevant employees through our intranet portal.								
2. Whether the entity has translated the policy/policies 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., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	All policies of our Company have been finalized based on industry practices, as per the regulatory requirements and through appropriate consultation with relevant stakeholders.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	As part of its sustainability journey, the Company has prioritized the enhancement of its ESG performance year on year. IIFL has enhanced its ESG reporting every year by reporting as per different frameworks (GRI, IFRS, etc.), focusing on areas of sustainable finance, financial inclusion, diversity and inclusion, reporting on scope 3 emissions, etc.								
6. Performance of the entity against the specific commitments, goals and targets (Also, reasons in case they are not met) *	Since FY 2022-23, IIFL Finance has started capturing and reporting data pertaining to certain categories of Scope 3 emissions across all its branches and offices, including Purchased Goods and Services (Category 1), Capital Goods (Category 2), Fuel and Energy-Related Activities (Category 3), Waste Generated in Operations (Category 5), and Business Travel and Hotel Stay (Category 6). The Company has initiated the process of including its value chain partners into its ESG ambit. Additionally, it has strengthened its BRSR data collection and tracking mechanisms and has begun setting annual targets across key ESG focus areas, with a structured approach to monitor performance against these targets.								
<b>Governance, leadership and oversight</b>									
7. Statement by Director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements	<p>Dear Stakeholders,</p> <p>Our vision reflects balanced growth—one that is responsible, inclusive, and aligned with the interests of all our stakeholders. We remain committed to expanding access to formal credit for segments that have traditionally been excluded from mainstream financial services. Our ESG agenda is embedded across the Company, responsible financing, community engagement, employee development, and efforts to minimize the environmental impact of our operations. In the year ahead, we will deepen our engagement with value chain partners to support and elevate their sustainability practices. We have defined clear ESG targets and are strengthening our monitoring mechanisms to ensure timely course correction wherever needed. During the year, our Board approved our first ever Social Financing Framework, which received a "Good" Second Party Opinion by Sustainable Fitch. We look forward to raise funds via social bonds and onboard reputed Development Finance Institutions. I would like to sincerely thank all our stakeholders for their continued trust and partnership as we move forward on this journey.</p> <p>Sincerely,</p> <p>Mr. R Venkataraman            Joint Managing Director            DIN: 00011919            IIFL Finance Limited</p>								

Disclosure questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9																					
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. R Venkataraman Joint Managing Director DIN: 00011919																													
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.	<p>The Company has a Board-level ESG Committee consisting of Independent Directors and members of the senior management personnel to oversee, guide and monitor various aspects of ESG performance of the Company. The Board of Directors reviews our Company's sustainability performance and key initiatives thereof, regularly.</p> <p>The Company has an ESG Committee in place which comprises of the following members as on March 31, 2026:</p> <table border="1"> <thead> <tr> <th>Sr. No.</th> <th>Name</th> <th>Designation</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Mr. R Venkataraman</td> <td>Chairperson</td> </tr> <tr> <td>2.</td> <td>Mr. Nihar Niranjan Jambusaria</td> <td>Member</td> </tr> <tr> <td>3.</td> <td>Ms. Nirma Bhandari</td> <td>Member</td> </tr> <tr> <td>4.</td> <td>Ms. Madhu Jain</td> <td>Member</td> </tr> <tr> <td>5.</td> <td>Mr. Rahul Sanklecha</td> <td>Member</td> </tr> <tr> <td>6.</td> <td>Mr. Kapish Jain</td> <td>Member</td> </tr> </tbody> </table>									Sr. No.	Name	Designation	1.	Mr. R Venkataraman	Chairperson	2.	Mr. Nihar Niranjan Jambusaria	Member	3.	Ms. Nirma Bhandari	Member	4.	Ms. Madhu Jain	Member	5.	Mr. Rahul Sanklecha	Member	6.	Mr. Kapish Jain	Member
Sr. No.	Name	Designation																												
1.	Mr. R Venkataraman	Chairperson																												
2.	Mr. Nihar Niranjan Jambusaria	Member																												
3.	Ms. Nirma Bhandari	Member																												
4.	Ms. Madhu Jain	Member																												
5.	Mr. Rahul Sanklecha	Member																												
6.	Mr. Kapish Jain	Member																												

#### 10. Details of Review of the National Guidelines on Responsible Business Conduct (NGRBCs) by the Company

Subject for review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee	Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)
	P1, P2, P3, P4, P5, P6, P7, P8, P9	P1, P2, P3, P4, P5, P6, P7, P8, P9
(a) Performance against above policies and follow up action	<p>Yes, the review was undertaken by the following Board-level committees/Directors:</p> <ul style="list-style-type: none"> <li>Audit Committee</li> <li>Nomination and Remuneration Committee</li> <li>CSR Committee</li> <li>Stakeholders' Relationship Committee</li> <li>Asset Liability Management Committee</li> <li>Risk Management Committee</li> <li>IT Strategy Committee</li> <li>ESG Committee</li> <li>Customer Service Committee</li> <li>Special Committee of the Board for Monitoring and Follow-up of cases of Fraud</li> <li>Review Committee for Treatment of Wilful and Large Defaulters</li> </ul>	Annually
(b) Description of other committee for performance against above policies and follow up action	<ul style="list-style-type: none"> <li>Audit Committee</li> <li>Nomination and Remuneration Committee</li> <li>CSR Committee</li> <li>Stakeholders' Relationship Committee</li> <li>Asset Liability Management Committee</li> <li>Risk Management Committee</li> <li>IT Strategy Committee</li> <li>ESG Committee</li> <li>Customer Service Committee</li> <li>Special Committee of the Board for Monitoring and Follow-up of cases of Fraud</li> <li>Review Committee for Treatment of Wilful and Large Defaulters</li> </ul>	Annually



## SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE

### PRINCIPLE 1:

BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE

#### Essential Indicators

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

Segment	Number of training and awareness programs held	Topic/principles covered under the training and its impact	Percentage of persons in respective category covered by the awareness programs
Board of Directors (BoD)	1	<ul style="list-style-type: none"> <li>Board governance and engagement with KMPs</li> <li>Data protection and privacy obligations (DPDP Act)</li> <li>Technology governance (AI impact on financial services)</li> <li>Legal and regulatory risks for Directors</li> </ul>	77.78%
Key Managerial Personnel (KMP)	1	<ul style="list-style-type: none"> <li>Board governance and engagement with KMPs</li> <li>Data protection and privacy obligations (DPDP Act)</li> <li>Technology governance (AI impact on financial services)</li> <li>Legal and regulatory risks for Directors</li> </ul>	50%





Segment	Number of training and awareness programs held	Topic/principles covered under the training and its impact	Percentage of persons in respective category covered by the awareness programs
Employees other than BoD and KMPs	14 training programs	<p>Training programs:</p> <ul style="list-style-type: none"> <li>• Anti-Bribery Anti-Corruption</li> <li>• Anti-Money Laundering &amp; KYC</li> <li>• Branch Operations and Security</li> <li>• BRSR</li> <li>• Data Privacy Awareness</li> <li>• ESG</li> <li>• Ethics Training for Fraud prevention &amp; CMG Matrix</li> <li>• Fair Practices Code Guidelines for Collection Agents</li> <li>• Fraud Risk Management</li> <li>• E-Auction Process</li> <li>• BCMS Awareness</li> <li>• Information &amp; Cyber Security</li> <li>• Insider Trading Awareness</li> <li>• Prevention of Sexual Harassment</li> </ul> <p>Awareness programs:</p> <ul style="list-style-type: none"> <li>Spot the Burnout signs</li> <li>Build a Life You Don't Need a Break From</li> <li>Mental Health Reset</li> <li>Calm your hyperactive brain</li> <li>Taking Leadership to New Heights</li> <li>Unconscious Bias June 2025</li> <li>Yoga Day</li> <li>Monsoon Care</li> <li>Boosting belonging at work</li> <li>Unconscious Bias August 2025</li> <li>Managing Sugar Cravings</li> <li>Mental health Awareness</li> <li>Building a culture of belonging</li> <li>Stress Escape Room</li> <li>Women's Wellness at Workplace</li> <li>Handling Sales Pressure</li> <li>Vision Board Activity</li> <li>Group Mediclaim Coverage</li> <li>Reducing Screen Time</li> <li>Inner Balance @ Work</li> <li>Command The Room</li> </ul>	92.10%

#Includes data for employees inactive as on March 31, 2026

\*Mr. Nirmal Jain and Mr. R. Venkataraman, though eligible under both Board of Directors and Key Managerial Personnel, have been considered only under the Board of Directors.

**2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by Directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

<b>Monetary</b>					
	<b>NGRBC principle</b>	<b>Name of the regulatory/ enforcement agencies/ judicial institutions</b>	<b>Amount (In ₹)</b>	<b>Brief of the case</b>	<b>Has an appeal been preferred? (Yes/No)</b>
Penalty/ Fine	Principle 1	Reserve Bank of India	₹ 5.30 Lakhs	RBI, had vide an Order dated February 06, 2026 imposed a monetary penalty of ₹5.30 Lakhs (Rupees Five Lakhs Thirty Thousand only) for failure to classify certain accounts as 'non-performing asset', on restructuring.  This was with reference to The Company's financial position as on March 31, 2024. RBI's action is based on the aforementioned deficiencies in regulatory compliance and is not intended to pronounce upon the validity of any transaction or agreement entered into by The Company with its customers.	No
Settlement	-	-	-	-	-
Compounding fee	-	-	-	-	-
<b>Non-Monetary</b>					
	<b>NGRBC principle</b>	<b>Name of the regulatory/ enforcement agencies/ judicial institutions</b>	<b>Brief of the case</b>	<b>Has an appeal been preferred? (Yes/No)</b>	
Imprisonment	-	-	-	-	-
Punishment	-	-	-	-	-





3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case details	Name of the regulatory/ enforcement agencies/ judicial institutions
	Not Applicable

4. Anti-corruption/ Anti-bribery

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.	<p>Yes.</p> <p><a href="https://www.iifl.com/finance/anti-corruption-policy">https://www.iifl.com/finance/anti-corruption-policy</a></p> <p>Our Company has zero tolerance towards unethical business practices and prohibits bribery and corruption in any form in all of its business dealings through necessary policies and codes. The policy applies to all staff including Directors, officers, shareholders of the Company and all appointed third party representatives of the Company such as agents, consultants, others working on behalf of the Company, irrespective of their location, function or grade. We have mandatory training on anti-corruption and anti-bribery policies and procedures, covering 100% employees, undertaken annually.</p>
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5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Case details	FY 2025-26	FY 2024-25
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	NA	NA

6. Details of complaints regarding conflict of interest

Case details	FY 2025-26		FY 2024-25	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	NA	Nil	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	NA	Nil	NA

7. Details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable.

8. Number of days of accounts payables ((Accounts payable \*365) / Cost of goods/services procured)

	FY 2025-26	FY 2024-25
Number of days of accounts payables	73	85

## 9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2025-26	FY 2024-25
<b>Concentration of Purchases</b>	a. Purchases from trading houses as % of total purchases	-	-
	b. Number of trading houses where purchases are made from	-	-
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	-	-
<b>Concentration of Sales</b>	a. Sales to dealers / distributors as % of total sales	-	-
	b. Number of dealers / distributors to whom sales are made	-	-
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	-	-
<b>Share of RPTs in</b>	a. Purchases (Purchases with related parties / Total Purchases)	8.80%	0.45%
	b. Sales (Sales to related parties / Total Sales)	3.02%	2.09%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	-	-
	d. Investments	36.96%	39.58%

## Leadership Indicators

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

Total number of awareness programs held	Topics / principles covered under the training	Percentage of value chain partners covered (by value of business done with such partners) under the awareness programs
2	ESG , 9 principles & BRSR	97.91%

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

Yes.

The Company promotes ethical behaviour and prevents conflicts of interest by regulating a Code of Conduct for Directors and Senior Management Personnel. All Board members and senior management personnel affirm their compliance annually. Further, the Company has in place a Related Party Transactions Policy and a Code of Conduct under the SEBI (Prohibition of Insider Trading) Regulations to govern related party dealings and prevent insider trading, respectively.

The Directors and Key Managerial Personnel are required to disclose their interests in other entities and related parties in line with Sections 184 and 2(76) of the Companies Act, 2013. In the event of a conflict of interest, the Company complies with the requirements of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.



**PRINCIPLE 2:**

BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

**Essential Indicators**

**1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

We spent Rs. 1.78 Crore and Rs. 5.57 Crore during FY 2025-26 and 2024-25, respectively, towards capex which helped us enhance digitalization/automations. We continue to invest in improving our digital capabilities and platforms. This helps us in providing superior experience to our customers with enhanced convenience. At the same time, our digitalization initiatives help us achieve cost rationalization and reduce dependence on paper as well as on in-person meetings. This in turn helps us minimize the environmental footprint of our operations.

**2. Sustainable sourcing**

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

Our Company, being a financial services Company, does not have any goods and raw material consumption as part of its products and services. Our Company's major material requirements are related to office infrastructure, administration and IT related equipment and services. Although, there is very limited procurement requirement, we take various initiatives to have responsible sourcing.

**(b) If yes, what percentage of inputs were sourced sustainably?**

Not Applicable

We are committed to minimizing the environmental impact of our operations, including our office infrastructure and IT-related equipment. We follow best practices for procuring such inputs, including seeking out environmentally friendly options, minimizing waste and promoting recycling and energy conservation. We remain dedicated to promoting sustainable practices in all aspects of our operations.

**3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

Given the nature of our business, this disclosure is not material for our Company. However, we do follow the practice of responsible disposal of our wastes, as described below:

- a. Plastics (including packaging): There are no single-use plastics being used across any of our branches and offices. We use 100% bio degradable plastic garbage bags to collect and dispose dry and wet wastes in larger offices (>5,000 sq.ft.).
- b. E-waste: For the past 5 years, we have been working with reputed e-waste vendors to ensure safe disposal of e-wastes. Accordingly, all scrap electronic assets like Computers, Tablets, Printers, Scanners, Servers, Batteries, etc. are disposed through such registered e-waste vendors.
- c. Hazardous waste: Not applicable
- d. Other waste: Dry waste and wet waste is segregated and stored separately at 4 large offices. Same is picked by respective Municipal authorities.

**4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No).**

Given the nature of our business, this disclosure is not relevant for the Company.

## Leadership Indicators

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

Not applicable since IIFL is not a manufacturing entity.

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Not applicable since IIFL is not a manufacturing entity.

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Not applicable since IIFL is not a manufacturing entity.

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed:**

Not applicable since IIFL is not a manufacturing entity.

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Not applicable since IIFL is not a manufacturing entity.





**PRINCIPLE 3:**

BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

**Essential Indicators**

**1. Details of measures for the well-being of employees and workers**

a. Employees

Category	Percentage of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
	Number (B)	Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent employees</b>											
Male	12,033	12,033	100%	12,033	100%	NA	NA	12,033	100%	12,033	100%
Female	4,308	4,308	100%	4,308	100%	4,308	100%	NA	NA	4,308	100%
<b>Total</b>	<b>16,341</b>	<b>16,341</b>	<b>100%</b>	<b>16,341</b>	<b>100%</b>	<b>4,308</b>	<b>26%</b>	<b>12,033</b>	<b>74%</b>	<b>16,341</b>	<b>100%</b>
<b>Other than permanent employees</b>											
Male	206	NA	NA	NA	NA	NA	100%	NA	NA	NA	NA
Female	175	NA	NA	NA	NA	175	100%	NA	NA	NA	NA
<b>Total</b>	<b>381</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>175</b>	<b>46%</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>

\*Maternity and Paternity benefits are extended to all permanent female and male employees however, 4.73% of women employees and 6.5% of male employees have taken the benefit in FY26. 13 employees (8 women, 5 men) availed the daycare facilities in FY26.

b. Workers

The Company does not have any worker as defined in the guidance note of BRSR.

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format

	FY 2025-26	FY 2024-25
Cost incurred on wellbeing measures as a % of total revenue of the Company	0.38	0.46

**2. Details of retirement benefits, for Current and Previous Financial Year.**

Benefits	FY 2025-26		FY 2024-25	
	No. of employees covered as a % of total employees	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	Deducted and deposited with the authority (Y/N/N.A.)
PF	93%	Y	91%	Y
Gratuity	100%	Y	100%	Y
ESI	41%	Y	24%	Y
Others – please specify	0%	NA	0%	NA

All employees are covered under PF with monthly earnings less than ₹15,000, as per PF law, others can voluntarily opt for PF. Employees whose monthly earnings are less than ₹ 21,000/- are covered under ESI.

**3. Accessibility of workplaces:**

**Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

Yes. Wheelchairs and wheelchair ramps for specially abled people are available at all commercial offices of the Company.

**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 code of conduct document can be referred, as the existing policy covers equal opportunities rights. IIFL's code of conduct is available in the HR Handbook and can be accessed by all the employees through the intranet portal.

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

Gender	Permanent employees	
	Return to work rate	Retention rate
Male	88.70%	28.86%
Female	42.60%	0.00%

\*The Company does not have any worker as defined in the guidance note of BRSR.

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

	Yes/No <b>(If yes, then give details of the mechanism in brief)</b>
Permanent employees	<p>Yes, there is a mechanism available to receive and redress grievances from the employees. Our Company has a robust Grievance Redressal Policy in place for addressing grievances. Management strongly enforces compliance with the approved code of conduct and ethics.</p> <p>Complaints related to fraud/unethical practices are appropriately investigated and relevant actions are undertaken. The reporting of misconducts can be done through the Whistle Blower email, FIT helpline, contacting the senior management/ IRA / HR. The same are well displayed and communicated to all employees at joining and is published on intranet.</p> <p>There are various means by which the grievances can be addressed:</p> <ul style="list-style-type: none"> <li>i) FIT helpline portal</li> <li>ii) E-mail to generic ID (<a href="mailto:whistleblower@iifl.com">whistleblower@iifl.com</a>)</li> <li>iii) E-mail to IRA with a copy to local HR</li> </ul> <p>Central SPOC directs the grievance e-mail to the zonal head of HR. A formal meeting is arranged with the employee; IRA and Skip level manager address the issue and validate the facts. At every stage, the employee is kept informed and formal communication on the decision and the actions taken is sent to all the employees involved.</p>
Other than permanent employees	

\*The Company does not have any worker as defined in the guidance note of BRSR.



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

The Company does not have any Employee Association. However, the Company recognizes the right to freedom of association and does not discourage collective bargaining.

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

Category	FY 2025-26					FY 2024-25				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
<b>Employees</b>										
Male	12,239	3,040	25%	11,982	97.90%	11,186	6,221	56%	11,117	99%
Female	4,483	1,064	24%	4,383	97.76%	4,057	2,193	54%	4,020	99%
<b>Total</b>	<b>16,722</b>	<b>4,104</b>	<b>25%</b>	<b>16,365</b>	<b>97.86%</b>	<b>15,243</b>	<b>8,414</b>	<b>55%</b>	<b>15,137</b>	<b>99%</b>

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

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
<b>Employees</b>						
Male	12,339	10,087	82%	11,186	8,065	72%
Female	4,483	3,609	81%	4,057	2,687	66%
<b>Total</b>	<b>16,722</b>	<b>13,696</b>	<b>82%</b>	<b>15,243</b>	<b>10,752</b>	<b>71%</b>

**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 of such a system?

Yes. Our Company is responsible for providing its employees with a safe and healthy work environment. We have implemented the following steps to ensure the health and safety of our employees:

**1. Providing a safe work environment**

Our Company's office premises are designed to promote safety and reduce the risk of accidents. This includes keeping the workspace clean, ensuring proper lighting and ventilation and addressing any potential safety hazards.

**2. Training employees**

Our Company provides regular training on safety practices, response to emergencies like fire/earthquake emergency, etc. to our employees.

**3. Offering ergonomic support**

Our Company provides ergonomic support to employees who sit for long periods, work on computers, or perform other repetitive tasks. This includes providing ergonomic chairs, desks, and other equipment that can help reduce the risks of musculoskeletal disorders.

**4. Encouraging healthy habits**

Our Company encourages employees to adopt healthy habits such as taking breaks, staying hydrated, and practicing good posture to prevent fatigue and injury.

**5. Creating a culture of safety**

Our Company has created a culture of safety by encouraging employees to report any safety concerns or incidents and by providing resources and support to address these concerns.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	Given the nature of business, this is not directly applicable to our Company. However, regular safety inspections are conducted of our facilities and equipment to identify potential hazards. This includes inspecting electrical systems, machinery and emergency exits. Our Company also involves employees in the hazard identification and risk assessment process by encouraging them to report any safety concerns or hazards they identify.
c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)	Given the nature of the business, this is not directly applicable to the Company.
d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services? (Yes/ No)	Yes. All employees of our Company are covered under health insurance and personal accident policy.


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

Safety Incident/Number	Category	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.03	-
No. of fatalities	Employees	1	-


In FY 2025–26, we recorded one fatality resulting from an accident during the course of official work. IIFL Finance Limited has commenced reporting such travel-related incidents beginning in FY 2025–26 onward.

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

The following steps have been taken to ensure a healthy and safe workplace:

- 


**Providing a safe work environment**

Our Company's office premises are designed to promote safety and reduce the risk of accidents. This includes keeping the workspace clean, ensuring proper lighting and ventilation and addressing any potential safety hazards.
- 

**Training employees**

Our Company provides regular training on safety practices, response to emergencies like fire/earthquake emergency, etc. to our employees.
- 

**Offering ergonomic support**

Our Company provides ergonomic support to employees who sit for long periods, work on computers, or perform other repetitive tasks. This includes providing ergonomic chairs, desks, and other equipment that can help reduce the risks of musculoskeletal disorders.
- 

**Encouraging healthy habits**

Our Company encourages employees to adopt healthy habits such as taking breaks, staying hydrated, and practicing good posture to prevent fatigue and injury.
- 

**Creating a culture of safety**

Our Company has created a culture of safety by encouraging employees to report any safety concerns or incidents and by providing resources and support to address these concerns.



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

	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working conditions	Nil	Nil	Nil	Nil	Nil	Nil
Health and Safety	Nil	Nil	Nil	Nil	Nil	Nil

**14. Assessments for the year**

Particulars	Percentage of your offices that were assessed (By entity or statutory authorities or third parties)
Health and safety practices	All our offices are assessed internally periodically through internal audits for various aspects of health and safety measures and related working conditions.  During these assessments, various aspects like emergency preparedness, workstation ergonomics, training on health and safety & documentation are evaluated. Our Company proactively identifies any gaps or improvement areas in health and safety practices and working conditions.
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.**

Nil.

**Leadership Indicators**

**1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)?**

(A) Yes, we provide financial assistance in the event of an employee’s death during the course of employment, in accordance with our internal policies and guidelines.

(B) Not Applicable. The Company does not have any worker as defined in the guidance note of BRSR.

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

Our Company monitors remittance of statutory dues by value chain partners with periodic interactions. Various awareness programs and meetings are being arranged with value chain partners for the same.

**3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

Not Applicable

**4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

No.

**5. Details on assessment of value chain partners:**

	<b>Percentage of value chain partners (by value of business done with such partners) that were assessed</b>
Health and safety practices	While IIFL does not have standard operating procedures (SOPs) for this, the Company encourages its value chain partners to adopt the best practices in these areas. This is achieved through regular monitoring and evaluation of the partners' compliance with relevant regulations and guidelines. IIFL recognizes that the health and safety of its employees and partners are crucial, and it is committed to providing a safe and healthy working environment.
Working conditions	

**6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

Not Applicable.





**PRINCIPLE 4:**

BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL THEIR STAKEHOLDERS

**Essential Indicators**

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

Our Company looks at individuals and groups that make a fundamental impact on its operations and performance. If this impact results in value addition to the Company, then they are described as a key stakeholder. They play an important role in helping our Company determine its goals, aspirations and in helping gauge the Company’s progress towards these goals. We also focus on strengthening our understanding about the impact we make on our various stakeholder groups.

Following are the steps we take while engaging with our stakeholders:

- Identify stakeholders
- Prioritize stakeholders
- Execute stakeholder engagement plans
- Understand stakeholder expectations and aspirations
- Disseminate insights gained through stakeholder conversations to update material matters as needed
- Monitor and report back to stakeholders regarding the progress made on their needs

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

Group	Whether identified as vulnerable & marginalized group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	Some of our customers are identified as vulnerable and marginalized.	<ul style="list-style-type: none"> <li>• Emails</li> <li>• Calls</li> <li>• SMS</li> <li>• WhatsApp</li> <li>• Website</li> <li>• Social media</li> <li>• Marketing campaigns</li> <li>• Branch visits and relationship managers</li> <li>• Customer satisfaction surveys</li> </ul>	Ongoing	<ul style="list-style-type: none"> <li>• Business performance</li> <li>• Customized financial products and services</li> <li>• Competitive interest rates</li> <li>• Access to physical and digital channels</li> <li>• Seamless customer service</li> <li>• Secure transactions</li> <li>• Fair and responsive grievance redressal mechanism</li> </ul>
Shareholders/ Investors	No	<ul style="list-style-type: none"> <li>• Investor meets/calls</li> <li>• Investor presentations</li> <li>• Annual General Meeting</li> <li>• Investor grievance channels</li> <li>• SMS</li> <li>• Email</li> <li>• Website</li> <li>• Annual Report</li> <li>• Sustainability Report</li> </ul>	<ul style="list-style-type: none"> <li>• Ongoing</li> <li>• Quarterly</li> <li>• Annual</li> </ul>	<ul style="list-style-type: none"> <li>• Ethical business practices and good corporate governance</li> <li>• Regular dividends</li> <li>• Sustainable performance and value creation</li> <li>• ESG integration into strategy and operations</li> <li>• Transparent reporting and disclosure</li> </ul>

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
Employees	No	<ul style="list-style-type: none"> <li>Town halls</li> <li>Email</li> <li>SMS</li> <li>One-on-One meetings</li> <li>Training and Development workshops</li> <li>Engagement initiatives</li> <li>Learning through online modules</li> <li>Digital apps for employees</li> <li>Performance appraisal</li> </ul>	Quarterly and as and when required	<ul style="list-style-type: none"> <li>Training and development</li> <li>Fair and timely remuneration</li> <li>Reward, recognition, and appreciation for performance</li> <li>Diverse, open, non-discriminatory, and safe working environment.</li> <li>Work-life balance</li> </ul>
Communities/ NGOs	Yes	<ul style="list-style-type: none"> <li>Regular CSR initiatives</li> <li>Community meetings</li> <li>Employee volunteering</li> </ul>	Annually and as and when required	<ul style="list-style-type: none"> <li>Social upliftment</li> <li>Enhancing financial literacy</li> <li>Community welfare initiatives</li> </ul>
Government/ Regulators	No	<ul style="list-style-type: none"> <li>Email</li> <li>Meetings</li> <li>One-on-One meetings</li> <li>Written communications</li> </ul>	<ul style="list-style-type: none"> <li>Mandatory regulatory filings.</li> <li>Periodical submission of business performance</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with laws and regulations</li> <li>Ethical business conduct</li> <li>Active participation in industry and regulatory working groups</li> </ul>
Business partners/ Suppliers	Some of our business partners/ suppliers are identified as vulnerable and marginalized.	<ul style="list-style-type: none"> <li>Email</li> <li>SMS</li> <li>Meetings</li> <li>Seminars and workshops</li> </ul>	Quarterly and as and when required	<ul style="list-style-type: none"> <li>Business performance</li> <li>Fair &amp; ethical procurement and engagement practices</li> </ul>





**Leadership Indicators**

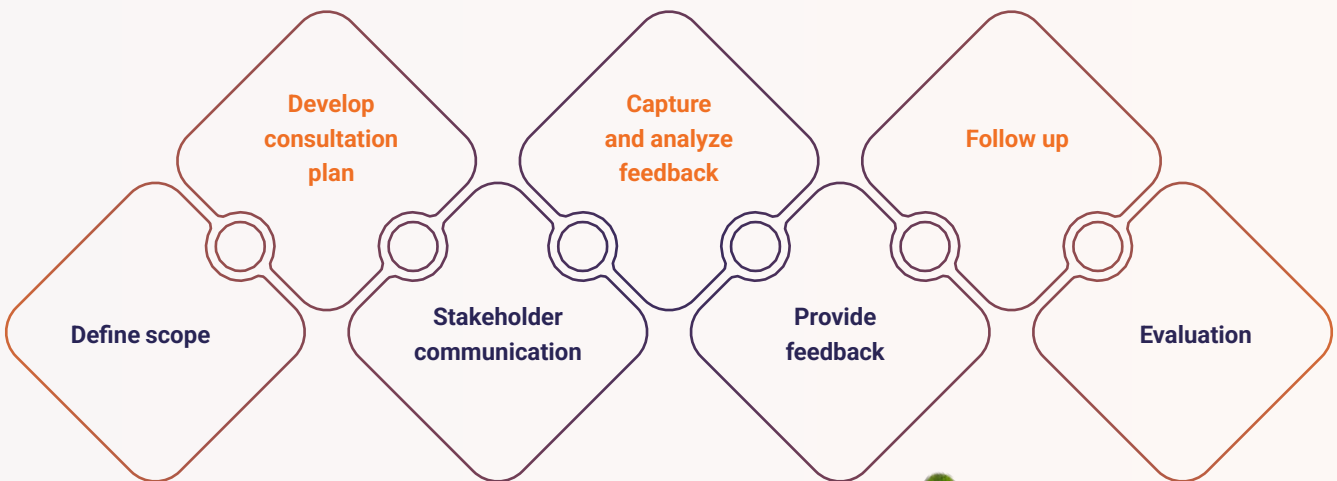
**1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

Our Company firmly believes in consistent engagement with its key stakeholders to ensure better communication of its performance and strategy. The Board of Directors is periodically updated on diverse topics covering specific sector overviews, customer service-related updates, digital initiatives, community related projects/initiatives, financial performance, strategy, etc. The Directors are also given an overview of the regulatory regime including material regulatory developments, circulars, and amendments by Government and Regulatory bodies, the Ministry of Corporate Affairs, the Securities and Exchange Board of India, the Ministry of Finance, and the Reserve Bank of India.

The various Board-level committees provide regular updates on feedback received from stakeholders, these include, but are not limited to:

- The Corporate Social Responsibility Committee of the Board
- The Risk Management Committee of the Board
- ESG Committee

The following process is followed for consultation between stakeholders and the board:



- a) Defining the scope of consultation - The scope is clearly defined including the topics to be covered, the timeframe for the consultation, and the method that will be used to gather feedback.
- b) Developing a consultation plan - A consultation plan is developed that outlines the methods that will be used to engage stakeholders, such as public meetings, online surveys, focus groups, or individual interviews.
- c) Communication with stakeholders - It is ensured that the stakeholders are aware of the consultation process and have the opportunity to provide feedback. This includes developing an information package, hosting public meetings or webinars, and conducting one-on-one meetings with key stakeholders.
- d) Feedback capturing and analysis - The feedback is gathered and analysed to identify common themes, concerns, and priorities, which are then used in the decision-making process.
- e) Providing feedback to stakeholders - Feedback is also provided to stakeholders on how their inputs have been used in the decision-making process. This helps us to build trust and transparency and encourage future engagement.
- f) Follow-up - After decisions are made, stakeholders are informed of the decision and any next steps.
- g) Evaluation - The consultation process is reviewed and evaluated in a periodic manner to identify areas for improvement.

The objective is to ensure that the process is transparent, inclusive, and responsive to stakeholder inputs.

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

Yes, through our materiality assessment process, we engage with various stakeholders to identify and prioritize key economic, environmental, and social issues. The Company's continual engagement with its stakeholders serves to ensure that it creates holistic and sustainable value for each stakeholder group. This approach has resulted in various initiatives being put in place towards responsible lending, economic growth, equal opportunity, diversity and inclusion policy, data privacy policy, among others.

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

Our Company under its CSR Policy and through India Infoline Foundation undertakes following activities - literacy centers for out-of-school girls in the tribal hamlets of Rajasthan, skill development programs for the youth in aspirational districts, support to government schools for development of infrastructure and digital learning platform, medical camps for economically weaker section in Uttar Pradesh and Maharashtra along with other need-based initiatives as mentioned in this Report.





**PRINCIPLE 5:**

BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

**Essential Indicators**

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

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. of employees covered (B)	% (B / A)	Total (C)	No. of employees covered (D)	% (D/C)
<b>Employees</b>						
Permanent	16,341	16,006	97.94%	14,782	14,689	99%
Other than permanent	381	359	94.22%	461	448	97%
<b>Total employees</b>	<b>16,722</b>	<b>16,365</b>	<b>98%</b>	<b>15,243</b>	<b>15,137</b>	<b>99%</b>

\*The Company does not have any worker as defined in the guidance note of BRSR.

**2. Details of minimum wages paid to employees:**

Category	FY 2025-26					FY 2024-25				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
	No. (B)	% (B/A)	No. (C)	% (C/A)	No. (E)	% (E/D)	No. (F)	% (F/D)		
<b>Employees</b>										
<b>Permanent</b>										
Male	12,033	9,317	77%	2,716	23%	10,874	8,384	77.10%	2,490	22.90%
Female	4,308	3,843	89%	465	11%	3,908	3,469	88.77%	439	11.23%
<b>Other than permanent</b>										
Male	206	118	57%	88	43%	312	82	26.00%	230	74%
Female	175	146	83%	29	17%	149	118	79.00%	31	21%

\*The Company does not have any worker as defined in the guidance note of BRSR.

**3. Details of remuneration/salary/wages:**

**a. Median remuneration / wages:**

	Male <sup>#</sup>		Female <sup>#</sup>	
	Number	Median remuneration/ salary/ wages of respective category (In ₹)	Number	Median remuneration/ salary/ wages of respective category (In ₹)
Board of Directors (BoD)	1	1,39,680,000	-	-
Key Managerial Personnel (KMP)	2	1,51,47,994	-	-
Employees other than BoD and KMP	12,236	4,08,504	4,483	3,36,000

\*The Company does not have any worker as defined in the guidance note of BRSR.

<sup>#</sup> Excluding other benefits.

**b. Gross wages paid to females as % of total wages paid by the entity, in the following format:**

	FY 2025-26	FY 2024-25
Gross wages paid to females as % of total wages	21.00%	21.00%

**4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes.

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

As an employee centric company, employees are encouraged to come forward and report their grievances or any other concerns affecting the entity (company values and culture) or them.

There are various means by which the grievances can be addressed:

- i) E-mail to generic ID ([employee grievance@iifl.com](mailto:employee grievance@iifl.com))
- ii) Raise grievance through HRMS portal
- iii) E-mail to IRA with copy to local HR

**6. Number of complaints on the following made by employees:**

	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual harassment	13	0	-	8	1	1 case filed in February '25 was carried forward and closed in April within 90 days.
Discrimination at workplace	Nil	Nil	NA	Nil	Nil	NA
Child labor	Nil	Nil	NA	Nil	Nil	NA
Forced labor / Involuntary labor	Nil	Nil	NA	Nil	Nil	NA
Wages	Nil	Nil	NA	Nil	Nil	NA
Other human rights related issues	Nil	Nil	NA	Nil	Nil	NA

**7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

	FY 2025-26	FY 2024-25
Total complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	13	8
Complaints on POSH as a % of female employees / workers	0.003%	0.21%
Complaints on POSH upheld	1	2



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

Our Company has implemented policies like Employee Grievance Redressal Policy and POSH to prevent discrimination and harassment cases, which outline unacceptable behavior and the consequences for violating the policies. These are communicated to all the employees and regular training is provided to ensure everyone understands the policies and knows how to report any incidents. The Company encourages employees to report any incidents of discrimination or harassment without any fear of retaliation. Employees have been made aware of the reporting mechanisms available to them, such as the hotline and internal grievance redressal committee.

The organization promptly investigates all reported incidents of discrimination or harassment. The investigations are conducted in a fair and impartial manner, and all parties involved are given the opportunity to present their side of the story. If an incident of discrimination or harassment is found to have occurred, the Company takes appropriate action based on the severity of the incident and the policy violation. This includes disciplinary action such as suspension or termination of employment and providing support to the victim.

A whistleblower policy is in place where an employee can raise a complaint anonymously. Throughout the investigation, it is ensured that the complainant's ID is not disclosed. It is ensured that each complaint raised is proactively investigated and resolved quickly. Our Company has developed a work environment that is respectful, supportive, and inclusive, by providing regular training on diversity and inclusion, promoting a culture of respect and providing support to employees who may have experienced discrimination or harassment.

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

Yes, our Company ensures a clause is added in vendor documents stating that the vendors are in compliance of applicable laws. Service providers shall comply with all laws (including anti-corruption and anti-money laundering laws) applicable to parties.

**10. Assessments for the year**

	<b>Percentage of your offices that were assessed (by entity or statutory authorities or third parties)</b>
Child labor	The assessment of human rights at IIFL is a crucial component of the Company's operations. IIFL recognizes its responsibility to respect and protect human rights and is committed to promoting a workplace that is free from any form of human rights violations. The Company closely monitors and evaluates its operations to ensure compliance with relevant regulations and guidelines, particularly on issues such as child labor, forced labor, sexual harassment, discrimination, and wages. Although the Company does not have standard operating procedures (SOPs) specifically for these issues, IIFL ensures that it follows best practices and responds appropriately to address any violations that may arise. This includes providing training programs to its employees to promote awareness of human rights issues and ensure compliance with applicable laws and regulations. By prioritizing the protection of human rights, IIFL is creating a sustainable business that is committed to upholding ethical standards and promoting the well-being of its employees and stakeholders.
Forced/involuntary labor	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – HR Policy, Working Conditions etc.	

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

No corrective action pertaining to Question 10 was necessitated by The Company during FY 2025-26.

## Leadership Indicators

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

The Company has not received any grievances/ complaints regarding human rights violations for FY 2025-26.

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

Great Place to work surveys are conducted every year. In the survey, questions related to human rights are touched upon. Based on this, yearly reports are published.

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes. Wheelchairs and wheelchair ramps for specially abled people are available at all commercial offices of the Company.

**4. Details on assessment of value chain partners:**

	<b>Percentage of value chain partners (by value of business done with such partners) that were assessed</b>
Sexual harassment	Our Company expects and strives to influence its value chain partners to adhere to the same values, principles and business ethics upheld by the Company in all their dealings and services. No specific assessment in respect of value chain partners has been carried out, other than certain elements covered in annual review of value chain partners by the Company and its subsidiaries.
Discrimination at workplace	
Child labor	
Forced labor/ Involuntary labor	
Wages	
Others – please specify	All the value chain partners are mandated through declaration to adhere to the Code of Conduct principles of the Company. Contract is not renewed or terminated, in case of non- adherence to COC or Contract Terms & Conditions.

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

No corrective action pertaining to question 4 was necessitated by the Company during FY 2025-26.



**PRINCIPLE 6:**

BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

**Essential Indicators****1. Details of total energy consumption (in GJ) and energy intensity:**

Parameter	FY 2025-26	FY 2024-25
<b>From renewable sources</b>		
Total electricity consumption (A)	2,155.99	3,194.68
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
<b>Total energy consumption from renewable sources (A+B+C)</b>	<b>2,155.99</b>	<b>3,194.68</b>
<b>From non-renewable sources</b>		
Total electricity consumption (D)	67,300.17	61,206.26
Total fuel consumption (E)	334.59	310.98
Energy consumption through other sources (F)	-	-
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>67,634.76</b>	<b>61,517.25</b>
<b>Total energy consumed (A+B+C+D+E+F)</b>	<b>69,790.75</b>	<b>64,711.93</b>
Energy intensity per rupee of turnover (Total energy consumed/ Revenue from operations)	0.0000009346	0.0000015860
<b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)</b>	0.0000190106	0.0000327676
<b>Energy intensity in terms of physical output</b>		
Energy intensity in terms of physical output	4.2708983538	4.3777519957

\*\*The revenue from operations has been adjusted for Purchasing Power Parity (PPP) using the latest PPP conversion factor published by the International Monetary Fund (IMF) for India for the year 2026, which is 20.34.

The physical output intensity has been calculated based on the Full-Time Equivalent (FTE) of employees, considering only permanent employees, however, we aim to enhance this disclosure in subsequent years by including employees beyond the permanent workforce.

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.

Yes, TUV India Private Limited

**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. Details of disclosures related to water:

Parameter	FY 2025-26	FY 2024-25
<b>Water withdrawal by source (in kiloliters)</b>		
(i) Surface water	-	-
(ii) Groundwater	57,977.72	52,541
(iii) Third party water	43,904.56	42,280
(iv) Seawater / desalinated water	-	-
(v) Others (rain water harvesting)	657.6	85
<b>Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)</b>	<b>1,02,539.88</b>	<b>94,905</b>
<b>Total volume of water consumption (in kiloliters)</b>	<b>1,02,539.88</b>	<b>94,905</b>
<b>Water intensity per rupee of turnover</b> (Water consumed / Revenue from operations)	0.0000013732	0.0000023261
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b>	0.0000279313	0.0000480563
(Total water consumption / Revenue from operations adjusted for PPP)		
Water intensity in terms of physical output	6.2750067291	6.4203294547

\*\*The revenue from operations has been adjusted for Purchasing Power Parity (PPP) using the latest PPP conversion factor published by the International Monetary Fund (IMF) for India for the year 2026, which is 20.34.

The physical output intensity has been calculated based on the Full-Time Equivalent (FTE) of employees, considering only permanent employees, however, we aim to enhance this disclosure in subsequent years by including employees beyond the permanent workforce.

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.

Yes, TUV India Private Limited

### 4. Provide the following details related to water discharged

Parameter	FY 2025-26	FY 2024-25
<b>Water discharge by destination and level of treatment (in kiloliters)</b>		
<b>(i) To surface water</b>		
-No treatment	-	-
With treatment – please specify level of treatment	-	-
<b>(ii) To groundwater</b>		
-No treatment	-	-
With treatment – please specify level of treatment	-	-
<b>(iii) To seawater</b>		
-No treatment	-	-
With treatment – please specify level of treatment	-	-
<b>(iv) Sent to third parties</b>		
-No treatment	-	-
With treatment – please specify level of treatment	-	-
<b>(v) Others</b>		
-No treatment	1,02,539.88	94,905
With treatment – please specify level of treatment	-	-
<b>Total water discharged (in kiloliters)</b>	<b>1,02,539.88</b>	<b>94,905</b>



The water used in the Company-owned premises is discharged into the municipal sewage system, as our offices are located in buildings. Wastewater generation is equal to water withdrawal.

Any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

Yes, TUV India Private Limited

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

No, being a financial services company, The Company does not consume or discharge huge amount of water/liquid products.

**6. Details of air emissions (other than GHG emissions) by the entity**

Not Applicable. IIFL is a financial services company.

**Any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency**

No.

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

Parameter	Unit	FY 2025-26	FY 2024-25
<b>Total Scope 1 emissions</b>	TCo2e	453.64	23.65
<b>Total Scope 2 emissions</b>	TCo2e	13,273.09	12,360.26
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)		0.000001838	0.0000003035
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		0.0000037391	0.0000062707
<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>		0.8400175000	0.8377695846

\*EPA's GHG Emission Factors Hub, CEA's CDM - CO2 Baseline Database User Guide Version 21 has been used for the purpose of GHG Emissions calculations.

\*\*The revenue from operations has been adjusted for Purchasing Power Parity (PPP) using the latest PPP conversion factor published by the International Monetary Fund (IMF) for India for the year 2026, which is 20.34.



The physical output intensity has been calculated based on the Full-Time Equivalent (FTE) of employees, considering only permanent employees, however, we aim to enhance this disclosure in subsequent years by including employees beyond the permanent workforce.

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.

Yes, TUV India Private Limited

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

We have obtained ISO 14001:2015 certification for 3 of our larger branches in Mumbai, Thane and Bangalore. ISO 14001:2015 is an international standard for environmental management systems (EMS). It provides a framework for organizations to develop, implement, and improve their EMS, focusing on environmental protection, resource management, and compliance.

In essence, ISO 14001:2015 helps organizations demonstrate their commitment to environmental responsibility and provides a structured approach to managing their environmental performance, fostering a culture of continuous improvement. We implemented water and energy optimization measures along with tree plantation activities, among other activities, as part of this certification.

During the year, we deployed an IoT-based energy monitoring system for real-time control of AC operations in one of our large offices, leading to measurable energy savings and improved efficiency.

During the year under review, we augmented our rainwater harvesting infrastructure at one of our large offices (Thane, Mumbai) enabling reuse of ~21 lakhs liters of rainwater during monsoon of 2025, significantly reducing our dependency on external water sources.

- Received Gold LEED Certificate for Gurugram office
- Adopted renewable energy in our Hubtown office, Mumbai through Tata Green Tariff scheme
- Treatment of e-waste in an environment friendly manner
- Drive digitalization and reduce paper consumption
- Started collecting data for scope 3 emissions (Business travel, capital goods purchased, paper/IT products procured, etc.)
- Rolled out bamboo based tissue papers (BECO) in our Hubtown office, Mumbai in March 2024 and put up banners in office for employee awareness

#### 9. Details related to waste management by the entity:

Parameter	FY 2025-26	FY 2024-25
<b>Total Waste generated (in tonnes)</b>		
Plastic waste (A)	0.25	1.07
E-waste (B)	3.86	5.31
Paper waste (C)	7.91	28.08
Construction and demolition waste (D)	-	-
Battery waste (E)	-	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	-	-
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	-	-
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>12.02</b>	<b>34.46</b>
<b>Waste intensity per rupee of turnover</b> (Total waste generated / Revenue from operations)	0.0000000002	0.0000000008
<b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total waste generated / Revenue from operations adjusted for PPP)	0.0000000033	0.0000000174
Waste intensity in terms of physical output	0.0007355731	0.0023312136

**For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)**

Category of waste	FY 2025-26	FY 2024-25
(i) Recycled	-	-
(ii) Re-used	-	-
(iii) Other recovery operations	12.02	34.46
<b>Total</b>	<b>12.02</b>	<b>34.46</b>

**For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)**

Category of waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

\*The revenue from operations has been adjusted for Purchasing Power Parity (PPP) using the latest PPP conversion factor published by the International Monetary Fund (IMF) for India for the year 2026, which is 20.34.

The physical output intensity has been calculated based on the Full-Time Equivalent (FTE) of employees, considering only permanent employees, however, we aim to enhance this disclosure in subsequent years by including employees beyond the permanent workforce.

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.

Yes, TUV India Private Limited

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

Our Company takes a holistic approach to waste management. Waste from electronic and paper products is the major waste generated in the facilities owned by the Company. We have begun to cut down on paper usage as a result of digitalization of our operations/services. We have been recycling electronic waste through authorised vendors of e-waste. The Company has been taking conscious efforts to reduce usage of paper across its operations. Measures have been implemented to this effect, such as access based printing, default printing on both sides of the paper across all our offices. Employees are encouraged to adopt digital/online mediums to reduce paper consumption. 100% bio-degradable plastic garbage bags are used to collect dry and wet waste.

**11. 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**

Not Applicable, all the offices are in commercial areas.

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

Not Applicable

**13. 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:**

Yes. The Company is compliant with all applicable laws, rules and regulations.

## Leadership Indicators

### 1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area

(ii) Nature of operations

(ii) Water withdrawal, consumption and discharged

Water usage in IIFL is largely limited to drinking purposes; hence, this topic is not considered material.

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?**

**(Y/N) If yes, name of the external agency.**

No.

### 2. Please provide details of total Scope 3 emissions & its intensity:

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 3 emissions	Metric tonnes of CO2 equivalent	13,728.98	21,818.79
Total Scope 3 emissions per rupee of turnover		0.0000001839	0.0000005348
Total Scope 3 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)*		0.0000037397	0.0000110482

In the current reporting period, comprehensive disclosures have been made for categories 1, 2, 3, 5, and 6.

\*The revenue from operations has been adjusted for Purchasing Power Parity (PPP) using the latest PPP conversion factor published by the International Monetary Fund (IMF) for India for the year 2026, which is 20.34.

**Any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency**

No

### 3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable

### 4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives:

The Company has not undertaken any of the above-mentioned initiatives in FY26.





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

Yes. Our Company is ISO22301:2019 (BCMS) Certified that ensures a robust Business Continuity and Disaster Management Framework implemented for uninterrupted business operations and mitigation of potential disruptions.

Business Impact Analysis (BIA) is performed to understand potential impact of disruptions on critical business functions, financial stability, and reputation by prioritizing key processes and resources.

Risk assessments are carried out to identify potential threats like natural deluges, regulatory changes, and operational failures. Based on the inputs received from Recovery Strategy Risk Assessment (RSRA) and BIA, we tailor and develop BCDMP for NBFC viz – Critical department wise BC Plans and ITDR Entity (NBFC) Plan based on ISO 22301:2019.

Awareness training is conducted semi-annually for employees and Crisis Management Training is given to leaders with a simulation exercise on an annual basis. Further, Call Tree, Tabletop, WFH and Alternative Site Testing is a part of BC Testing whereas ITDR Drills (basis RBI direction) and IT HA Testing is part of ITDR.

[https://storage.googleapis.com/iifl-storage/files/2024-05/Information%20and%20Cyber%20Security%20Policy\\_v7.1\\_Abridged.pdf](https://storage.googleapis.com/iifl-storage/files/2024-05/Information%20and%20Cyber%20Security%20Policy_v7.1_Abridged.pdf)

**6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?**

Not Applicable, IIFL being a financial services entity.

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

No such assessment was carried out in FY26.

**8. How many Green Credits have been generated or procured:**

- a. By the listed entity
  - b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners
- Nil



**PRINCIPLE 7:**

BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

**Essential Indicators**

**1. Affiliation with trade and industry chambers/ associations.**

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

3

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

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Finance Industry Development Council (FIDC)	National
2	PHD Chamber of Commerce and Industry (PHDCCI)	National
3	Federation of Indian Chambers of Commerce and Industry (FICCI)	National

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

Name of authority	Brief of the case	Corrective action taken
Nil. No issues related to anti-competitive conduct by the Company, based on adverse orders from regulatory authorities.		

**Leadership Indicators**

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

IIFL Finance’s Founder and Managing Director Mr. Nirmal Jain is the Chair of the FICCI NBFC Committee. Under his leadership, FICCI NBFC Committee has conducted two meetings in physical and digital mode in October 2025 and March 2026. Multiple discussions have taken place around important events related to the NBFC sector with focus on credit delivery to unbanked and underbanked population, increased access to diversified funding sources, co-lending arrangement between banks and NBFCs etc. Mr. Jain and the committee members also contributed to various deliberations with regulators and government authorities for strengthening the NBFC sector.





**PRINCIPLE 8:**

BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

**Essential Indicators**

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

During the year 2025-26, IIFL Foundation engaged with a reputed external agency, i.e. KPMG for the impact assessment of our flagship program Sakhiyon Ki Baadi that provides foundational literacy and numeracy to girls who are out of school or have never been to school. The key finds are as below:

**Program relevance and reach**

- The Sakhiyon Ki Baadi (SKB) program directly responds to persistent educational inequities for girls in rural Rajasthan, particularly those who are out-of-school or never enrolled. By establishing community-based, non formal-learning centers within villages, the program successfully overcomes barriers related to distance, safety, poverty, and restrictive gender norms.

**Learning outcomes and school readiness**

- The assessment confirms that SKB has delivered **measurable and meaningful learning gains**, especially in foundational learning and readiness for formal schooling.
- Teachers reported that SKB children actively engage in classroom activities and demonstrate stronger confidence in academic interactions
- The Teaching Learning Materials (TLMs) helped children practice reading, writing, numeracy, and concept application regularly, which directly contributed to stronger foundational skills and improved academic readiness
- **86% of Dakshas** reported that they now use a blended mix of offline and digital tools to enhance learning
- Children showed strong improvements in **basic literacy, numeracy, communication skills, confidence, and participation.**
- **100% of the sampled Dakshas** expressed that the training provided by IIFL was extremely helpful in learning new teaching techniques and skills.

**Access to education**

- SKB plays a critical role in enrolling children who were previously excluded from education.
- **91% of children** reported they were not attending any school or learning center before joining SKB.
- SKBs function as safe, accessible entry points for first-generation learners and act as a **bridge to formal schooling.**

**Community and household-level impact**

- Beyond learning outcomes, the program has driven notable social and behavioral change:
- SKBs are widely trusted by families as safe community spaces, enhancing regular attendance and continuity of learning.
- **100% of parents** reported a reduction in education-related household expenses due to free, local access to learning.

**Gender and social norms**

The program contributes to broader social change by challenging entrenched norms:

- 82% of PRI members reported increased willingness among families to send girls to school, and stakeholders reported early indications of a reduction in child marriage practices where SKB is operational, as girls stay engaged in learning and parents recognize the value of continued education.
- Improved confidence, mobility, and aspiration among girls were consistently noted across stakeholder groups.

**Capacity building and implementation strengths**

- Before joining SKB, **57% of Dakshas** were not working anywhere, due to the limited local livelihood opportunities available to women in remote villages.

- The community-embedded Daksha model is a core strength, enabling trust-building, counselling, and sustained engagement with families.

### ○ Overall conclusion

The impact assessment concluded that Sakhiyon Ki Baadi is a highly relevant, effective, and community-trusted intervention that significantly improves access to education, foundational learning outcomes, and parental attitudes toward girls' education. With targeted refinements, the program has strong potential to deepen long-term educational impact and systemic integration with formal schooling.

### 2. 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.

Yes, the Company has in place grievances redressal mechanism the same can be accessed through [https://storage.googleapis.com/iifl-finance-storage/files/2023-07/CSR%20policy\\_IIFL%20Finance.pdf](https://storage.googleapis.com/iifl-finance-storage/files/2023-07/CSR%20policy_IIFL%20Finance.pdf).

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

Particular	FY 2025-26	FY 2024-25
Directly sourced from MSMEs/ small producers	45%	40%
Directly from within India	98%	99%

### 5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost.

Location	FY 2025-26	FY 2024-25
Rural	10%	6%
Semi-urban	29%	23%
Urban	21%	25%
Metropolitan	40%	46%

(Places are categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

## Leadership Indicators

### 1. Details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 8(1) of Essential Indicators above):

Not Applicable

### 2. Provide information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In ₹)
1	Rajasthan	Sirohi, Jaisalmer	34,26,198
2	Jammu and Kashmir	Kupwara	38,10,000

Aligned with the Aspirational Districts Program notified by NITI Aayog, supporting targeted development in underserved regions.

### 3. Information related to procurement

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

Given the nature of business of the Company, the sourcing needs of our Company are limited. However, the Company aims to undertake preferential procurement of materials from suppliers identified under vulnerable and marginalized groups.



**b. From which marginalised /vulnerable groups do you procure?**

Vendors/suppliers that are categorized as MSMEs.

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

33% of total procurement.

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

Not Applicable.

**5. Details of corrective actions taken or underway based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Not Applicable.

**6. Details of beneficiaries of CSR projects:**

S. No.	CSR project	No. of persons benefitted from CSR projects	Percentage of beneficiaries from vulnerable and marginalized groups
<b>HEALTH</b>			
1	Medical Camp- Barsana, Uttar Pradesh	3,280	90%
2	Medical Camp –Pandharpur, Maharashtra	1,100	90%
3	Primary Health Services during Ganesh Festival- Maharashtra	1,000	90%
4	Donation CT Scan Machine- RNT Medical College, Rajasthan	7,147	90%
5	Donation of Dental X ray Machine- Community Health Center, Khamnor, Rajasthan	35	90%
6	Donation of Manometry & PH Impedance Machine- LTMG Hospital Mumbai, Maharashtra	1,200	90%
7	Donation of Fully Automatic Biochemistry Analyzer- Gov. Hospital, Khamnore, Rajasthan	52	90%
8	CPR workshop for the community (Chennai & Pune)	121	30%
<b>EDUCATION</b>			
9	Sakhiyon Ki Baadi- Rajasthan	7,891	90%
10	Administrative Support to Matrubhoomi School- Maharashtra	120	90%
11	Manav Shelter Home- Maharashtra	28	90%
12	Support to 5 Teaching Volunteers- Rajasthan	580	90%
13	Solar and Smart Board to Alakh Ved Gurukul- Rajasthan	100	90%
14	Support to set up Tattva University- Mumbai, Maharashtra	4,200	50%
15	Fellowship Support to SEWA International- New Delhi	22	50%
16	Computer Lab at Gov. School Vatti, Udaipur	257	90%
17	Infrastructural Development at U P School- Utraj, Rajasthan	35	90%
18	Construction of Conference Hall at Haji Pir Army Goodwill School Kupwara, J&K	314	90%

S. No.	CSR project	No. of persons benefitted from CSR projects	Percentage of beneficiaries from vulnerable and marginalized groups
<b>ENVIRONMENT</b>			
19	Development of Tehsil Garden- Khamnore, Rajasthan	45,300	50%
20	Support to upgradation of Aurangabad Rural Police Campus- Maharashtra	1,00,000	50%
<b>LIVELIHOOD</b>			
21	Hospitality Training Program- Kupwara, J&K	120	90%
22	Home Stay Host Training- Tezu, Arunachal Pradesh	120	90%
23	BFSI Course - Mumbai, Maharashtra	30	90%
24	Donation of Helmets to Udaipur Police-Rajasthan (NGO)	1,080	50%
25	Donation of Helmets to Udaipur Police-Rajasthan	250	50%
26	Donation of Helmets to Traffic Police- Maharashtra	180	50%
<b>POVERTY ALLEVIATION</b>			
27	Scholarship to 3 Students- Maharashtra & Rajasthan	3	90%
28	Medical Support to needy patient- Maharashtra	1	90%
<b>OTHER ACTIVITIES</b>			
29	Thalassemia Awareness Drive- Maharashtra	7,003	30%
30	Barricades to Police- Rajasthan	13,11,000	50%





**PRINCIPLE 9:**

BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

**Essential Indicators**

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

IIFL's grievance redressal policy is aimed at receiving and responding to consumer complaints and feedback in a timely and effective manner. The mechanism for grievance redressal includes the following steps:

**① Receipt of complaint:**

IIFL provides various channels for receiving complaints from its customers, such as email, phone, and a dedicated customer grievance portal.

**② Complaint acknowledgement:**

Upon receipt of the complaint, IIFL acknowledges the complaint promptly, and provides the customer with a unique reference number for future reference.

**③ Investigation:**

IIFL investigates the complaint and gathers all the relevant information from its systems and employees. This includes checking if the complaint is genuine or not, and if there is any fault on IIFL's side.

**④ Resolution:**

IIFL resolves the complaint as soon as possible and informs the customer of the resolution. The resolution may include, but not limited to, an apology, refund, replacement, or compensation.

**⑤ Escalation:**

In case the complaint remains unresolved, or the customer is not satisfied with the resolution, the complaint can be escalated to the next level of management. IIFL provides a dedicated escalation matrix for this purpose

**⑥ Closure:**

Upon resolution of the complaint, IIFL closes the complaint and updates its records.

**⑦ Feedback:**

After the complaint is resolved, IIFL seeks feedback from the customer to understand their satisfaction level and identify areas for improvement.

The customer grievance redressal policy can be accessed through this link: <https://www.iifl.com/finance/grievance-redressal-procedure>.

**2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	NA
Safe and responsible usage	100%
Recycling and/or safe disposal	NA



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

	FY 2025-26			FY 2024-25		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	NA	0	0	NA
Advertising	0	0	NA	0	0	NA
Cyber-security	0	0	NA	0	0	NA
Delivery of essential services	0	0	NA	0	0	NA
Restrictive trade practices	0	0	NA	0	0	NA
Unfair trade practices	0	0	NA	0	0	NA
Others	40,698	54	-	45,282	171	-

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

Not applicable since IIFL is a financial services company.

**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. Information & Cyber Security Policy is developed and implemented. Risks related to data privacy are part of the policy. Read more, here [https://storage.googleapis.com/iifl-storage/files/2024-05/Information%20and%20Cyber%20Security%20Policy\\_v7.1\\_Abridged.pdf](https://storage.googleapis.com/iifl-storage/files/2024-05/Information%20and%20Cyber%20Security%20Policy_v7.1_Abridged.pdf)

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

No incidents related to cyber security and data privacy occurred at IIFL Finance Limited in FY 2025-26.

**7. Provide the following information relating to data breaches:**

- Number of instances of data breaches: NIL
- Percentage of data breaches involving personally identifiable information of customers: NIL
- Impact, if any, of the data breaches: Not applicable





## Leadership Indicators

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

Information relating to all the loan products and services provided by the entity are available on the Company's website. In addition, our Company actively uses various social media and digital platforms to disseminate information on its offerings. Link of website: <http://www.iifl.com>

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

Terms and Conditions provides extensive information and ensures transparency on lending products. Policies related to Code of Conduct, Data security, Fair practices, etc. are available on the Company's website. All relevant information regarding the Company and its products is available to the public. Read policies, here <https://www.iifl.com/finance/corporate-governance>

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

The Company has implemented Business Continuity Policy (BCP) wherein critical processes and other enablers have been identified and appropriate recovery plans have been put in place for such critical processes to ensure timely recovery of the Company's operations and services in the event of a crisis. BCP Framework ensures continuity of critical processes to extend essential services to the customers. Regular mock tests are conducted to ascertain BCP preparedness.

### 4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey regarding consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

We display information and brochures about our products in our branches. We comply with all local laws applicable to us and display this information on the bulletin board. Further, we conduct net promoter score (NPS) surveys periodically, to get an insight on customer sentiment.



## INDEPENDENT ASSURANCE STATEMENT

To,  
The Board of Directors,  
IIFL House, Sun Infotech Park, Road No. 16V, Plot No.  
B-23, Thane Industrial Area, Wagle Estate, Thane,  
Maharashtra - 400604.

IIFL Finance Limited (hereinafter referred to as "IIFL" or the "Reporting Organization") engaged TUV India Private Limited ("TUVI") to perform an independent external assurance of its Business Responsibility and Sustainability Report ("BRSR") Core disclosures for the period 1 April 2025 to 31 March 2026. The Annual Report includes disclosures relating to the BRSR Core (the "nine attributes") as per Annexure I – Format of BRSR Core (collectively referred to as the "BRSR Core Information"). The assurance engagement, including onsite verification at IIFL's Corporate Office, Hubtown Solaris, Andheri East, Mumbai, on 2 March 2026, and at IIFL House, Thane, on 5 March 2026, was complemented by desk reviews and remote verification procedures across the remaining locations within the reporting boundary. The reporting boundary covers 2,930 branch offices; Branch-level verification was conducted using a risk-based sampling methodology in accordance with ISAE 3000 (Revised). Sample selection considered branch size, geographical distribution, operational significance, contribution to BRSR Core KPIs, and risk of material misstatement. Two branch offices were selected for detailed verification. As ESG data is centrally managed and consolidated, assurance procedures primarily focused on centralized controls, data aggregation processes, and analytical review of consolidated datasets. The sampling methodology and branch selection rationale are maintained in the assurance working papers.

For the BRSR Core assurance, TUVI confirms that, prior to acceptance of the engagement, the preconditions for the assurance engagement were formally assessed in accordance with ISAE 3000 (Revised), specifically Para 24. As part of this formal criteria assessment, TUVI evaluated and documented that the subject matter is supported by suitable criteria (SEBI BRSR Core framework and GHG Protocol), which were determined to be available, relevant, and appropriate for the purpose of this engagement. IIFL's management has acknowledged its responsibility for the preparation and presentation of the BRSR Core sustainability information and for providing access to relevant records, and that sufficient appropriate evidence was expected to be available to support the assurance conclusion. Accordingly, having satisfied all preconditions through this formal assessment, the BRSR Core assurance engagement was accepted and performed in accordance with ISAE 3000 (Revised).

The assurance process was conducted with reference to the following applicable frameworks and guidelines:

- i. Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, requiring disclosure of the Business Responsibility and Sustainability Report (BRSR);
- ii. The Industry Standards on Reporting of BRSR Core, as per SEBI circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177, dated 20 December 2024;
- iii. SEBI circular SEBI/HO/CFD/CMD-2/P/CIR/2021/562, dated 10 May 2021;
- iv. The SEBI notification SEBI/LAD-NRO/GN/2023/131, dated 14 June 2023, related to Annual Report / BRSR requirements;
- v. The BRSR Core – Framework for Assurance and ESG Disclosures for the Value Chain, as stipulated by SEBI circular SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122, dated 12 July 2023;
- vi. The Master Circular for compliance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, by listed entities, HO/49/14/14(7)2025-CFD-POD2/I/3762/2026, dated 30/01/2026, which consolidates the operative BRSR and other LODR reporting requirements.
- vii. World Resources Institute (WRI) / World Business Council for Sustainable Development (WBCSD) Greenhouse Gas (GHG) Protocol (A Corporate Accounting and Reporting Standard).
- viii. International Standard on Assurance Engagements ISAE 3000 (Revised).
- ix. International Standard on Assurance Engagements ISAE 3410.

The assurance engagement comprised a reasonable assurance engagement over the quantitative BRSR Core KPIs within the nine attributes specified under Annexure I, performed in accordance with ISAE 3000 (Revised). Qualitative disclosures relating to stakeholder engagement, materiality determination, and the management approach for each indicator are reported as represented by management and were not subject to independent substantive verification under this engagement. However, Board-level governance oversight of ESG performance and BRSR Core KPIs was independently corroborated through review of Board meeting minutes and agenda records; accordingly, an independent conclusion is expressed on governance oversight, while other representation-based elements are identified in the relevant sections of this statement.



## Management's Responsibility

IIFL developed its BRSR Core information, forming part of the Annual Report (based on the BRSR Core framework) and holds full responsibility for the collection, analysis, preparation, and disclosure of the information presented in the Annual Report, including its availability in both web-based and printed formats. This responsibility also extends to the maintenance and integrity of the website where the Annual Report is published. Management is responsible for ensuring the disclosed data is accurate, reliable, and free from material misstatements for BRSR Core requirements. Additionally, IIFL is responsible for the archiving and reproduction of the disclosed information and for ensuring that such data is made available to relevant stakeholders and regulatory authorities upon request. The Reporting Organization is responsible for complying with applicable laws. Any partial reproduction of this assurance statement could lead to misinterpretation of the assurance scope, procedures, and conclusions. The assurance conclusion is intended to be read in its entirety, together with the defined scope, methodology, limitations, and criteria described in this assurance statement. The primary intended user of this assurance statement is the Board of Directors, shareholders, regulators, and other stakeholders of IIFL; however, IIFL may use it at its own discretion in accordance with its specific requirements.

## Scope and Boundary

The scope of work includes the assurance of the following [nine attributes as per Annexure I - Format of BRSR Core](#) disclosed in the Annual Report / BRSR. The BRSR core requirements encompass essential disclosures pertaining to organization's Environmental, Social and Governance (ESG) performance. In particular, the assurance engagement included the following:

1. Review of General Disclosures, Management and Process Disclosures, and IIFL's BRSR Core information;
2. Review and evaluation of the nine attributes specified under Annexure I – Format of BRSR Core, as disclosed in the BRSR;
3. Assessment of the quality, clarity, and completeness of the reported information; and
4. Verification of supporting evidence on a sample basis, involving reasonable assurance for the nine attributes as per the BRSR Core framework.
5. The assurance does not include assurance of value chain disclosures. Value chain disclosures are presently voluntary and deferred under SEBI circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2025/38 dated 28 March 2025, and are therefore excluded from the scope of this assurance engagement. No value-chain KPIs were assured under this engagement. (Reference: [Measures to facilitate ease of doing business with respect to framework for assurance or assessment, ESG disclosures for value chain, and introduction of voluntary disclosure on green credits](#))

This approach ensured an assessment aligned with the principles of ISAE 3000 (Revised) for the BRSR Core disclosures, providing an independent and objective evaluation of the reliability and accuracy of IIFL's ESG information.

TUVI has verified the below [nine attributes as per Annexure I - Format of BRSR Core](#) disclosed in the BRSR with reference to the Industry Standards on Reporting of BRSR Core (SEBI circular dated 20 December 2024) as part of the applicable assurance criteria.

Attributes	KPI
Greenhouse gas (GHG) footprint	Total Scope 1 emissions (with breakup by type) - GHG (CO <sub>2</sub> e) Emission in MT - Direct emissions from organization's owned- or controlled sources (Calculated)
	Total Scope 2 emissions in MT - Indirect emissions from the generation of energy that is purchased from a utility provider (Calculated)
	GHG Emission Intensity (Scope 1+2), Total Scope 1 and Scope 2 emissions (MT) / Total Revenue from Operations adjusted for PPP (Calculated)
Water footprint	Total water consumption (in kL) (Calculated)
	Water consumption intensity - kL / Total Revenue from Operations adjusted for PPP (Calculated)
	Water Discharge by destination and levels of Treatment (kL)- Not applicable
Energy footprint	Total energy consumed in GJ (Measured and Calculated)
	% of energy consumed from renewable sources - In % terms- calculated
	Energy intensity -GJ/ Rupee adjusted for PPP (Calculated)
Embracing circularity - details related to waste management by the entity	Plastic waste (A) (MT) (Measured)
	E-waste (B) battery, bulb, cable (MT) (Measured)
	Bio-medical waste (C) (MT)- (Measured)
	Battery waste (D) (MT) - Buy-back process (Measured)
	Expired products (E)- Not applicable
	Other non-hazardous waste. Paper and Carton waste, wood, metal, thermocol, EPS waste, empty barrels, STP waste, process waste residue, biomedical (F) (Measured)
	Total waste generated (A + B + C + D + E + F) (MT)
	Waste intensity <ul style="list-style-type: none"> <li>• MT / Rupee adjusted for PPP (Calculated)</li> </ul>
	Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (MT) (Calculated)
	Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (Intensity) <ul style="list-style-type: none"> <li>✓ kg of Waste Recycled Recovered / Total Waste generated</li> </ul>
	For each category of waste generated, the total waste disposed by the nature of the disposal method (MT)
For each category of waste generated, the total waste disposed of by the nature of the disposal method (Intensity) <ul style="list-style-type: none"> <li>✓ kg of Waste Disposed / Total Waste Generated</li> </ul>	

Attributes	KPI
Enhancing Employee Wellbeing and Safety	Spending on measures towards the well-being of employees and workers – cost incurred as a % of total revenue of the company - In % terms- (Calculated)
	Details of safety-related incidents for employees and workers (including contract-workforce, e.g. workers in the company's construction sites) <ol style="list-style-type: none"> <li>1) Number of Permanent Disabilities Reported (Reported NIL)</li> <li>2) Lost Time Injury Frequency Rate (LTIFR) (per one million-person-hours worked) (Reported)</li> <li>3) No. of fatalities (Reported NIL)</li> </ol>
Enabling Gender Diversity in Business	Gross wages paid to females as % of wages paid - In % terms - (Calculated)
	Complaints on POSH <ol style="list-style-type: none"> <li>1) Total Complaints on Sexual Harassment (POSH) reported - (Measured)</li> <li>2) Complaints on POSH as a % of female employees/workers (Calculated)</li> <li>3) Complaints on POSH upheld (Measured)</li> </ol>
Enabling Inclusive Development	Input material sourced from the following sources as % of total purchases – Directly sourced from MSMEs/ small producers and from within India - In % terms – As % of total purchases by value- (Calculated)
	Job creation in smaller towns – Wages paid to persons employed in smaller towns (permanent or non-permanent /on contract) as % of total wage cost - In % terms – As % of total wage cost <ul style="list-style-type: none"> <li>• Rural (Reported)</li> <li>• Semi-urban (Calculated)</li> <li>• Urban (Calculated)</li> <li>• Metropolitan (Calculated)</li> </ul>
Fairness in Engaging with Customers and Suppliers	Instances involving loss/breach of data of customers as a percentage of total data breaches or cybersecurity events - In % terms- (Reported NIL)
	Number of days of accounts payable - (Accounts payable *365) / Cost of goods/services procured (Calculated)
Openness of Business	Concentration of purchases & sales done with trading houses, dealers, and related parties. Loans and advances & investments with related parties
	1) Purchases from trading houses as % of total purchases (Calculated)
	2) Number of trading houses where purchases are made from (Calculated)
	3) Purchases from top 10 trading houses as % of total purchases from trading houses (Calculated)
	1) Sales to dealers/distributors as % of total sales- (Calculated)
	2) Number of dealers/distributors to whom sales are made (Calculated)
	3) Sales to top 10 dealers/distributors as % of total sales to dealers/distributors (Calculated)
	Share of RPTs (as respective %age) in - (Calculated)
	• Purchases
	• Sales
• Loans & advances	
• Investments	

The reporting boundaries cover IIFL Finance Limited, including its Corporate Office and 2,930 branch offices, as well as the reporting boundary for BRSR Core disclosures.

**ISF Compliance Declaration:** TUVI confirms that this assurance engagement has been conducted in compliance with the Industry Standards on Reporting of BRSR Core as specified in SEBI circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177 dated 20 December 2024 and the SEBI Master Circular for compliance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 by listed entities (Ref. No. HO/49/14/14(7)2025-CFD-POD2/1/3762/2026) dated 30 January 2026. The nine BRSR Core attributes (Annexure I KPIs) and the nine BRSR principles covering Essential and Leadership Indicators, scope of reasonable assurance, assurance methodology, and reporting format adopted in this engagement are fully aligned with the requirements of the said ISF circular and the Master Circular.

**Boundary Reconciliation:** The ESG reporting boundary is aligned with the operational control approach adopted by IIFL and encompasses all entities and locations over which the Company exercises operational control. As part of the assurance procedures, a reconciliation of the ESG/BRSR reporting boundary against the financial reporting boundary, as reflected in the audited financial statements for FY 2025–26, was performed. The review confirmed that the BRSR reporting boundary is consistent with the operational control approach and aligns with the entities and locations included in the audited financial statements, with no material differences identified. In addition, the branch network comprising 2,930 locations was reconciled against the latest branch master register and organizational records. Evidence supporting the reconciliation process has been retained within the assurance working papers.

### Onsite Verification

An on-site verification was conducted at the Corporate Office as per below schedule:

1. 802, 8th Floor, Hubtown Solaris, N. S. Phadke Marg, Vijay Nagar, Andheri East, Mumbai – 400069: 2 March 2026.
2. IIFL House, Sun Infotech Park Road No. 16V, Plot No. B-23, MIDC Thane Industrial Area, Wagle Estate, Thane, Maharashtra 400604, India. 5 March 2026.

The assurance activities were carried out together with a desk review as per the reporting boundary.



## Limitations

TUVI did not perform any assurance procedures on the prospective information disclosed in the Annual Report / BRSR, including targets, expectations, and ambitions. Consequently, TUVI draws no conclusion on the prospective information. During the assurance process, TUVI did not come across any limitation to the agreed scope of the assurance engagement. TUVI verified nine attributes and corresponding KPIs independently, without reference to any ESG targets or goals set by IIFL. TUVI verified data on a sample basis; the responsibility for the authenticity of data entirely lies with IIFL. TUVI referenced the financial figures from the audited financial statements of IIFL Finance Limited for FY 2025-26. The denominator values used in BRSR Core intensity ratio calculations — specifically, Total Revenue from Operations adjusted for Purchasing Power Parity (PPP) were extracted from the audited financial statements and reconciled against the figures disclosed in IIFL's Annual Report prior to use in intensity ratio verification. The Purchasing Power Parity (PPP) conversion factor applied for intensity calculations was sourced from the World Bank International Comparison Program (ICP) database using the latest available PPP conversion factor for India (GDP, LCU per international dollar). The source reference, conversion factor applied, calculation methodology, and resulting PPP-adjusted denominator values were independently verified and retained in the assurance evidence files and working papers. Financial figures were not independently assured under this engagement; IIFL remains responsible for the appropriate application and disclosure of financial data. The application of this assurance statement is limited with respect to [SEBI circular SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122, dated 12 July 2023 and Industry Standards on Reporting of BRSR Core, circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177, dated 20 December 2024](#). This assurance statement does not endorse any environmental and social claims (related to the product, manufacturing process, packaging, disposal of product, etc.) as well as advertisements by the Reporting Organization and shall not be used to support misleading environmental or social claims, including greenwashing-related representations. The Reporting Organization is responsible for ensuring adherence to relevant laws. The assurance procedures are subject to inherent limitations, including the use of estimates, assumptions, sampling, and reliance on internal controls and data systems maintained by IIFL. Accordingly, there is an unavoidable risk that material misstatements or omissions may not be detected, particularly where information is subject to estimation uncertainty or dependent on management judgment.

Materiality for this engagement was established and documented prior to the commencement of assurance activities, in accordance with ISAE 3000 (Revised). For the purposes of this engagement, a material misstatement is defined as a misstatement, individually or in aggregate, that could reasonably be expected to influence the economic decisions of users made on the basis of the BRSR Core information. TUVI applied a KPI-specific materiality approach comprising two tiers: (i) a 5% quantitative materiality threshold relative to the applicable KPI base value (e.g., total emissions, total energy, total water consumption) was applied to volume-based and aggregated KPIs, supplemented by qualitative considerations including the nature and context of the disclosure and the risk of error; and (ii) Materiality was established and documented prior to commencement of assurance activities in accordance with ISAE 3000 (Revised). A quantitative materiality threshold of 5% was applied to volume-based and aggregated KPIs, while qualitative materiality considerations were applied to sensitive ESG disclosures including fatalities, permanent disabilities, customer data breaches, POSH complaints upheld, and regulatory non-compliance. The materiality assessment methodology and approval records are maintained in the engagement documentation. The responsibility for the authenticity of the data is confirmed by IIFL. Any reliance placed by any person or third party on disclosed KPIs is entirely at their own risk.

The following table provides the KPI-category-wise materiality thresholds applied in this engagement, elaborating the qualitative sensitivity considerations for each BRSR Core attribute:

- I. Greenhouse Gas (GHG) footprint: 5% quantitative threshold applied to absolute Scope 1, Scope 2, and GHG intensity KPIs. A qualitative review was applied to confirm the completeness of emission source coverage within the defined boundary and the appropriateness of emission factors used.
- II. Water footprint: The applicability assessment for water discharge was independently reviewed during the assurance engagement. IIFL operates office-based financial service facilities and does not undertake any manufacturing or industrial processes generating reportable wastewater streams. Water consumption is limited to domestic and sanitary purposes and discharged through municipal sewerage systems. Accordingly, water discharge by destination and treatment level is not applicable under the BRSR Core reporting framework. Supporting evidence and management declarations were reviewed and retained in the assurance records
- III. Energy footprint: 5% quantitative threshold applied to total energy consumed, percentage of renewable energy, and energy intensity ratio. A qualitative review was applied to the completeness of energy sources included and the consistency of measurement methodology.
- IV. Embracing circularity (waste management): A quantitative materiality threshold of 5% was applied to each waste category (A through F) as well as to total waste generated, recovered, and disposed of. A qualitative zero-tolerance threshold was applied to compliance with hazardous waste regulations and the completeness of submissions to the Pollution Control Board. The generation, collection, and disposal of biomedical waste were verified through a review of supporting vendor records, manifests, and disposal documentation. The applicability of this waste stream and the related disclosures were assessed as part of the assurance engagement. In addition, battery waste generated from IT assets, security systems, and power-backup equipment is managed through authorized buy-back and take-back arrangements upon replacement, and the corresponding management practices were reviewed during the assurance process.
- V. Enhancing employee wellbeing and safety: Qualitative zero-tolerance threshold applied to fatalities, permanent disabilities, and LTIFR accuracy. 5% quantitative threshold applied to wellbeing spend as a percentage of total revenue.
- VI. Enabling gender diversity in business: 5% quantitative threshold applied to gross wages paid to females and POSH percentage calculations. Qualitative zero-tolerance applied to POSH complaints upheld.

- VII. Enabling inclusive development: 5% quantitative threshold applied to MSME sourcing percentage and wages paid to persons in smaller towns as a percentage of total wage cost.
- VIII. Fairness in engaging with customers and suppliers: Qualitative zero-tolerance applied to customer data breach disclosures. 5% quantitative threshold applied to accounts payable days calculation.
- IX. Openness of business: 5% quantitative threshold applied to concentration metrics for trading houses and dealers, and to related-party transaction percentages (purchases, sales, loans and advances, investments).

## Our Responsibility

TUVI's responsibility in relation to this engagement is to perform a reasonable level of assurance for [nine attributes as per Annexure I - Format of BRSR Core](#) and to express a conclusion based on the work performed. Our engagement did not include an assessment of the adequacy or the effectiveness of IIFL's strategy, management of ESG-related issues or the sufficiency of the Report against Annual Report/BRSR principles, other than those mentioned in the scope of the assurance. TUVI's responsibility regarding this verification is in reference to the agreed scope of work, which includes assurance of non-financial quantitative and qualitative information disclosed by IIFL. The Reporting Organization is responsible for archiving the related data for a reasonable time period.

TUVI is responsible

- i. For planning to obtain the reasonable assurance for BRSR attributes so that it is free from material misstatement,
- ii. Forming an independent opinion, based on the sampled evidence,
- iii. Reporting the opinion to the Directors of 'IIFL'.

This assurance statement is prepared by considering that the data and information presented by 'IIFL' are free from material misstatement. The data is verified on a sample basis; the responsibility for the authenticity of the data lies with the Reporting Organization.

## Verification Methodology

During the assurance engagement, TUVI adopted a risk-based approach, focusing verification efforts on disclosures and issues of high material relevance to IIFL and its stakeholders. The objective was to assess the reliability and accuracy of the non-financial information disclosed, with emphasis on the robustness of data management systems, internal controls, and information flows.

TUVI's assurance activities included:

1. **Document and Data Review:**
  - i. Examination of documents, datasets, and supporting evidence provided by IIFL for the nine attributes listed in Annexure I - Format of BRSR Core (non-financial disclosures).
  - ii. Evaluation of disclosures related to Management Approach and performance indicators.
2. **Stakeholder Interviews:**
  - i. Conducted interviews with key representatives, including data owners, process managers, and decision-makers across various departments. Board-level oversight of sustainability and ESG-related matters was independently corroborated through review of Board and Committee meeting minutes, agenda papers, governance records, and management presentations. Based on the evidence reviewed, TUVI confirmed the existence of governance oversight mechanisms relevant to BRSR Core disclosures. Supporting records and verification notes are maintained within the assurance working papers.
  - ii. Reviewed management representations regarding IIFL's approach to stakeholder engagement and materiality determination; qualitative statements in the Annual Report are based on management representations and were not independently validated.
  - iii. Interviews were conducted through both onsite visits and remote assessments, as applicable.
3. **Process and System Assessment:**
  - i. Review of systems and processes for implementing ESG and sustainability-related policies as described in the BRSR and for collecting, managing, and reporting both quantitative data and qualitative information for the reporting period.
  - ii. Assessment of internal controls supporting data accuracy, traceability, and consistency.
4. **Substantive and Control Testing:** TUVI performed walkthrough procedures to evaluate the design and implementation of internal controls over ESG data processes and substantive testing, including document verification, recalculation, analytical review, and data traceability checks for selected KPIs and disclosures. For intensity ratio KPIs – including GHG emission intensity (Scope 1+2 / Revenue from Operations adjusted for PPP), water consumption intensity (kL / Revenue from Operations adjusted for PPP), energy intensity (GJ / Revenue from Operations adjusted for PPP), and waste intensity (MT / Revenue from Operations adjusted for PPP) – TUVI independently recalculated each ratio using verified numerator values (absolute environmental data) and denominator values (financial figures sourced from audited financial statements), and cross-checked the results against IIFL's reported figures to confirm arithmetical accuracy and consistency of methodology. The combination of control testing and substantive procedures provided sufficient appropriate evidence in accordance with ISAE 3000 (Revised). For GHG emission calculations, Scope 2 emissions were computed using the location-based method, applying the CEA (Central Electricity Authority) grid emission factor for India (CO2 Baseline Database, Version 21 as the most recent published version at the time of reporting) applicable to the reporting period, in accordance with the WRI/WBCSD GHG Protocol Corporate Standard. Scope 1 emissions were calculated based



on standard fuel conversion factors consistent with IPCC guidelines. The emission factor sources and calculation methodology were reviewed and found appropriate for the engagement. Additional KPI-category procedures applied included: (a) Energy – cross-verification of meter readings against utility bills for plants and validation of renewable energy consumption mix; (b) Water – review of water intake records at plant level and traceability to municipal supply invoices and ground water extraction permits, as applicable; (c) Safety – verification of Lost Time Injury Frequency Rate (LTIFR) calculations against plant-level incident registers and HR records; and (d) Waste – reconciliation of hazardous and non-hazardous waste disposal records against Pollution Control Board returns and third-party disposal manifests, and review of applicable statutory authorisations and hazardous waste handling licences where applicable. The invoices, sale records and disposal records were assessed for the non-hazardous waste.

5. **Sampling Methodology:** TUVI applied a risk-based sampling methodology to select representative samples of ESG disclosures, considering materiality thresholds, risk of misstatement, data complexity, estimation uncertainty, nature and scale of operations, and geographical spread of facilities. Sample selection prioritised locations with significant operational impact and KPIs with higher inherent risk, including those relevant to BRSR Core indicators. A materiality threshold of 5%, determined for this engagement with reference to the inherent estimation risk in environmental KPIs, the materiality of BRSR Core indicators to stakeholder decision-making, and the reasonable assurance level required under ISAE 3000, was applied to the selected samples for the verification of sustainability disclosures as applicable. The determination and approval of this materiality threshold, together with the supporting rationale, the qualitative zero-tolerance criteria described below, and the engagement's sampling approach, were reviewed by TUVI's independent technical reviewer and are documented in the assurance technical review (TR) records maintained for this engagement. Sites were selected based on proportionate contribution to total reported values, with IIFL Ltd, a comprehensive desk review of BRSR Core data using risk-based sampling procedures was performed, comprising review of source records and supporting documents (including utility bills, meter readings, HR registers, hazardous and non-hazardous waste manifests, and internal MIS reports), recalculation of reported quantitative figures, year-on-year analytical review against prior-period data, reconciliation against the consolidated BRSR Core reporting templates, and remote interactions with site-level data owners and process managers to resolve queries. The same materiality threshold (5%), risk-based sampling criteria, and substantive procedures applied to the onsite locations were applied to the desk-review sites, providing comparable evidence to support the reasonable assurance conclusion across all sites within the reporting boundary. In addition to the two onsite-verified locations (Corporate Office, Hubtown Solaris, Andheri East, Mumbai, and IIFL House, Thane), the desk-based sample for branch-level KPI verification comprised 2 Branch Offices selected on a risk basis from IIFL's operating network, out of the total 2,930 Branch Offices; the selected branches and the supporting selection rationale are maintained in the assurance working papers. This limited physical sample size was considered appropriate because the substantial majority of BRSR Core KPIs – including energy, GHG, water, waste, and workforce data – are aggregated and reported through IIFL's centralized data management systems and internal reports rather than maintained independently at each Branch Office; accordingly, TUVI's substantive procedures focused on testing the design and operation of these centralized controls and on analytical review and recalculation of the aggregated branch-level data, supplemented by the two physical branch visits to corroborate source-level evidence.
  - i. **Site Verification Coverage:** TUVI conducted onsite verification at the Corporate Office, complemented by a comprehensive desk review of BRSR Core data using risk-based sampling procedures across other locations within the boundary. The Corporate Office onsite verification covered all head-office-managed financial, HR, and governance KPIs for the full reporting entity.
6. **Reporting Framework Adherence:** Verified IIFL's adherence to SEBI's BRSR guidelines, the BRSR Core – Framework for Assurance and ESG Disclosures for Value Chain (SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122), Industry Standards on Reporting of BRSR Core (SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177), and the SEBI Master Circular for compliance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 by listed entities (Ref. No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated 30 January 2026). TUVI evaluated BRSR disclosures against the following reporting quality principles: Stakeholder Inclusiveness, Materiality, Responsiveness, Completeness, Neutrality, Relevance, Sustainability Context, Accuracy, Reliability, Comparability, Clarity, and Timeliness.

This methodology enabled TUVI to provide a balanced and evidence-based assurance on the information disclosed, while maintaining alignment with ISAE 3000 (Revised) standards for non-financial assurance.

#### Opportunities for Improvement

The following are the opportunities for improvement reported to IIFL. However, they are generally consistent with IIFL management's objectives and programs. IIFL has already identified the following topics, and the Assurance team endorses the same to achieve the sustainable goals of the organization.

- i. **Strengthening Automated Environmental Data Management**  
IIFL Finance Limited may further enhance the reporting of its environmental performance by establishing an automated emissions accounting system to enable real-time tracking, monitoring and consolidation of key environmental parameters across its operations.

## Conflict of Interest

TUVI confirms its independence and the absence of any conflict of interest in relation to this assurance engagement, in accordance with ISAE 3000 (Revised), SEBI circular SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated 12 July 2023, and the Industry Standards on Reporting of BRSR Core (SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177 dated 20 December 2024).

TUVI's independence framework is grounded in the IESBA Code of Ethics, adopting a threats-and-safeguards approach to identify and manage risks, including self-interest, self-review, advocacy, familiarity, and intimidation. Organisational safeguards include segregation of responsibilities, independent technical review, documented conflict-of-interest controls, and a quality management system consistent with ISQM 1 and ISO 17029:2019.

During the reporting period, TUVI confirms that:

- No consulting, advisory, system design, data preparation, or implementation services related to ESG or BRSR were provided to IIFL;
- TUVI was not involved in the preparation or drafting of BRSR Core disclosures, development of ESG strategy or targets, design or implementation of ESG data management systems, calculation of GHG emissions inventories, internal audit of ESG data, or consulting on materiality assessment; and
- No relationships, affiliations, or financial interests exist that could compromise the objectivity, independence, or impartiality of TUVI's findings, conclusions, or recommendations.

In the context of this engagement, TUVI solely provided verification and assurance services to IIFL and did not provide any non-audit or non-assurance services, and maintained professional impartiality towards all personnel interviewed throughout this engagement.

**Rotation and Tenure Policy:** In line with best practice and the Industry Standards on Reporting of BRSR Core for independence, TUVI maintains a documented engagement partner rotation policy. The lead assurance practitioner for this engagement has not exceeded the maximum tenure threshold prescribed under TUVI's internal quality and independence framework. TUVI confirms compliance with its engagement partner rotation policy. TUVI's independence and quality management procedures are reviewed periodically by the internal technical review function.

## Our Conclusion

In our opinion, based on the scope of this assurance engagement, the disclosures on BRSR Core KPIs described in the Annual Report / BRSR, along with the referenced information, have been prepared, in all material respects, in accordance with the applicable BRSR Core criteria for the nine BRSR Core attributes and meet the applicable content and quality requirements of the SEBI BRSR Core framework.

Disclosures: TUVI is of the opinion that the reported disclosures meet, in all material respects, the BRSR requirements. IIFL refers to general disclosure to report contextual information about IIFL, while the Management & Process disclosures refer to the management approach for each indicator ([nine attributes as per Annexure I - Format of BRSR Core](#)).

Reasonable Assurance: This engagement was performed as a reasonable assurance engagement in accordance with ISAE 3000 (Revised) and SEBI's reasonable assurance requirements. The scope, methodology, materiality, sampling approach, evidence documentation, and conflict-of-interest controls applied are described in the preceding sections of this statement.

### BRSR complies with the below requirements

- Governance, leadership and oversight:** The governance disclosures in the Annual Report / BRSR were reviewed using a combination of independently verified evidence and management representations. Board meeting minutes and agenda records were made available and reviewed; based on this, sufficient appropriate evidence, an independent conclusion is expressed on Board-level governance oversight of ESG performance, BRSR Core KPIs, and sustainability objectives during FY 2025-26. Messages from top management, business model disclosures, risk management approach, and environmental priorities were reviewed for consistency against available internal governance frameworks and management representations provided to TUVI. The disclosures relating to inclusive growth, equitable development, and environmental protection are reported as represented by management and were not independently verified.
- Connectivity of information:** IIFL discloses [nine attributes as per Annexure I - Format of BRSR Core](#) and their inter-relatedness and dependencies with factors that affect the organization's ability to create value over time.
- Stakeholder engagement:** Based on management representations, the Report covers mechanisms of communication with key stakeholders to identify major concerns and to derive and prioritize short, medium and long-term strategies. The disclosures on stakeholder relationships and the organisation's responsiveness to stakeholder interests are reported as represented by management; independent validation of the stakeholder engagement process was not within the scope of this engagement.
- Materiality:** The material issues within the nine BRSR Core attributes and corresponding KPIs as per BRSR requirement are reported, based on management's materiality determination process and the representations provided to TUVI.
- Conciseness:** The Report reproduces the requisite information and communicates clear information in as few words as possible. The disclosures are expressed briefly and to-the-point sentences, graphs, pictorial, and tabular representations are applied. At the same time, due care is taken to maintain continuity of information flow in the BRSR.
- Reliability and completeness:** IIFL has established internal data aggregation and evaluation systems to derive the performance. IIFL confirms that all data provided to TUVI has been passed through Internal checks- Risk-based



assurance procedures, including walkthroughs, document and data review, recalculation, and substantive testing on a sample basis as described in the Verification Methodology section, were performed over the BRSR Core data, providing sufficient appropriate evidence to support the reasonable assurance conclusion. All data is reported transparently and in a neutral tone and is, in all material respects, free from material misstatement.

- g) **Consistency and comparability:** The information presented in the BRSR is on an annual basis and was found to be presented in a reliable and complete manner. Thus, the principle of consistency and comparability is established. **Year-on-Year Comparability:** TUVI reviewed the reported FY 2025-26 data in the context of prior-year (FY 2024-25) disclosures for the key BRSR Core KPIs (GHG emissions, energy consumption, water consumption, and safety indicators). No material inconsistencies in methodology, boundary, or reporting approach were identified that would impair comparability between the two reporting periods.
- h) **Impact:** IIFL communicates its ESG performance through regular, transparent internal and external reporting throughout the year, aligned with BRSR, as part of its policy framework that includes POSH, ESG, Code of Conduct Policy, and Whistleblower Policy. IIFL reports on ESG performance to the Board level ESG Committee and the Board of Directors, who oversees and monitors the implementation and performance of objectives, as well as progress against goals and targets for addressing ESG-related issues and reports periodically to stakeholders on ESG progress. IIFL has completed the process of establishing contemporary goals and targets against which performance will be monitored and disclosed periodically.

**Quality control:** The assurance team complies with quality management standards, ensuring that the engagement partner possesses requisite expertise and the assigned team collectively has the necessary competence to perform engagements in reference with standards and regulations. The assurance team follows the fundamental principles of integrity, objectivity, professional competence, due care, confidentiality and professional behaviour. In accordance with the International Standard on Quality Management (ISQM 1), TUVI maintains a comprehensive system of quality management, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. For this engagement, a mandatory independent technical and editorial quality review checklist was applied prior to the release of this assurance statement, covering technical accuracy of KPI verification, regulatory compliance with SEBI BRSR Core requirements, editorial consistency, and structural alignment with the approved reporting template.

### Our Assurance Team and Independence

TUVI is an independent, neutral third party providing sustainability assurance services with qualified environmental and social specialists. The assurance team comprises lead verifiers holding Sustainability auditor qualifications, ISO 14064 verification competencies, as well as confirmed competence in conducting ISAE 3000 (Revised) assurance engagements. Lead verifier(s) possess ISO 14064 verification qualifications, ESG assurance experience, and sector expertise. The team's collective credentials encompass environmental data verification, social performance assessment, and sustainability reporting assurance aligned with GRI Standards and IIRC Integrated Reporting frameworks. TUVI's independence, impartiality, and conflict-of-interest position with respect to this engagement are confirmed in the Conflict-of-Interest section of this statement.

For and on the behalf of  
TUV India Private Limited  
Date: 24/06/2026



Project Reference No: 8124792899  
Revision: 01  
Place: Mumbai, India