mahindra FINANCE

Mahindra & Mahindra
Financial Services Ltd.
Mahindra Towers, 3rd Floor,
Dr. G. M. Bhosale Marg,
Worli, Mumbai - 400 018, India.

Tel: +91 22 66526000

26th June 2025

To,

BSE Limited (Scrip Code: 532720)
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400 001.

National Stock Exchange of India Ltd. (Symbol: M&MFIN)
Exchange Plaza, 5th Floor, Plot No. C/1, "G" Block,
Bandra - Kurla Complex, Bandra (East),
Mumbai - 400 051.

Dear Sir/ Madam,

Sub: Business Responsibility and Sustainability Report for FY2025 pursuant to Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

In compliance with Regulation 34(2)(f) of the Listing Regulations, please find enclosed the Business Responsibility and Sustainability Report ("BRSR") for FY 2025 which forms part of the Integrated Annual Report of the Company for the Financial Year 2025.

The Company has obtained reasonable assurance from an independent assurance provider on BRSR Core and limited assurance on BRSR non- Core parameters including essential and leadership indicators and all disclosures made thereunder, in accordance with "International Standard on Assurance Engagements (ISAE) 3000 (Revised) and ISAE 3410, which forms part of the report.

We request you to take the same on record.

Thanking you,

For Mahindra & Mahindra Financial Services Limited

BRIJBALA MOHANLAL BATWAL
Digitally signed by BRIJBALA MOHANLAL BATWAL
Date: 2025.06.26 11:08:31 +05'30'

Brijbala Batwal
Company Secretary
FCS No.: 5220
Enclosure: as above

Business Responsibility and Sustainability Report

Section A: GENERAL DISCLOSURES

I Details of the listed entity

1	Corporate Identity Number (CIN) of the Listed Entity	L65921MH1991PLC059642
2	Name of the Listed Entity	Mahindra & Mahindra Financial Services Limited (MMFSL)
3	Year of incorporation	1991
4	Registered office address	Gateway Building, Apollo Bunder, Mumbai, 400-001 India
5	Corporate address	Mahindra Towers, 3rd Floor, Dr. G. M. Bhosale Marg, Worli, Mumbai 400-018 India
6	E-mail	sustainability@mahindrafinance.com (for matters related to BRSR)
7	Telephone	+91 22 66526000
8	Website	www.mahindrafinance.com
9	Financial year for which reporting is being done	FY2025
10	Name of the Stock Exchange(s) where shares are listed	Bombay Stock Exchange Limited and National Stock Exchange of India Limited
11	Paid-up Capital	₹ 246.98 Crore
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	**Particulars**: **Details** Name: Anupreet Anand Designation: Head of Sustainability In case of any BRSR query: sustainability@mahindrafinance.com
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)	The reporting boundary encompasses all 1365 locations of Mahindra & Mahindra Financial Services Limited ("**MMFSL**" or "**Mahindra Finance**" or "**Company**") across India
14	Name of assurance provider	SGS India Private Limited
15	Type of assurance obtained	• Core Indicators - Reasonable Assurance* • Non-Core Indicators - Limited Assurance

Note (*): In accordance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations 2025, the requirement for assurance was replaced with "assessment or assurance of the specified parameter". For the BRSR FY2025 report, Mahindra Finance has continued with the original SEBI obligation of Reasonable Assurance (80+% of data assurance) for core indicators and a Limited Assurance (20+% of data assurance) for non-core indicators.

II Products / Services

16 Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Financial and insurance Service	Financial and Credit leasing activities	99.65%
2	Financial and insurance Service	Other financial activities	0.35%

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

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Asset Financing	64990	86.59%

III Operations

18 No. of locations where plants and/or operations/ offices of the entity are situated:

Location	No. of plants	No. of offices
National	Not Applicable	1,365 locations as on 31st March 2025
International	Not Applicable	The Company operates through its Joint Venture (JV) Company Mahindra Finance USA LLC, in United States and through its subsidiary company Mahindra Ideal Finance Limited, in Sri Lanka. Note: the JV companies are not within the purview of the BRSR boundaries.

19 Markets served by the entity

Location	Number
National (No. of States)	27
Union Territories	7
International (No. of States)	NA

What is the contribution of exports as a percentage of the total turnover of the entity?	There were no exports during FY2025; hence the contribution of exports to total turnover is zero.
A brief on types of customers	Mahindra Finance serves a broad and diverse customer base, primarily located across rural and semi-urban India. The Company offers a comprehensive range of financing, investment, and insurance solutions designed to meet the specific needs of individuals, entrepreneurs, and businesses in these regions. The Company caters to customers across multiple sectors, including agriculture, transportation, and small and medium enterprises (SMEs), many of whom seek financial assistance for the purchase of vehicles, tractors, commercial equipment, housing, and other essential assets. With deep-rooted expertise in understanding rural aspirations and credit requirements, the Company plays a critical role in advancing financial inclusion and enabling economic empowerment at the grassroots level.

IV Employees

20 Details as at the end of Financial Year:

a Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	Employees					
	Permanent (A)	25,261	23,895	94.59	1,366	5.41
	Other than Permanent (B)	3,438	2,996	87.14	442	1,286
	Total employees (A + B)	**28,699**	**26,891**	**93.70**	**1,808**	**6.30**
	Workers					
	Permanent (C)	Not Applicable				
	Other than Permanent (D)					
	Total workers (C + D)					

b Differently abled Employees and workers

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	Differently abled Employees					
	Permanent (E)	44	41	93.18%	3	6.82%
	Other than Permanent (F)	0	0	0	0	0
	Total employees (E + F)	**44**	**41**	**93.18%**	**3**	**6.82%**
	Differently abled Workers					
	Permanent (G)	Not Applicable				
	Other than Permanent (H)					
	Total employees (G + H)					

Remark: As a service-sector entity, Mahindra Finance does not hire any "workers" as defined under the BRSR framework. All non-permanent employees including consultants, interns and fixed-term workforce have been captured in the "Other than Permanent" employee category throughout the document.

21 Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	1	12.50%
Key Management Personnel	3	1	33.33%

22 Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

Category	FY (2024-25) (Turnover rate in current FY)			FY (2023-24) (Turnover rate in previous FY)			FY (2022-23) (Turnover rate in year prior to previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	31.92%	26.21%	30.97%	26.78%	19.62%	26.45 %	20.08%	18.81%	19.94%
Permanent Workers	Not Applicable								

V Holding, Subsidiary and Associate Companies (including joint ventures)

23 Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Mahindra & Mahindra Limited	Holding	52.16	Yes*
2	Mahindra Insurance Brokers Limited	Subsidiary	100	Yes#
3	Mahindra Rural Housing Finance Limited#	Subsidiary	98.43	Yes#
4	Mahindra Manulife Investment Management Private Limited	Subsidiary	51	No
5	Mahindra Manulife Trustee Private Limited	Subsidiary	51	No
6	Mahindra Finance CSR Foundation	Subsidiary	100	No
7	Mahindra Ideal Finance Limited	Subsidiary	58.20	No
8	Mahindra Finance USA LLC	Joint Venture	49	No

Note:

(*) As the holding company, Mahindra & Mahindra Limited has formalized policies and procedures related to human resources, governance and corporate social responsibility (CSR) that has been replicated and board-approved at Mahindra Finance. Additionally, some CSR, employee engagement, stakeholder engagement and regulatory body interactions would be in common between Mahindra & Mahindra and Mahindra Finance. The response provided in the participation in BR initiatives has been identified as "Yes" but it should be noted that quantitative data provided in this BRSR is exclusive to Mahindra Finance. Qualitative write-ups including CSR initiatives and stakeholder engagement processes may have overlap between the two entities, but the BRSR responses has largely focused on the implementation at the Mahindra Finance level wherever possible.

(#) As subsidiaries of Mahindra & Mahindra Financial Services Limited, the two companies - Mahindra Insurance Brokers Limited and Mahindra Rural Housing Limited have policies, procedures and commitments in common. Some examples of the same include a common commitment to GHG reduction as disclosed through Science Based Targets Initiatives (SBTi), highest authority responsible for implementing the business responsibility policy, major suppliers and some human resource policies. Furthermore, the two subsidiaries are housed in the same building as Mahindra Finance and therefore share common infrastructure including fresh water sources, drainage channels and waste recycling vendors. The response provided in participation in BR initiatives has been identified as "Yes" but the quantitative data provided in this BRSR is exclusive to Mahindra Finance. Qualitative sections including policies and procedures and senior management trainings would be common between both entities.

VI CSR Details

24 a Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) Yes

b Total Income (in ₹) 16,074.69 Crore

c Net worth (in ₹) 19,812.23 Crore

VII Transparency and Disclosures Compliances

25 Complaints/Grievances on any of the principles (Principles 1 to 9) 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 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes https://www.mahindrafinance.com/wp-content/uploads/2023/09/Grievance-Redressal-Policy_Revised-Version-1.2.pdf	0	0	-	0	0	-
Investors (other than shareholders)	Yes https://www.mahindrafinance.com/wp-content/uploads/2024/04/INVESTOR-GRIEVANCE-REDRESSAL-POLICY-1.pdf	0	0	-	1	0	-
Shareholders	Yes https://www.mahindrafinance.com/wpcontent/uploads/2024/04/INVESTOR-GRIEVANCEREDRESSAL-POLICY-1.pdf	1	0	-	3	0	-
Employees & Workers	Yes 1. https://www.mahindrafinance.com/wp-content/uploads/2023/07/coc-policy-v5-01-11-2024.pdf 2. https://www.mahindrafinance.com/wp-content/uploads/2023/07/whistle-blower-policy-01-11-24-revised-committee-members.pdf	1	0	-	0	0	-
Customers	Yes https://www.mahindrafinance.com/wp-content/uploads/2023/07/whistle-blower-policy-01-11-24-revised-committee-members.pdf	43,174	3,555	-	1,7960	404	-
Value Chain Partners	Yes https://www.mahindrafinance.com/wp-content/uploads/2023/07/Supplier-Code-of-Conduct.pdf	0	0	-	0	0	-

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

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Emissions and Climate Change	Risk & Opportunity	**Risks** • Climate Change poses significant operational, reputational and financial risks especially for financial institutions with deep rural and infrastructure linkages. • Increased probability of climate hazards can directly affect the Company operations through damage to pan-India offices and increased chances of defaults/ non-performing assets in the portfolio. • Climate change has an indirect effect on the finances of the business through increased energy demand and investment into climate resilient infrastructure. **Opportunities** • Increased availability of cheaper and safer technology for energy efficiency in response to climate change trends reduces the financial burden on companies for heating and cooling solutions. • Changing consumer demands for financial services and government concessions for green technologies, open the market for alternative technologies and diversified financial solutions.	• Declared scope emission reductions targets with Science Based Targets Initiative (SBTi) in FY2023 and implemented energy efficiency technology (BLDC fans, 5* rated air conditioners, L.E.D. lights) and green tariff programs to reduce Scope 2 emissions. • Development of specific actions related to Scope 1 reduction including decarbonization targets at high-emitting sites, transition towards electric vehicles for company-owned vehicles and move towards environmentally friendly refrigerants. • Progressively increase the consumption of green energy for the energy demand to align with a group-level strategy on 100% renewable energy adoption across companies. • Focus on reduction of emissions in the value chain through 100% recycling of waste streams and switch towards recycled paper used in Mahindra Finance offices. • Increased focus on afforestation programs in CSR and pro-bono initiatives to contribute towards green cover and ecosystem restoration.	Negative and Positive
2	Human Capital	Risk & Opportunity	**Risks** • A lack of skilled talent or high attrition rate can hinder the Company's ability to execute the business strategy effectively. • Inadequate training, limited career growth opportunities or disengagement can reduce productivity and employee morale that impacts service quality and operational efficiency.	• Skill-building across teams (e.g., Crisis Management, Emotional Intelligence, Advanced Excel, Digital Onboarding). • Two-day induction with mandatory policy modules. • Partnership with ALYVE Health for mental well-being (EAP, check-ups, consultations).	Negative and Positive

S. No.	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)
			Opportunities • Investing in human capital development through upskilling, continuous learning and leadership pipelines ensures that employees possess the right capabilities to support the company's growth. • Diverse and skilled workforce promotes innovation and creativity in the workplace that makes the company more resilient and dynamic to changing trends in the industry. • A thriving, safe and inclusive work environment enhances employee satisfaction and retention.		
3	Diversity, Equity and Inclusion	Opportunity	**Opportunities** • Fostering equity and belonging improves workplace culture and strengthens the company's social reputation. • Diverse backgrounds promote innovation and better understanding of customer needs that overall contributes to company's resilience and dynamism to changing trends in the industry. • Localized knowledge of communities can improve the customer interaction and operational efficiency.	Several initiatives have been developed by Mahindra Finance to enhance the diversity metrics in the company focused on gender, persons with disabilities (PWD) and new parents. The initiatives have been listed in the Integrated Report (IR) and relevant sections of the BRSR	Positive
4	Customer Well-being	Risk & Opportunity	**Risks** • Poor customer experience can negatively affect operations and reputation of the company. **Opportunities** • Good customer service keeps the channels open to customer feedback and continuous improvement of operational efficiency and service delivery.	• 365-day customer call centre (except national holidays), operating from 8 AM to 10 PM in 10 languages. • Centralised resolution team for credit bureau-related concerns. • Behavioural training for staff to strengthen customer interaction and query resolution.	Negative
5	Business Ethics	Risk	**Risks** • Inadequate monitoring of issues such as fraud, misconduct, corruption, money laundering, conflict of interest and violation of competition laws.	• Defined board-approved policies for anti-fraud, anti-bribery, anti-corruption, conflict of interest and anti-money laundering that is then communicated through mandatory annual training modules for all employees.	Negative

S. No.	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)
			• Above issues can attract regulatory scrutiny, significant financial penalties, settlements and reputational damage.	• Structured Board Committees on key topics including risk, audits and stakeholder relationships. • 100% of the KMPs, and employees received training covering all 9 NGRBC principles, including ethics and transparency • Establishment of fraud control units, for proactive fraud detection and prevention. • All employees provide an undertaking/annual compliance to showcase their alignment with the Mahindra Finance principles on Business Ethics.	
6	Board Governance	Risk & Opportunity	**Risks** • Poor board governance can result in low standardisation of procedures and accountability that increases the chances of ethical and regulatory issues. • Consistent and/or frequent communications from senior management is required to set expectations for the workforce and prevent employee disengagement, lapses and negligence. **Opportunities** • Robust and transparent governance practices foster stakeholder trust, ensure regulatory compliance and drive responsible growth. • Well-governed organizations are better equipped to navigate risks, capitalize on opportunities and align its actions with broader societal and environmental expectations.	• Established board sub-committees on key topics such as risk management, stakeholder relationship, remuneration, strategic investments and audits. • Board-approved policies with clear definition of responsibilities and accountability. The policies are reviewed annually to ensure frequent updation and continuous improvement. • The use of townhalls to ensure communication between CXOs and the larger workforce on key topics that are material to day-to-day operations.	Negative and Positive
7	Risk & Control Systems	Risk	**Risks** • Inability of the company to identify key risks that can affect the business and stakeholders. • Inefficient systems can have significant regulatory, reputational, financial and operational implications on the company.	• Risk management strategies related to credit risk, liquidity risk, interest rate risk, business risk, operational risk, compliance risk, information technology risk, human capital risk, market risk and climate risk have been developed.	Negative

S. No.	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)
			• Inability to manage cash flows and resources because of unexpected events such as increased non-performing assets, climate hazards, cybersecurity, supply chain stoppages and global events (e.g. wars/pandemics).	• Business Continuity Plan has been developed for the company that covers a wide variety of unexpected events and the plan defines actions that can be undertaken to reduce the impact from such events. • Internal Capacity Adequacy and Assessment Process (ICAAP) has been developed to evaluate key risk parameters on a quarterly basis and to determine efficacy of risk management processes. • Audit, risk management and steering committee has been developed that evaluates and discusses key risks and their preventive controls at the board level on a quarterly basis. • Third-party vendors undergo data privacy compliance assessments, have data sharing agreements in place, and possess ISO 27001 certification for independent verification.	
8	Responsible Products & Services	Opportunity	**Opportunities** • Mahindra Finance aims to contribute to India's growth in the rural and semi-urban sector. • The financial products of Mahindra Finance are aligned to India's development indices including access to transportation, access to housing, farming and agriculture and financial options for small and medium enterprises. • The Mahindra Finance subsidiary - Mahindra Rural Housing Finance Limited (MRHFL) caters to an affordable housing customer base. • Several of Mahindra Finance products including personal loans, insurance, leasing finance and co-finance options are aimed at providing microfinance solutions. • Mahindra Finance has ventured into Electric Vehicle (EV) financing and is collaborating with Mahindra Group on the Electric 4-wheeler financing.	Mahindra Finance has a strategy team that works across the organization and other Mahindra Group entities to also maximize the growth and impact of responsible products and services. The growth strategies of these programs have been defined in the Integrated Report	Positive

Section B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements

<table>
<tr><th></th><th>Disclosure Questions</th><th>P1</th><th>P2</th><th>P3</th><th>P4</th><th>P5</th><th>P6</th><th>P7</th><th>P8</th><th>P9</th></tr>
<tr><td colspan="11">Policy and management processes</td></tr>
<tr><td>1</td><td>Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)</td><td colspan="9">Yes, MMFSL has a Policy covering all the 9 principles and the core elements of the NGRBCs</td></tr>
<tr><td></td><td>Has the policy been approved by the Board? (Yes/No)</td><td colspan="9">Yes</td></tr>
<tr><td></td><td>Web Link of the Policies, if available</td><td colspan="9">The policies that cover the 9 principles can be found here - https://www.mahindrafinance.com/investor-relations/policy-and-shareholder-information</td></tr>
<tr><td>2</td><td>Whether the entity has translated the policy into procedures. (Yes / No)</td><td colspan="9">Yes</td></tr>
<tr><td>3</td><td>Do the enlisted policies extend to your value chain partners? (Yes/No)</td><td colspan="9">Yes, key aspects of the policies are defined within the terms and conditions of the purchase order for vendor services and compliance to the same are reviewed during vendor onboarding and periodic assessment.</td></tr>
<tr><td>4</td><td>Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.</td><td colspan="9">The Company adheres to globally recognized standards and frameworks, including:
• UN Guiding Principles on Business and Human Rights (UNGPs)
• UN Sustainable Development Goals (SDGs)
• Core Conventions of the International Labour Organization (ILO)
• OECD Guidelines for Multinational Enterprises
The Company is a signatory to the United Nations Global Compact (UNGC), endorsed by the Managing Director and Chief Executive Officer.
ESG performance is reported in alignment with:
• Global Reporting Initiative (GRI) Standards
• Integrated Reporting Framework (IIRC)
The Company holds ISO 27001 certification for Information Security Management.</td></tr>
<tr><td>5</td><td>Specific commitments, goals and targets set by the entity with defined timelines, if any.</td><td colspan="9">MMFSL has developed a sustainability roadmap across parameters. The declared goals and targets have been summarized below:</td></tr>
<tr><td>6</td><td>Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.</td><td colspan="9"><table><tr><th>Specific commitment, goal and target</th><th>Progress against the commitment, goal and target</th></tr><tr><td>Scope 1 and Scope 2 emission reduction of 50.4% declared with Science Based Targets Initiative (SBTi) to be met by FY2032 compared to baseline values determined in FY2023.</td><td>• Scope 1 Emissions has increased compared to baseline values provided in FY2023 because of the addition of two new categories i.e. refrigerants and company-owned vehicles of middle management.
• Scope 2 Emissions has reduced by ~21% compared to the baseline values provided in FY2023 because of the energy saving initiatives (e.g. BLDC fans, 5* equipment, LED lights) and purchase of green tariffs.</td></tr><tr><td>Scope 3 emission reduction of 58.1% per employee declared with SBTi to be met by FY2032 compared to baseline values determine in FY2023.</td><td>A ~50% reduction in Scope 3 emissions per employee has been achieved in FY2025 compared to baseline values in FY2023 across four categories - employee commute, purchased goods and services, waste management and business travel.</td></tr><tr><td>100% recycling of waste streams declared in FY2024 Integrated Report (IR) in compliance with various waste rules released by the Central Pollution Control Board (CPCB)</td><td>Target was met in FY2025 and the commitment is to continue to ensure that 100% recycling of waste streams is followed in subsequent financial years.</td></tr></table></td></tr>
</table>

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9

	Specific commitment, goal and target	Progress against the commitment, goal and target
	Human rights assessment carried out across 100% of corporate and regional offices by FY2026. The HRDD has been identified as a requirement for being a signatory to the United Nations Global Compact (UNGC).	• Human Rights Due Diligence (HRDD) was completed for the corporate office and three regional offices in FY2025, covering 50% of the target. • Budget has been allocated for completing remaining 4 Regional Offices in FY2026.
	Diversity, Equity and Inclusion (DE&I) Target	• Targets were formalized at the end of the reporting period; therefore, no interim progress is reported. • As of March 31, 2025, women constituted 6.2% of the permanent workforce. • A target of 7% women representation in the permanent workforce has been declared by the Company in FY2026. • A target of 10% women representation in the permanent workforce has been declared by the Company in FY2028.
	Corporate Social Responsibility (CSR) target that meets and where possible, expands beyond the requirements defined in the Companies Act, 2013.	• In FY2025, the Company set a target to reach 263,980 beneficiaries and exceeded it by ~6.2% reaching 280,303 individuals through initiatives such as Dhan Samvaad (Financial and Digital Literacy), Mahindra Pride Classroom, Saksham Scholarship Project, electric autorickshaw driver training workshops for women, employability skills training projects and Nanhi Kali (skill training to young girls). • The focus areas include education, employability, financial literacy, and environmental sustainability through long-term programmes.

Governance, leadership and oversight

	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
7	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	Mahindra Finance has established its sustainability mission through a board-approved sustainability policy that builds on the Mahindra Rise principles of 'Rise for a More Equal World', 'Rise to Be Future Ready' and 'Rise to Create Value'. The four priority areas for sustainability integration into the business ethos are climate change, innovative energy transition, inclusive policies, and stakeholder engagement. For each of these priority areas, we have developed targets wherever applicable and planned specific initiatives for FY2025 and beyond. Illustrative achievements include: • Enhancing climate resilience across 1,365 locations and reducing emissions throughout our value chain. Aligned with SBTi, we aim to cut Scope 1 & 2 emissions by 50.4% and select Scope 3 emissions by 58.1% by FY2032. • By FY2025, energy usage was reduced by ~20% (vs. FY2023), driven by efficient appliances and green energy pilots. • A reduction of ~50% was achieved in Scope 3 emissions through interventions in reduction of waste generated and business travel. • All employees underwent human rights training, and DE&I initiatives were scaled up during the year. • Governance structures have been further strengthened through ESG-linked CXO KPIs, regular board-level sustainability reviews, and a robust ESG risk assessment embedded within our credit processes. The focus for FY2026 is to build on sustainability initiatives that have commissioned in FY2023-25 and to better integrate sustainability into the business operations. A dedicated sustainability department was created in FY2025 for effective sustainability integration across the organization. The process of integrating ESG risk management into the business loan cycle is also being developed to align with global expectations on a sustainable investment strategy.									
8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Raul Rebello (Managing Director & Chief Executive Officer, MMFSL) is the highest authority responsible for oversight on business responsibility across the company.									
9	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, The Corporate Social Responsibility (CSR) board sub-committee have enhanced its Terms of Reference (ToR) to specifically incorporate ESG matters. The committee comprises of three directors including two independent directors and one managing director. The committee's mandate ensures governance and strategic alignment with the Company's ESG objectives. The specific responsibilities of the CSR committee towards sustainability related issues have been summarized below: • Approval of formulated policies and procedures related to ESG performance and BRSR. • Discuss the overall general strategy with respect to ESG matters and ensure compliance with sustainability regulatory requirements. • Align with the Risk Management Committee (RMC) on ESG risks pertaining to the Company.									

10 Details of Review of 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
Performance against above policies and follow up action	Relevant policies of the Company are reviewed annually by the board/designated board-level committees.																	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company ensures compliance with all applicable statutory requirements. Various board-level committees have been constituted, which meet periodically to monitor compliance objectives and review performance.																	

		P1	P2	P3	P4	P5	P6	P7	P8	P9
11	**Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.**	The Company's policies were evaluated by an independent entity of Mahindra Group - Mahindra Institute of Quality (MIQ), in the first half of each financial year. The last assessment undertaken by MIQ was completed in November 2024 that provided a score out of '5' for the policies and processes related to sustainability. The key parameters evaluated in the assessment include: • Sustainability policy • Material issues • Sustainability roadmap • Stakeholder engagement • Sustainability review • Sustainability investments • Climate change risks to business • UN Sustainable Development Goals alignment • Sustainability training and capacity building • Sustainability reporting The above assessment is restricted to the sustainability review of the Company. Additionally, subject matter experts from MIQ separately undertake a review of the risk and governance aspects of the Company that align with the business responsibility objectives of the BRSR.								

12 If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated, as below:

Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)					NA				
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)					NA				
The entity does not have the financial or/human and technical resources available for the task (Yes/No)					NA				
It is planned to be done in the next financial year (Yes/No)					NA				
Any other reason (please specify)					NA				

Section C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

P1 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 programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors	2	• Half-yearly BRSR familiarization program to board sub-committee • BRSR principle wise update of MMFSL performance to board sub-committee	100%
Key Managerial Personnel	9	• Code of Conduct • Anti-Money Laundering (AML) • Anti-Bribery and Anti-Corruption • Sustainability Implementation and BRSR requirements • Cybersecurity and Data Privacy • Fair Practices • Operational Risk Management • Prevention of Sexual Harassment (POSH)	100%
Employees other than BoD and KMPs	9		98.05%
Workers	NA	NA	NA

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

Category	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
		Monetary			
Penalty/ Fine*	0		Please refer note		
Settlement			Nil		
Compounding fee			Nil		
		Non-Monetary			
Imprisonment			Nil		
Punishment			Nil		

Note:

* There are no 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 which are material as specified in Regulation 30(4)(i)(c) of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 ("LODR").

Please refer to Company's website at https://www.mahindrafinance.com/investor-relations/regulatory-filings to access the disclosures made to the Stock Exchanges under Regulation 30 of LODR for penalties levied by Tax Authorities in connection with assessment matters, and other penalties.

Details of penalties levied by other regulators can be accessed on the websites of the stock exchanges in the integrated corporate governance report filed by the Company for the quarter ended 31st December 2024 and 31st March 2025.

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
NA	Not Applicable

The Company has filed appeals, where necessary and expects favourable outcome at the appellate level. The Company does not reasonably expect the said Orders to have any material financial impact on the operations of the Company.

4 **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes. MMFSL practices a zero-tolerance approach to bribery and corruption and is committed to conducting all business dealings and relationships in a professional and fair manner. The Company is dedicated to implementing and enforcing effective systems to counter bribery and corruption in any form.

ABAC Policy: https://www.mahindrafinance.com/wp-content/uploads/2023/07/Anti-Bribery-and-Anti-Corruption-Policy.pdf

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

Category	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Directors	Nil	Nil	NA	NA	NA
KMPs	Nil	Nil	NA	NA	NA
Employees	Nil	Nil	NA	NA	NA
Workers	Nil	Nil	NA	NA	NA

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

Category	FY 2024-25 (Current Financial Year)		FY 2023-24 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	Nil	Nil

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

NA

8 **Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:**

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Number of days of accounts payables	0	NA

Note: The number of days accounts payable has been calculated as zero because all outstanding payments to vendors for FY2025 has been closed during the same financial year.

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 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	NA	NA
	b. Number of trading houses where purchases are made from	NA	NA
	c. Purchases from top 10		
	trading houses as % of		
	total purchases from		
	trading houses	NA	NA
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	NA	NA
	b. Number of dealers / distributors to whom sales are made	NA	NA
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	NA	NA
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	37.51%	40.14%
	b. Sales (Sales to related parties / Total Sales)	0.45%	0.64%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	0	0
	d. Investments (Investments in related parties / Total Investments made)	14.42%	15.54 %

LEADERSHIP INDICATORS

1 Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programmes
6	All 9 principles of BRSR were covered including the following topics: • Ethics • Employee wellbeing • Human Rights • Environment • Inclusive growth & Equitable Development • Value for consumers • Stakeholder • Regulatory reporting Other topics covered: • Health and safety (H&S) aspect and its impact to their business	60%

Note: 80% of the value chain was covered as part of the generic BRSR training in the previous financial year. The Human Rights Due Diligence and H&S trainings provided to 60% of the value chain in FY2025 was focused on the above-mentioned specific training modules.

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.

The Company maintains a zero-tolerance policy toward unethical business practices, ensuring strict adherence to established ethical principles, including those governing conflicts of interest. The Company has implemented a distinct Code of Conduct (CoC) applicable to the Board, Senior Management, and Employees, which reinforces the Company's commitment to integrity and professionalism.

The CoC mandates Directors and Senior Management to uphold the highest ethical standards and prohibits any business relationship that may conflict with their fiduciary duties. This framework reflects MMFSL's dedication to transparency, accountability, and ethical governance.

As per Section 184,166 and other applicable provisions of the Companies Act, 2013, the Directors are required to disclose their interest/conflict of interest, if any, to the Company. The Company also procures 'fit and proper' declaration (inclusive of conflict-of-interest declaration) from Directors at the time of their appointment and on annual basis, and from Senior Management of the Company at the time of appointment.

All the members of Board and Senior Management Personnel have confirmed to the Company's Code of Conduct. None of the Directors have any pecuniary relation with the Company apart from remuneration. None of the Directors are related inter-se.

Link for Code of Conduct Policy: https://www.mahindrafinance.com/wp-content/uploads/2023/07/Code-of-Conduct-for-Board-of-Directors-version-4.pdf

P2 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.

Category	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)	Details of improvements in environmental and social impacts
R&D	-	-	-
Capex	32%	50%	• Replacement of old air-conditioners with 5-star BEE rated machine • Implementation of fire alarm panels across designated facilities. • Implementation of BLDC fans to improve energy efficiency. • Green tariff program initiated for the corporate office.

Note:

- Energy saving initiatives (e.g. BLDC fans, 5-star BEE rated machines) that were initiated in FY2024 have been implemented in additional offices in FY2025.
- Replacement of conventional lighting with LEDs was completed in FY2024 and adopted as a standard for all new offices that were opened in FY2025.
- Mahindra Finance initiated the process of obtaining green tariffs for its corporate office at Kurla, Mumbai in November 2024. The initiative will be implemented in additional office locations in FY2026.

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

As a service-focused industry, sustainable sourcing can be achieved through two major mechanisms:

i. Working with responsible suppliers to promote sustainable goods and services.

ii. Ensuring the existing supply chain aligns with MMFSL requirements on environmental and social performance management.

I. Working with responsible suppliers

- Several alternative technologies have been implemented across MMFSL offices to ensure sustainable use of energy as described in P2 E1 of BRSR.
- Refrigerant and Heating, ventilation and air conditioning (HVAC) systems are proactively being shifted to more sustainable refrigerant gases like R32.
- An initiative was launched in the corporate office in FY2024 to purchase wheat-based paper for operational use.

II. Sustainable Supply Chain Management

- All new vendors that are onboarded into MMFSL are assessed for reputational risk and legal compliance.
- Environmental & Social (E&S) requirements of MMFSL are defined in the vendor onboarding documentation and purchase orders.
- Vendor assessment including self-certification is completed by the MMFSL sustainability and administrative team every two years. The most recent evaluation of major vendors was completed in FY2024 and the next assignment is planned and budgeted in FY2026. The vendor evaluation is undertaken with respect to alignment to MMFSL's sustainability policies, legal compliance and labour practices.
- As part of MMFSL's membership in the United Nations Global Compact (UNGC), a Human Rights Due Diligence (HRDD) exercise was carried out in FY2025. This assessment reviewed the alignment of MMFSL's supply chain with Indian labour laws and international human rights standards, including OECD Guidelines, the International Covenants on Civil and Political Rights and Economic, Social and Cultural Rights, and the ILO Declaration on Fundamental Principles and Rights at Work

If yes, what percentage of inputs were sourced sustainably?

In FY2025, 100% of major vendors were assessed under the Company's sustainable sourcing processes, and all inputs were procured through these assessed vendors.

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

<table>
<tr><td>Plastics (including packaging)</td><td rowspan="4">As a service-sector organization engaged in financial services, Mahindra Finance does not manufacture physical products or engage in large-scale packaging. Therefore, product reclamation or recycling of plastics is not applicable. However, in line with its commitment to environmental responsibility, MMFSL recycled approximately 0.84 tonnes of paper and 2.97 tonnes of e-waste during FY2025 through government-registered recycling partners. These efforts reflect the Company's approach to responsible waste management within its operational footprint.</td></tr>
<tr><td>E-waste</td></tr>
<tr><td>Hazardous waste</td></tr>
<tr><td>Other waste</td></tr>
</table>

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

NA

Note: As a responsible business, MMFSL has evaluated the end-of-life process for its loan portfolio and primarily the management of battery and tyre waste. In the case of MMFSL loans, the automobile financing business follows an auction process for repossessed vehicles and no automobile batteries or tyre waste is being generated in the operations.

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 in the following format?

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/ No). If yes, provide the web-link.

Limited Applicability

As a financial services provider, Mahindra Finance does not manufacture or distribute physical products. However, the Company has embedded a life cycle perspective into its lending operations by integrating ESG considerations into the credit risk assessment process. This includes:

- An **exclusion list** for high-risk sectors and activities.
- Ongoing **monitoring of operational portfolio risks** to identify and manage any potential environmental and social (E&S) impacts arising from financed activities.

Through these mechanisms, ESG risks are identified and mitigated prior to loan disbursement, ensuring responsible lending aligned with sustainability commitments.

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.

Name of Product / Service	Description of the risk / concern	Action Taken
	Not Applicable	

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)

Indicate input material	Recycled or re-used input material to total material	
	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
NA	NA	NA

4 Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	Not applicable as MMFSL is a financial services company hence it does not manufacture any products.			Not applicable as MMFSL is a financial services company hence it does not manufacture any products.		
E-waste						
Hazardous waste						
Other waste (paper & metal waste)						

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

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
NIL	NIL

P3 Businesses should respect and promote the well-being of all employees, including those in their value chains

ESSENTIAL INDICATORS

1a Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number I	% (C / A)	Number (D)	% (D / A)	Numbl (E)	% (E / A)	Number (F)	% (F / A)
Permanent Employees											
Male	23,895	23,895	100	23,895	100	NA	-	23,895	100	-	-
Female	1,366	1,366	100	1,366	100	1,382	100	NA	-	-	-
Total	**25,261**	**25,261**	**100**	**25,261**	**100**	**1,382**	**5.47**	**23,895**	**94.59**	**-**	**-**
Other than Permanent Employees											
Male	2,996	2,996	100	2,996	100	0	0	0	0	0	0
Female	442	442	100	442	100	0	0	0	0	0	0
Total	**3,438**	**3,438**	**100**	**3,438**	**100**	**0**	**0**	**0**	**0**	**0**	**0**

1b Details of measures for the well-being of workers:

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number I	% (C / A)	Number (D)	% (D / A)	Numbl (E)	% (E / A)	Number (F)	% (F / A)
Permanent Workers											
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**
Other than Permanent Workers											
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**

1c Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format -

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Cost incurred on well-being measures as a % of total revenue of the Company	0.35%	0.65%

Note: The spending towards well-being of employees and other than permanent employees include the costs incurred by the employee engagement team of MMFSL on employee welfare and workplace improvement programs, post-maternity leave benefits that employees can avail over and above the regulatory requirements and various insurance covers.

2 Details of retirement benefits, for Current and Previous FY

Benefits	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total worker	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	NA	Y	100	NA	Y
Gratuity	79.77	NA	Y	72	NA	Y
ESI	17.31	NA	Y	26	NA	Y
Others - please specify	-	-	-	-	-	-

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, to the best extent possible and wherever feasible, MMFSL offices are being made accessible to differently abled employees in alignment with the Rights of Persons with Disabilities Act, 2016.

The following considerations are incorporated, particularly when opening or relocating branches, with a view to being future-ready and inclusive:

- Preference for selecting ground floor locations.
- Assessment of feasibility for installing ramps and railings at ground floor branches.
- Provision of Public Works Department-friendly washrooms, along with accessibility features such as adequate lighting, ventilation, and ergonomic infrastructure.
- Design of branch layouts to enable easy access and passage for persons with disabilities, wherever feasible.

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. Mahindra Finance is an Equal Opportunity Employer and is committed to upholding the rights of differently abled individuals in accordance with the Rights of Persons with Disabilities Act, 2016. The Company actively works toward identifying suitable roles and creating specific employment opportunities for persons with disabilities, in both letter and spirit of the Act.

The Company's approach to equal opportunity and inclusion is detailed in its publicly disclosed Human Rights Policy, available at: https://www.mahindrafinance.com/wp-content/uploads/2023/07/Human-Rights-Policy.pdf

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

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	99.82%	69.87%	NA	NA
Female	37.04%	75.00%	NA	NA
Total	**94.37%**	**70.72%**	**NA**	**NA**

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

Category	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	NA
Other than Permanent Workers	NA
Permanent Employees	Yes
Other than Permanent Employees	Yes
	Mahindra Finance has instituted a formal grievance redressal policy applicable to all employees, including non-permanent personnel. A structured multi-tier escalation mechanism is in place: Step 1: Concerns are first raised with the employee's Reporting Manager. Step 2: If unresolved, the grievance is escalated to the Reviewing Manager. Step 3: Unresolved grievances are then referred to the Grievance Committee at the Regional, Circle, or Head Office level, depending on the nature and location of the case. The decision of the Head Office Grievance Committee is considered final. In addition to the internal process, Mahindra Finance operates a dedicated Ethics Portal, managed by a third-party service provider. This helpline enables employees to report serious concerns anonymously or directly through a toll-free number available 24/7. Once a grievance is lodged, a unique case number is generated. The status of the complaint can be tracked through the portal. In cases where anonymity is maintained, the case number serves as the only identifier for the complainant.

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

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respectil category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	The Company does not have any employee associations. The Company fosters a culture of open communication and equal opportunity by enabling employees to directly raise queries with senior management through webcasts, which are actively addressed. Additionally, grievance redressal portals are in place to ensure timely and confidential resolution of employee concerns.					
Male	Not Applicable					
Female						
Male	Not Applicable					
Female						

8 Details of training given to employees and workers:

Category	FY 2024-25 (Current Financial Year)					FY 2023-24 (Previous Financial Year)				
	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)
Employees										
Male	23,895	15,837	66.28	22,345	93.51	26,662	1,1767	44	26,662	100
Female	1,366	456	33.38	1,189	87.04	1,319	210	1,5.92	1,131	85.7
Total	**25,261**	**16,293**	**64.50**	**23,534**	**93.16**	**27,981**	**11,977**	**428**	**27,793**	**99.3**
Workers										
Male	NA					NA				
Female										
Total										

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

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Total (A)	No. (B)	%I / A)	Total (C)	No. (D)	% (D / C)
Total Permanent Employees						
Male	23,895	19,673	82.33%	26,662	16,721	63%
Female	1,366	932	68.23%	1,319	840	64%
Total	**25,261**	**20,605**	**81.57%**	**27,981**	**17,561**	**63%**
Total Permanent Workers						
Male	Not Applicable			Not Applicable		
Female						
Total						

10 Health and safety management system:

a	Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?	Mahindra Finance has implemented a comprehensive Health and Safety Management System to safeguard the well-being of employees across all its locations. The system is guided by a formally approved Health & Safety Policy by the former Vice Chairman and Managing Director, and supported by detailed Standard Operating Procedures (SOPs). The policy underscores the Company's commitment to ensuring a safe and healthy work environment by identifying and mitigating workplace risks, promoting proactive safety practices, and ensuring compliance through regular inspections, training, and incident reporting. A structured 'Train-the-Trainer' programme and regular safety training sessions—covering emergency response, fire safety, and workplace best practices—reinforces this framework. To ensure continuous compliance and improvement, over 1,000 safety audits have been conducted. The Company's health and safety systems have also been externally audited and benchmarked through recognised standards and assessments, including third-party safety consultant reviews, the National Institute of Standards and Technology (NIST) Maturity Audit, Content Management Systems (CMS) Audit, and internal reviews.
b	What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	The Company's Hazard Identification and Risk Assessment (HIRA) process has been developed to identify work-related hazards associated with both routine and non-routine activities. This process is currently being implemented across 235 offices, each exceeding 2000 sq. ft. in area. A customized Mitkat Risk Tool has been developed for the Mahindra Financial Services Sector to provide employees with pre-emptive alerts on potential risks.
c	Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)	Yes, the Company has established a structured incident reporting and corrective action mechanism, enabling employees to promptly report workplace hazards and incidents for timely resolution. A digital 'Smart Serve' platform has been developed by Mahindra Finance to facilitate the reporting of work-related hazards and track the corresponding corrective actions taken.
d	Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)	Yes, each of the offices has an occupational health and safety centre (OHC). Additionally, branch offices have identified nearby medical facilities that can be availed by employees and other than permanent workers.

11 Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	NA	NA
Total recordable work-related injuries	Employees	0	0
	Workers	NA	NA
No. of fatalities	Employees	0	0
	Workers	NA	NA
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	NA	NA

12 Describe the measures taken by the entity to ensure a safe and healthy work place.

Mahindra Finance has undertaken several initiatives to promote a safe, healthy, and inclusive workplace environment.

These measures include:

- Implementation of a Board-approved Health & Safety Policy to institutionalize safety protocols across the organization.
- Regular communication from senior leadership to employees on health and safety practices.
- Deployment of infrastructure-related safety systems, such as fire alarm panels, fire extinguishers, and electrical safety mechanisms across offices.
- Workplace safety training programs conducted periodically for employees to build awareness and preparedness.
- Internal safety audits carried out across offices to ensure compliance with safety standards and identify areas for improvement.
- Provision of heating panels, adequate ventilation, and accessibility features such as ramps to enhance physical safety.
- Establishment of a governance model for continuous review and implementation of safety processes across operational locations.
- Launch of a Women Safety Ambassador Program, alongside self-defence training sessions, to increase safety awareness and empowerment among female employees

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

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	0	0	0	
Health & Safety	0	0	0	0	0	

14 Assessments for the year:

Category	% of your plants and offices that were assessed (by entity or statutory authorities or third parties
Health & Safety Practices	100%
Working Conditions	

Each regional and branch office is supported by an Infrastructure and Administrative Services (I&S) professional, who holds additional responsibility for overseeing workplace safety processes and procedures. These professionals periodically assess the safety performance of their respective offices and report key findings to the Environmental Health & Safety (EHS) Head at Mahindra Finance's corporate office.

Leading and lagging safety indicators are also compiled and reported to the corporate office on a quarterly basis for centralized review and action, if required.

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.	As of FY2025, no significant risks or safety-related incidents have been identified across MMFSL operations. Accordingly, no corrective actions have been required or undertaken.

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, the Company provides its employees with the Group Term Life Insurance, Personal Accident cover, Employee Death Life Insurance, Provident Fund Benefit and Gratuity Benefit. B. Not Applicable
2	Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners	As outlined under Sustainable Sourcing (Q2 - Essential Indicators, Principle 2), regulatory compliance obligations are embedded within the Purchase Orders (POs) issued to all vendors. These requirements are periodically reviewed by the Infrastructure and Administrative Services (I&S) team. Additionally, all new vendors undergo a reputational risk assessment, which includes a check for any instances of statutory non-compliance reported in the public domain. A comprehensive vendor assessment is conducted once every two years, covering legal and statutory compliance, working conditions, and alignment with MMFSL's sustainability commitments. The most recent assessment was completed in FY2024, with the next scheduled for FY2026

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:

Category	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Employees	0	0	0	0
Workers	0	0	0	0

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)

- The Company provides continued Mediclaim coverage for employees at Manager grade and above, along with their spouses, up to the age of 75 years, post-retirement.
  - Retirement benefits include gratuity (for employees with five or more years of service), leave encashment, settlement of pending salary dues, and extended medical care as applicable.
- While no retrenchment has occurred to date, the Company is committed to responsible separation practices in the event such a step becomes necessary due to unforeseen or unavoidable circumstances.
  - In such cases, MMFSL will take measures to ensure fair treatment and transitional support for affected employees.

5 Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health & Safety Practices	60% [6 of the 10 top suppliers have undertaken a health and safety/labour assessment]
Working Conditions	
	Mahindra Finance has conducted Health & Safety assessments of the following value chain partners to ensure compliance with safety standards and norms: • Supplier of fire alarm systems and fire extinguisher services for Mahindra Finance • Supplier of CCTV surveillance and access control systems • Supplier of CCTV and intruder alarm solutions • Facility management service provider at the Head Office

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

A Human Rights Due Diligence (HRDD) exercise was conducted to assess health and safety practices and working conditions across value chain partners. Based on the assessment conducted a few preliminary areas of improvement have been identified, such as-

(a) During the supplier onboarding process, a dedicated checklist covering human rights parameters should be introduced for critical vendors in addition to the existing self-declaration of adherence to supplier code of conduct, can be implemented. The above includes actions around occupational health and safety and working conditions of employees. The Company is working towards implementation of Human Rights based checklist for onboarding of critical suppliers.

(b) The Company is in process of implementing annual monitoring of safety related data points for critical suppliers.

(c) The Company is in process of developing training and awareness module on occupational health and safety and working condition related practices for critical suppliers. This module will be part of a larger human rights related training that will be provided.

P4 Businesses should respect the interests of and be responsive to all its stakeholders

ESSENTIAL INDICATORS

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

At Mahindra Finance, we interact with a diverse set of stakeholders through both formal and informal channels, gathering their insights to inform our materiality assessment process.

The following methods are employed to identify Mahindra Finance's key stakeholder groups:

- Interviews with senior management professionals to understand critical stakeholder interactions with Mahindra Finance.
- Discussions with senior leaders to assess the influence stakeholders have on Mahindra Finance's business and the Company's stakeholder engagement strategies.
- Collection of stakeholder feedback through various channels, including employee and customer satisfaction surveys, emails, stakeholder consultation workshops, vendor engagement programs, impact assessments of CSR initiatives, and dealer meets.
- Systematic mapping of each stakeholder group's influence and impact on business operations. Branches for engagement are selected based on commercial activity levels, climate-related vulnerabilities, and business intensity.

Through a robust and transparent engagement approach, we create shared value while addressing stakeholder concerns and reinforcing clarity around our current and future objectives.

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

Investors and Shareholders, Customers, Employees, Regulatory Authorities, Communities, and Suppliers.

S. No.	Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
1	Community	Yes	Website, Emails, SMS, Community engagement initiatives social media.	Ongoing & Need based	A harmonious relationship with the communities where we operate is key to our social license to continue operations.
2	Employees	No	Employee engagement activities, Trainings, Email notifications, Website, Employee portals, Talent Management and growth opportunities platforms.	Ongoing & Need based	Our employees are at the centre of all our operations; their collaborative skill and expertise are essential for our growth.
3	Customers	No	Customer meets, Dealer/OEM events	Ongoing, weekly, monthly	Customer feedback, or as we call it, the Voice of Customer, is key to process improvements, quality enhancement, service performance and cost optimisation.
4	Regulators	No	Periodic/Annual compliance reports, continued engagement and representation	Need based	Key for ensuring compliance, interpretation of regulations and uninterrupted operations.
5	Shareholders/ Investors	No	Newspaper, notices, press releases, website, investor conferences, quarterly earnings calls, stock exchange announcements, Annual General Meetings (AGM), Integrated Report, Business Responsibility and Sustainability Report (BRSR)	Quarter & Need based	As providers of capital, they are key to our growth and expansion plans.
6	Dealers/ OEMs	No	Dealer portal formal mechanism, events	Ongoing	Key for providing enhanced purchase experience along with best after sales service.
7	Lenders	No	Quarter and Annual Results	Quarter & Annual	A positive relationship enables us to raise growth capital in a timely and cost-effective manner.
8	Vendors/ Suppliers	No	Dealer engagement meets and Vendor Assessments	Ongoing	Our operations are closely linked with the timely availability and services that we source, which in turn, have a material impact on the efficiency of our service delivery.

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.	The Stakeholder Relationship Committee of the Board is responsible for overseeing stakeholder engagement and grievance redressal mechanisms. It ensures that stakeholder priorities are aligned with the Company's strategic direction and ESG commitments. During the materiality assessment exercises conducted in FY2024 and refreshed in FY2025, inputs from stakeholders were consolidated to inform the Company's sustainability strategy. This strategy is disclosed in the Integrated Report (IR) for FY2025. A sustainability roadmap and progress update are presented annually to the ESG and CSR Committee of the Board for review, feedback, and strategic guidance
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. Stakeholder feedback is actively incorporated into Mahindra Finance's policies, strategic planning, and ESG roadmap. Engagements with both internal and external stakeholders—through surveys, workshops, impact assessments, and consultations—help identify and prioritize key environmental and social topics. These insights feed directly into the development of the Company's sustainability roadmap, which guides both compliance and forward-looking initiatives. The resulting reports also serve as critical inputs for material issue identification and programmatic decision-making
3	Provide details of instances of engagement with, and actions taken to address the concerns of vulnerable/ marginalised stakeholder groups.	Feedback from local communities, gathered through direct engagement and third-party impact assessments, plays a key role in shaping the Company's CSR initiatives. This feedback ensures that interventions are context-sensitive and aligned with the evolving needs and expectations of vulnerable and marginalised communities, thereby maximizing long-term social impact Beyond the mandate of CSR, we have identified skill training needs among vulnerable stakeholder groups and designed programs to address these needs to contribute towards better integration of these stakeholder groups into society. An example is the electric auto-rickshaw training for women that has been undertaken in Madhya Pradesh, Tamil Nadu and Puducherry, where 520+ women were trained in FY2025 on vehicle driving skills and support in obtaining driving licenses.

P5 Businesses should respect and promote human rights

ESSENTIAL INDICATORS

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

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	25,261	24,781	98.10%	26,662	26,508	99.42%
Other than permanent	3,438	-	-	1,319	-	-
Total	**28,699**	**24,781**	**86.35%**	**27,981**	**26,508**	**94.74%**
Workers						
Permanent	Not Applicable			Not Applicable		
Other than permanent						
Total						

2 Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2024-25 (Current Financial Year)					FY 2023-24 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. I	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F/ D)
Employees										
Permanent										
Male	23,895			23,895	100	25,567			25,567	100
Female	1,366			1,366	100	1,095			1,095	100
Other than permanent		Not Applicable					Not Applicable			
Male	2,996			2,996	100	1,095			1,095	100
Female	442			442	100	224			224	100
Workers										
Permanent										
Male										
Female										
Other than permanent	Not Applicable					Not Applicable				
Male										
Female										

3a Details of remuneration/salary/wages, in the following format:

Category	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (₹)	Number	Median remuneration/ salary/ wages of respective category (₹)
Board of Directors (BoD)	4*	0.56 Crore	1	0.54 Crore
Key Managerial Personnel	1	3.95 Crore	1	1.27 Crore
Employees other than BoD and KMP	23,893	0.04 Crore	1,365	0.05 Crore
Workers	Not Applicable			

* The median calculation has been made considering the remuneration for FY2025 of the Directors, who receive remuneration from the Company and associated with the Company as on 31st March 2025, excluding Managing Director and CEO (covered under KMP).

3b Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Gross wages paid to females as % of total wages	6.57	5.80

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, The Corporate ombudsman is the focal point responsible for addressing human rights. Contact details for the same are available in our Human Right's Policy.

Policy Link- https://www.mahindrafinance.com/wp-content/uploads/2023/07/Human-Rights-Policy.pdf

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

Mahindra Finance is committed to respecting human rights and maintaining ethical and fair business and employment practices. This commitment is embedded through dedicated committees and documented in formal policies that are accessible to all employees via the internal portal.

The Company has zero tolerance for child labour, forced labour, slavery, or any form of abuse—physical, psychological, sexual, or verbal.

A structured grievance redressal mechanism is in place:

- Employees are encouraged to first report concerns to their Reporting Manager.
- If unresolved, the matter is escalated to the Reviewing Manager.
- If further escalation is needed, the grievance is referred to the Grievance Committee at the Regional, Circle, or Head Office level, depending on the nature and location of the case.
- The decision of the Head Office Grievance Committee is deemed final.

In addition, stakeholders can report actual or suspected human rights violations—including ethical misconduct—to the Company's Corporate Ombudsman, whose contact details are provided in the publicly available Human Rights Policy.

The grievance process is formally outlined in the Human Rights Policy and Whistle Blower Policy, both of which are disclosed in the public domain.

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

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	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	3	0	All reported complaints have been addressed and closed	1	0	All reported complaints have been addressed and closed
Discrimination at workplace	0	0	0	0	0	0
Child Labour	0	0	0	0	0	0
Forced Labour/ Involuntary Labour	0	0	0	0	0	0
Wages	0	0	0	0	0	0
Other human rights related issues	0	0	0	0	0	0

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

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	3	1
Complaints on POSH as a % of female employees / workers	0.17%	0.10%
Complaints on POSH upheld	0	0

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

Mahindra Finance has instituted a formal grievance mechanism that enables employees to raise concerns confidentially and anonymously, without fear of retaliation. This mechanism is supported by:

- The Human Rights Statement
- Whistle Blower Policy
- Vigil Mechanism
- Oversight from the Disciplinary Action Committee

The Company maintains strong commitment to fostering a safe, inclusive, and respectful workplace with strict policies that prohibit discrimination, harassment, and any form of retaliatory action against individuals who report grievances in good faith.

Additionally, MMFSL operates a 24/7 outsourced Ethics Portal with a toll-free helpline, enabling employees to report serious concerns at any time.

- Upon submission, a unique case number is generated, which allows for status tracking.
- For anonymous complaints, the case number serves as the sole identifier to maintain confidentiality.

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

Mahindra Finance incorporates human rights safeguards into its business relationships through various formal mechanisms:

- A Code of Conduct and Exclusion List are applicable to all value chain partners. These explicitly state that Mahindra Finance will not engage in any financing or business activities that involve or result in human rights violations.
- The Supplier Code of Conduct mandates all suppliers to submit a self-declaration affirming that their operations do not involve any form of human rights or environmental violations.

These requirements are embedded in vendor agreements and are part of the Company's broader sustainability and ethical sourcing framework.

Supplier Code of Conduct has been disclosed in public domain: https://www.mahindrafinance.com/wp-content/uploads/2023/07/Supplier-Code-of-Conduct.pdf (mahindrafinance.com)

10 Assessments for the year:

Category	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others - please specify	N/A

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

In FY2025, MMFSL undertook a third-party Human Rights Due Diligence (HRDD) exercise covering both its internal operations and select value chain partners. Basis the HRDD assessment carried out, the risk of violations on the above-mentioned Human Rights was found to be 'Low'.

An outcome of the HRDD exercise was to identify areas of intervention that can be implemented to improve human rights training, assessment, enforcement and review across the company and value chain. The actions have been budgeted in the FY2026 budget for the sustainability team and will be implemented in the next financial year.

LEADERSHIP INDICATORS

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

During the financial year, no human rights-related complaints were reported. Hence, new business processes have not been modified/introduced in the Company.

The Company has a robust framework in place to uphold and monitor human rights, supported by key policies such as the Code of Conduct, Prevention of Sexual Harassment Policy, and Fair Practices Code. To promote awareness, regular training and sensitisation sessions are conducted, along with an annual certification process to ensure employee participation and reinforce a culture of respect, inclusion, and rights awareness.

2 Details of the scope and coverage of any Human rights due-diligence conducted.

In FY2025, MMFSL undertook a third-party Human Rights Due Diligence (HRDD) exercise covering both its internal operations and major value chain partners. The assessment aligned with the OECD Due Diligence Guidance for Responsible Business Conduct.

The due diligence covered the Head Office, three Regional Offices, and two vendors, evaluating compliance with 12 human rights parameters, including:

- Prohibition of child and forced labour
- Non-discrimination and equal opportunity
- Freedom of association and collective bargaining
- Equal remuneration and fair wages
- Safe working conditions, social security, and data privacy
- Mental health support and career growth opportunities

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, additionally, the Company is proactively making accessibility improvements while opening or relocating branches, including:

- Preference for ground-floor locations
- Feasibility assessment for installing ramps and railings
- Persons with Disabilities (PWD) accessible washrooms.
- Branch layouts designed for unobstructed access and movement wherever feasible

4 Details on assessment of value chain partners

As part of the third-party Human Rights Due Diligence (HRDD) process, Mahindra Finance engaged with select value chain partners to assess their alignment with human rights and labour practices.

A structured document checklist was shared in advance, covering key areas such as statutory compliance, workplace safety, grievance mechanisms, and workforce-related policies.

Virtual interviews were conducted with vendor representatives to understand their working conditions, policy implementation, and alignment with MMFSL's expectations.

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

The HRDD assessment was ongoing as on March 31 2025. Implementation of recommendations will be undertaken in FY2026.

Preliminary findings have been incorporated into the FY2026 sustainability budget, including proposed training programs on key sustainability topics such as human rights, grievance redress, and occupational health and safety.

P6 Businesses should respect and make efforts to protect and restore the environment

ESSENTIAL INDICATORS

1 Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24$ (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	645.30	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	**645.30**	**-**
From non-renewable sources		
Total electricity consumption (D)	65,279.90#	63,474.97
Total fuel consumption (E)	**48,039.16**	**30,507.46**
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	**1,13,319.06**	**93,981.97**
Total energy consumed (A+B+C+D+E+F) (GJ)	**1,13,964.36**	**93,981.97**
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	7.08	6.93
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP) (GJ/ per ₹ turnover)	146.49*	141.23
Energy intensity in terms of physical output		
Energy intensity (optional) - the relevant metric may be selected by the entity (GJ per employee)	3.97	3.36
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.	SGS India	DNV Business Assurance India

Note:

$ Based on updated guidelines and frameworks released in FY2025, the Company has re-evaluated the reported data for FY2024 and the updated numbers are reflected in this table.

The total energy consumption was calculated based on the Company's operations and the conversion factors were referred from DEFRA 2024.

* As per the International Monetary Fund (IMF) and industry guidance notes on BRSR by FICCI and CII, the implied Purchasing Power Parity (PPP) conversion rate for India in 2025 was applied to adjust Indian revenue in USD (PPP-adjusted).

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. However current legislations related to energy efficiency are followed across all branches for potential energy saving through measures like installation/replacement of energy efficient electrical fittings like LED's, 5 star rated AC's and BLDC motor fans.

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

S. No.	Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
	Water withdrawal by source (in kilolitres)		
i	Surface water	NA	1,59,491.70$
ii	Groundwater	NA	NA
iii	Third party water	8,301.80	10,099.90
iv	Seawater / desalinated water	NA	NA
v	Other	NA	NA
	Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**8,301.80**	**1,69,591.64**
	Total volume of water consumption (in kilolitres)	**8,301.80#**	**10,099.90**
	Water intensity per rupee of turnover (Water consumed / revenue from operations) (KL / ₹) (KL/ per ₹ turnover)	0.52 per Cr. Of turnover	0.74 per Cr of turnover
	Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	10.67* KL per million USD	26.21 KL per million USD
	Water intensity in terms of physical output	-	-
	Water intensity (optional) - the relevant metric may be selected by the entity (KL per employee)	0.29	6.06
	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.	SGS India	DNV Business Assurance India

Remark:

All water withdrawn is sourced from third parties and primarily used for drinking and flushing purposes. As the Company's operations do not involve water-intensive activities, overall water consumption remains minimal.

* As per the International Monetary Fund (IMF) and industry guidance notes on BRSR by FICCI and CII, the implied Purchasing Power Parity (PPP) conversion rate for India in 2025 was applied to adjust Indian revenue in USD (PPP-adjusted).

$ The surface water for FY2023-24 has been estimated based on a per capita thumb rule . The water withdrawal data has been updated in FY2024-25 based on actual consumption and incorporated under the "Third Party Water" source.

4 Provide the following details related to water discharged:

Parameter		FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)			
To Surface water	No treatment	-	-
	With treatment - please specify level of treatment		
To Groundwater	No treatment	-	-
	With treatment - please specify level of treatment		
To Seawater	No treatment	-	-
	With treatment - please specify level of treatment		
Sent to third-parties	No treatment	-	-
	With treatment - please specify level of treatment		
Others	No treatment	1,52,104.70	159.491.7
	With treatment - please specify level of treatment		
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.		SGS India	DNV Business Assurance India

Note:

- Water discharged is limited to wash water used solely for flushing purposes. No harmful chemicals are used, ensuring the discharged water does not pose environmental or health risks.
- Water is discharged to "other" destination as shown in the table above. The definition of "other" used for the purpose of the BRSR is through sewer infrastructure provided by the municipality or equivalent.

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

No

6 Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
NOx	g/kW-hr	0.49	2.10
SOx		-	-
Particulate Matter (PM)	g/kW-hr	0.13	0.44
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
SO_2	g/kW-hr	0.20	<1
Non-Methane Hydrocarbon	g/kW-hr	-	<0.001
Carbon Monoxide	g/kW-hr	0.53	0.63
Others - please specify		-	
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.		SGS India	DNV Business Assurance India

Note: At MMFSL, stack monitoring is conducted at 15 identified locations. Emissions of NOx, SOx, and other air pollutants are assessed based on the average of individual emissions measured at each site, ensuring comprehensive compliance and reporting.

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

Parameter	Unit	FY 2024-25 (Current Financial Year)	FY 2023-24$ (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF6, NF_3, if available)	Metric tonnes of CO_2 equivalent	4,022.02	4,285.05
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF6, NF_3, if available)	Metric tonnes of CO_2 equivalent	13,182.91	14,511.08
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes/ turnover	1.07 tonnes per Cr of turnover	1.38 tonnes per Cr of turnover
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Metric tonnes/ million USD	22.11# tonnes per million USD	28.24 tonnes per million USD
Total Scope 1 and Scope 2 emission intensity in terms of physical output	-	-	-
Total Scope 1 and Scope 2 emission intensity (optional) – per ton of production	Tones Co_2e/ Employee	0.60 tonnes/employee	0.67 tonnes/employee
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.		The core parameters have been subjected to reasonable assurance, while non-core parameters have undergone limited assurance. Both levels of assurance have been conducted by SGS India Private Limited, an independent third-party assurance provider.	DNV Business Assurance India

Note:

- Emissions from diesel and petrol (mobile combustion) were calculated using methodologies aligned with the GHG Protocol and DEFRA emission factors.
- For Scope 2, a pan-India assessment boundary was considered, and location-based emissions were reported as total Scope 2 emissions.
- Emissions from purchased electricity under green tariffs were accounted for separately under market-based Scope 2 emissions.

\# As per the International Monetary Fund (IMF) and industry guidance notes on BRSR by FICCI and CII, the implied Purchasing Power Parity (PPP) conversion rate for India in 2025 was applied to adjust Indian revenue in USD (PPP-adjusted).

$ Based on updated guidelines and frameworks released in FY2025, the Company has re-evaluated the reported data for FY2024 and the updated numbers are reflected in this table.

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

Yes, Mahindra Finance has deployed some technological solutions which helps it reduce the energy consumption and therefore Scope 2 emissions. Some of the solutions have been described below:

- The installation of higher efficiency Air Conditioners i.e., previously owned 3-star fixed speed ACs are now replaced with 5-star inverter ACs at branches,
- All the new procurement of ACs is 5-star inverter ACs.
- Replacing the conventional fans with BLDC fans.
- Green tariff was procured for the corporate office in Kurla, Mumbai from November 2024 to March 2025 in the financial year.

9 Provide details related to waste management by the entity, in the following format:

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	0.02	Not Applicable
E-waste (B)	2.97	43.87
Bio-medical waste (C)	Not Applicable	Not Applicable
Construction and demolition waste (D)	Not Applicable	Not Applicable
Battery waste (E)	Not Applicable	Not Applicable
Radioactive waste (F)	Not Applicable	Not Applicable
Other Hazardous waste. Please specify, if any. (G)	Not Applicable	Not Applicable
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	2.33	34.49
Total (A+B + C + D + E + F + G + H)	**5.32**	**78.36**
Waste intensity per rupee of Turnover (Total waste generated / Revenue from operations)	**0.00 per Cr of turnover**	**0.01 per Cr. of turnover**
Waste intensity per rupee of turnover adjusted Purchasing for Power Parity (PPP) (Total Revenue waste from generated / operations adjusted for PPP)	**0.01 tonnes per million USD#**	**0.01 tonnes per million USD**
Waste intensity in terms of physical output		
Waste intensity (optional) – the relevant metric may be selected by the entity		
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
i Recycled	5.32	78.36
ii Reused	-	-
iii Other recovery operations	-	-
Total	**5.32**	**78.36**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
i. Incineration		
ii. Landfill	NA	NA
iii. Other disposal methods		
Total		
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.	SGS India	DNV Business Assurance India

Note:

- The electronic waste reported in the BRSR for FY2024 had a value of 43.87 MT due to a large-scale recycling of electronic waste in the MMFSL head office that had accumulated over multiple years. The data shown in the BRSR for FY2025 has a value of 2.97 MT, which is more indicative of the typical annual generation of electronic waste by the company.

As per the International Monetary Fund (IMF) and industry guidance notes on BRSR by FICCI and CII, the implied Purchasing Power Parity (PPP) conversion rate for India in 2025 was applied to adjust Indian revenue in USD (PPP-adjusted).

- The non hazardous waste reported in FY 2023-24 specifically, wood, plastic and furniture had been accumulated and disposed prior to the shift of the Mahindra Finance corporate office. The data shown in BRSR for FY 2024-25 has a value of 2.33 MT, which is more indicative of the typical annual generation of non-hazardous waste by the Company.

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

Being into financial service sector, the Company does not generate any hazardous and toxic chemicals waste.

As a large office set-up consisting of 1365 locations, the Company generates and recycles its electronic waste (e-waste) and paper waste every year. The waste generated is recycled through government registered vendors and the same is validated by an external agency.

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 in the following format:

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1			
2	Not applicable		
3			

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

S. No.	Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable as the Company is a financial services company and does not manufacture any products						

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, in the following format:

Yes, the Company is in compliance with all applicable environmental laws, regulations, and guidelines in India. Air emissions from DG sets are monitored as per the Air (Prevention and Control of Pollution) Act requirements. The wastewater is also disposed of through authorised municipal channels.

A legal compliance register is maintained and reviewed on a quarterly basis to ensure ongoing adherence to environmental regulations.

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not Applicable				

LEADERSHIP INDICATORS

1 Water withdrawal, consumption and discharge in areas of water stress (in kilolitres): Not Applicable, please see note below table.

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

(i) Name of the area -

(ii) Nature of operations -

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter		FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		Not Applicable	Not Applicable
To Surface water			
To Groundwater			
To Seawater			
Sent to third-parties			
Others			
Total volume of water withdrawal (in kilolitres)			
Total volume of water consumption (in kilolitres)			
Water intensity per rupee of turnover (Water consumed / turnover)			
Water intensity (optional) - the relevant metric may be selected by the entity			
Water discharge by destination and level of treatment (in kilolitres)			
To Surface water	No treatment		
	With treatment - please specify level of treatment		
To Groundwater	No treatment		
	With treatment - please specify level of treatment		
To Seawater	No treatment		
	With treatment - please specify level of treatment		
Sent to third-parties	No treatment		
	With treatment - please specify level of treatment		
Others	No treatment		
	With treatment - please specify level of treatment		
Total water discharged (in kilolitres)			
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 - SGS India	Yes - DNV Business Assurance India

Note: All water withdrawn is sourced from third parties and primarily used for drinking and flushing purposes. As the Company's operations do not involve water-intensive activities, overall water consumption remains minimal.

2 Please provide details of total Scope 3 emissions & its intensity, in the following format

Parameter	Unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	7,758.45	15,583.88
Total Scope 3 emissions per rupee of turnover	Metric tonnes per turnover	0.48 tCO2e per Cr of turnover	1.15 tCO2e per Cr. of turnover
Total Scope 3 emission intensity (optional) - the relevant metric may be selected by the entity	Tonnes Emission per employee	0.27 tonnes/ employee	0.56 tonnes/ per employee
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external	-	SGS India	DNV Business Assurance India

Note:

- Scope 3 categories including Purchased goods & services (paper consumption), Waste generated in operations and Business Travel. Employee Commuting will be considered in FY 26.
- As per the International Monetary Fund (IMF) and industry guidance notes on BRSR by FICCI and CII, the implied Purchasing Power Parity (PPP) conversion rate for India in 2025 was applied to adjust Indian revenue in USD (PPP-adjusted).

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, as per the following format:

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
A	Energy Efficient Technology: The Company's adoption of energy-efficient technologies has been highlighted under sections P2 (E1), P6(E8).	The Company's adoption of energy-efficient technologies is detailed under Principle 2 (E1) and Principle 6 (E8) of this BRSR. A comprehensive list of technologies adopted in FY2025—including BLDC fans, energy-efficient HVAC systems, and 5-star BEE-rated equipment—is provided under Principle 2, Question 1.	Implementation of these technologies has resulted in a 20% reduction in energy consumption from the grid compared to baseline values declared in FY23.
B	Green Tariff Programme	In November 2024, Mahindra Finance initiated a Green Tariff Programme for the third floor of its Corporate Office at Agasthya Corporate Park, Kurla. The Company intends to expand the programme to other offices, subject to the prevailing regulatory landscape and approvals from the respective State DISCOMs.	The programme has led to ~1 % of total energy requirements coming from green energy sources.

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

Mahindra Finance has a formal Business Continuity Policy aimed at safeguarding the interests of its customers, employees, and stakeholders. The policy defines procedures for identifying, monitoring, reporting, and responding to potential disruptions. It focuses on ensuring operational resilience and outlines contingency measures for significant or prolonged interruptions. The framework also includes internal controls, communication protocols, and restoration strategies to minimize downtime and protect critical functions. Regular reviews and simulations are conducted to validate preparedness and enhance response capabilities.

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.

No significant adverse impacts to the environment have arisen from the value chain as identified in discussion with the value chain partners and previous assessments of the vendors undertaken in FY2024 and FY2025.

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

None. Due to the nature of MMFSL's operations—primarily office-based financial services—there are no environmentally intensive or critical value chain partners.

Major suppliers of products and services are evaluated during onboarding for compliance with applicable environmental regulations and MMFSL's internal policies. However, a dedicated exercise to assess environmental impacts at vendor sites has not been undertaken, as such impacts are not considered material risks to the business at this stage.

8 How many Green Credits have been generated or procured.

Not Applicable

a. By the listed entity

b. By the top ten (int terms of value of purchase and sales, respectively) value chain partners

P7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

ESSENTIAL INDICATORS

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

Mahindra Finance maintains affiliations with several trade and industry chambers and associations to foster collaborative engagement across the financial services sector.

These affiliations enable the Company to:

- Access industry knowledge and best practices
- Build strategic networks and improve brand visibility
- Participate in policy advocacy and sectoral consultations
- Contribute to business-enabling reforms that also support broader societal goals

These platforms serve as vital forums for advocacy, education, marketing, and collaborative problem-solving.

1b 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, in the following format

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	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
3	Confederation of Indian Industry (CII)	National
4	Bombay Chamber of Commerce and Industry	National
5	IITB-Washington University	International
6	IMC Chamber of Commerce & Industry	National
7	Assocham	National
8	United Nations Global Compact Network	International

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.

There is no action taken or underway against Mahindra Finance on any issues related to anti-competitive conduct.

S. No.	Name of authority	Brief of the case	Corrective action taken
	No material instances reported	-	-

LEADERSHIP INDICATORS

1 Details of public policy positions advocated by the entity

Not Applicable

P8 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.

S. No.	Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
			No SIA projects undertaken in the current financial year			

2 Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
			No R&R program is being undertaken in the current financial year			

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

The Corporate ombudsman is the focal point responsible for addressing human rights.

Contact details for the same are available in our Human Right's Policy.

Policy Link- https://www.mahindrafinance.com/wp-content/uploads/2023/07/Human-Rights-Policy.pdf

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

Category	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	15.22%	13.15%
Sourced directly from within the district and neighbouring districts	100%	100%

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 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Rural	1.54%	49%
Semi-urban	30.47%	6%
Urban	34.30%	22%
Metropolitan	33.69%	23%

Note: The job creation data methodology has been updated in FY2025 to align with Reserve Bank of India (RBI) classification process. The data in the previous year was based on an internal classification of cities and towns unique to MMFSL. The numbers are therefore changed significantly compared to the previous year.

LEADERSHIP INDICATORS

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

Details of negative social impact identified	Corrective action taken
Nil	-

2 Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies

State	Aspirational District	Amount spent (In ₹)
Andhra Pradesh	Visakhapatnam	1,01,215
Assam	Barpeta	10,121
Bihar	Nawada	10,121
Chhattisgarh	Kanker	40,486
Chhattisgarh	Kondagaon	10,121
Jharkhand	East Singhbhum	91,093
Jharkhand	Garhwa	10,121
Jharkhand	Gumla	20,243
Jharkhand	Ranchi	10,121
Jharkhand	West Singhbhum	40,486
Madhya Pradesh	Vidisha	50,607
Maharashtra	Osmanabad	1,61,943
Rajasthan	Karauli	20,243
Uttar Pradesh	Fatehpur	91,093
Uttar Pradesh	Siddharthnagar	1,41,700
Uttarakhand	Haridwar	40,486
Uttarakhand	Udham Singh Nagar	40,486
Gujarat	Dohad	1,53,08,132

State	Aspirational District	Amount spent (In ₹)
Bihar	Muzaffarpur	56,03,628
Bihar	Begusarai	32,78,979
Bihar	Gaya	29,43,882
Gujarat	Dohad	42,10,526
Andhra Pradesh	Visakhapatnam	3,55,452
Bihar	Begusarai	2,79,858
Bihar	Gaya	1,20,629
Bihar	Jamui	86,853
Bihar	Khagaria	5,66,150
Bihar	Muzaffarpur	2,02,656
Bihar	Sheikhpura	83,636
Bihar	Sitamarhi	2,58,949
Jammu And Kashmir	Baramulla	14,21,809
Jammu And Kashmir	Kupwara	4,27,830
Jharkhand	East Singhbhum	57,902
Jharkhand	Garhwa	1,12,587
Jharkhand	Gumla	1,76,922
Jharkhand	Ranchi	3,63,494
Jharkhand	Simdega	69,160
Jharkhand	West Singhbhum	2,26,782
Kerala	Wayanad	2,78,250
Maharashtra	Gadchiroli	64,335
Maharashtra	Osmanabad	51,468
Maharashtra	Washim	80,419
Odisha	Kalahandi	1,49,579
Odisha	Koraput	3,23,285
Odisha	Rayagada	4,58,389
Punjab	Moga	2,60558
Rajasthan	Karauli	64,335
Tamil Nadu	Virudhunagar	6,54,611
Uttar Pradesh	Sonbhadra	78,811
Uttarakhand	Udham Singh Nagar	11,41,951
Andhra Pradesh	Visakhapatnam	1,16,92,468
Punjab	Moga	97,50,737
Uttar Pradesh	Shravasti	92,39,755

3	(a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups? (Yes/No) (b) From which marginalised /vulnerable groups do you procure? (c) What percentage of total procurement (by value) does it constitute?	Mahindra Finance being a financial service provider, the entity does not have any major procurement for its services. However, it is the endeavour of Mahindra Finance to procure locally, sustainably and from marginalised / vulnerable suppliers, MSME's for requirements in areas like branch assets. We give preference to local suppliers of goods and services to help create economic opportunities locally. Mahindra Finance is currently not monitoring expenses based on marginalised / vulnerable groups. However, 15.22% of our procurement comes from local sources and communities.

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:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/ No)	Benefit shared (Yes/ No	Basis of calculating benefit share
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.

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

6 Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	"Dhan Samvaad"- CSR Flagship Program	2,07,700	100%
2	Saksham Scholarship Project	2,964	100%
3	E/Auto Rickshaw driving training for women	550	100%
4	Employability skills training project	210	100%
5	Nanhi Kali	14,630	100%
6	Mahindra Pride Classroom (MPC)	47,800	100%
7	Mahindra Pride Skill centers (MPSC)	1,000	100%
8	Project Hariyali	2,470	100%
9	Water Conservation Project	2,800	100%
10	Small Seed Contribution	179	100%

P9 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.

Customers can contact the Company via a dedicated toll-free number, email address, or through social media channels. Each branch maintains a Complaint Register to record customer complaints. All complaints received through the aforementioned channels are registered on the Service Portal and assigned to the respective teams or Single Points of Contact (SPOCs) for resolution. Once a complaint is resolved, feedback is collected from the customer in the form of an SMS.

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	Not Applicable
Safe and responsible usage	
Recycling and/or safe disposal	

3 Number of consumer complaints in respect of the following:

Category	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	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	-	0	0	-
Advertising	0	0		0	0	
Cyber-security	0	0		0	0	
Delivery of essential services	0	0		0	0	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Other	0	0		0	0	

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

	Number	Reasons for recall
Voluntary recalls	0	NA
Forced recalls	0	NA

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. Mahindra Finance has established a robust framework through its Data Privacy Policy and Information & Cyber Security Policy, which collectively govern the collection, processing, storage, and protection of personal and sensitive information.

These policies are aligned with applicable privacy laws and regulations, including the Aadhaar Act, and are designed to ensure the confidentiality, integrity, and availability of customer and stakeholder data.

Key controls include:

- Explicit customer consent mechanisms
- Data masking protocols
- A structured Data Loss Prevention (DLP) framework

The Company also maintains an Information Security Management System (ISMS) in accordance with industry best practices.

Policy link:

https://www.mahindrafinance.com/wp-content/uploads/2024/11/Aadhaar-Privacy-Policy-V1.0.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.

There were no issues identifies and thus no corrective actions taken.

7 Provide the following information relating to data breaches:

a	Number of instances of data breaches	0
b	Percentage of data breaches involving personally identifiable information of customers	0
c	Impact, if any, of the data breaches	NA

LEADERSHIP INDICATORS

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

Information on Mahindra Finance's products and services is available through the following platforms:

- Official website: https://www.mahindrafinance.com
- Mobile applications: Mahindra Finance App (available on Google Play Store and Apple App Store)
- Call Centre: 1800 233 1234
- Branch network: Information is accessible at all Mahindra Finance branches

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

Mahindra Finance undertakes multiple initiatives to educate consumers on the responsible use of its products and services. These include:

- Multi-language SMS communication
- IVR messaging
- Informative videos
- In-app notifications

The Company also ensures compliance with SEBI-mandated disclosure and risk-labelling guidelines for all applicable financial products.

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

Mahindra Finance has a communication framework in place to inform consumers in case of service disruptions. Communication modes are selected based on the scale of disruption and may include:

- Letters to consumers
- Branch-level communication
- SMS, emails, and in-app notifications
- Website and social media posts
- Digital and offline advertising (for large-scale disruptions)

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 with regard to 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)

Yes, the Company displays its services information over and above what is mandated as per local laws through brochures, leaflets and the website. Information related to our products is displayed/ available at all our branches. Product information is also available on our website.

Customers can also access information related to their loans on our Mobile App.

We conduct Market Research from time to time to understand the pulse of our customers, their satisfaction with our products & services as well as grievances. Few of the Research Projects that we undertake are:

- Monthly Net Promoter Score (NPS) for our customers
- UI/UX Research for our Website & Apps
- Customised Research for our Products & Services

5 Provide the following information relating to data breaches

- Number of instances of data breaches along-with impact: No data privacy and Cyber security breaches from information-security perspective.
- Percentage of data breaches involving personally identifiable information of customers: No data privacy breaches involving personally identifiable information from information-security perspective.

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INDEPENDENT ASSURANCE STATEMENT

Independent Assurance Statement to Mahindra & Mahindra Financial Services Limited on its BRSR Report for the FY 2024-25

The Board of Directors,

Mahindra & Mahindra Financial Services Limited ,
Mahindra Towers,
3rd Floor, Dr. G.M. Bhosale Marg,
Worli, Mumbai 400018

Nature of the Assurance

SGS India Private Limited (hereinafter referred to as 'SGS India') was engaged by Mahindra & Mahindra Financial Services Limited (the 'Company' or 'MMFSL') to conduct an independent assurance of the Company's Business Responsibility and Sustainability Reporting (BRSR) (the 'Report') pertaining to the reporting period of April 1, 2024, to March 31, 2025. SGS India has conducted a Reasonable level of Assurance for BRSR core and Limited level for Non-core parameters, including essential and leadership indicators and all disclosures made thereunder. This assurance engagement was conducted in accordance with "International Standard on Assurance Engagements (ISAE) 3000 (Revised) and ISAE 3410.

Reporting Framework

The Report has been prepared following the

1) BRSR Core–Framework for assurance and ESG disclosures for value chain (SEBI vide Circular No.SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122) dated July 12, 2023
2) MASTER CIRCULAR (SEBI vide Circular No.SEBI/HO/CFD/PoD2/CIR/P/2023/120) dated July 11, 2023
3) Greenhouse Gas Protocol standard
4) Industry Standards on Reporting of BRSR Core (SEBI/HO/CFD/CFD-PoD-1/P/CIR/2024/177) dated December 20, 2024

Intended Users of this Assurance Statement

This Assurance Statement is provided with the intention of informing all Mahindra & Mahindra Financial Services Limited's Stakeholders.

Responsibilities

The information in the report and its presentation are the responsibility of the management of the Company. SGS India has not been involved in the preparation of any of the material included in the report.

Our responsibility is to express an opinion on the text, data, and statements within the defined scope of assurance, aiming to inform the management of the Company, and in alignment with the agreed terms of reference. We do not accept or assume any responsibility beyond this specific scope. The Statement shall not be used for interpreting the overall performance of the Company, except for the aspects explicitly mentioned within the scope.

Assurance Standard

SGS has conducted a Reasonable level of Assurance for the BRSR report (core parameters under 9 ESG Attributes a Limited level of assurance for the remaining BRSR parameters, including essential and leadership indicators. This engagement was

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performed in accordance with the International Standard on Assurance Engagement (ISAE) 3000 (revised) and ISAE 3410 (Assurance Engagements other than Audits or Reviews of Historical Financial Information). Our evidence-gathering procedures were designed to obtain a 'Reasonable' level of assurance, which is a high level of assurance in accordance with ISAE 3000(revised) standard but is not absolute certainty. It involves obtaining sufficient appropriate evidence to support the conclusion that the information presented in the report is fairly stated and is free from material misstatements.

Statement of Independence and Competence

The SGS Group of companies is the world leader in inspection, testing and assurance, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; environmental, social and sustainability report assurance. SGS affirm our independence from Mahindra & Mahindra Financial Services Limited, being free from bias and conflicts of interest with the organization, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised auditors registered with ISO 26000, ISO 20121, ISO 50001, SA8000, RBA, QMS, EMS, SMS, GPMS, CFP, WFP, GHG Verification and GHG Validation Lead Auditors and experience on the SRA Assurance.

Scope of Assurance

The assurance process involved assessing the quality, accuracy, and reliability of BRSR Indicators (KPIs) within the report for the period April 1, 2024, to March 31, 2025. The reporting scope and boundaries include Mahindra & Mahindra Financial Services Limited 's spread across the different states of India.

Assurance Methodology

The assurance comprised a combination of desktop review, interaction with the key personnel engaged in the process of developing the report, on-site visits, and remote verification of data. Specifically, SGS India undertook the following activities:

- Assessment of the suitability of the applicable criteria in terms of its comprehensiveness, reliability, and accuracy.
- Interaction with key personnel responsible for collecting, consolidating, and calculating the BRSR core KPIs, BRSR non-core indicators and assessing the internal control mechanisms in place to ensure data quality.
- Application of analytical procedures and verification of documents on a sample basis for the compilation and reporting of the KPIs.
- Assessing the aggregation process of data at the Head Office level.
- Critical review of the report regarding the plausibility and consistency of qualitative and quantitative information related to the KPIS.

Limitations

The assurance scope excludes:

- Disclosures other than those mentioned in the assurance scope.
- Data review outside the operational sites as mentioned in the reporting boundary.
- Validation of any data and information other than those presented in "Findings and Conclusion."
- The assurance engagement considers an uncertainty of ±5% based on the materiality threshold for Assumption/ estimation/measurement errors and omissions.
- The Company's statements that describe the expression of opinion, belief, aspiration, expectation, aim to future intention provided by the Company, and assertions related to Intellectual Property Rights and other competitive issues.
- Strategy and other related linkages expressed in the Report.
- Mapping of the Report with reporting frameworks other than those mentioned in the Reporting Criteria above.

SGS India verified data on a sample basis; the responsibility for the authenticity of the data entirely lies with the Company. The assurance scope excluded forward-looking statements, product- or service-related information, external information sources and expert opinions. SGS India has not been involved in the evaluation or assessment of any financial data/performance of the

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company. Our opinion on financial indicators is based on the third-party audited financial reports of the Company. SGS India does not take any responsibility for the financial data reported in the audited financial reports of the Company.

Findings and Conclusions:

BRSR Core Indicators:

Based on the procedures we have performed and the evidence we have obtained, we are satisfied that the information presented by the Company in its report, on the Core Indicators (Annexure A) is complete, accurate, reliable, has been fairly stated in all material respects, and is prepared in line with the BRSR requirements

BRSR Non-Core Indicators:

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the data reported (Annexure B) in the BRSR report are not prepared, in all material respects, in accordance with the reporting criteria

For and on behalf of SGS India Private Limited

SGS India Private Ltd. SGS **Ashwini K. Mavinkurve,** Head – ESG & Sustainability Services, SGS India Pune, India 25th June 2025	**Abhijit Joshi** Technical reviewer– ESG & Sustainability Services, SGS India Pune, India	**Blessy Sen** Lead Verifier – ESG & Sustainability Services, SGS India Mumbai, India **Team Member:** Ms. Namrata Kamble ,Ms. Vaibhavi Kulkarni & Mr. Chirag Bafna

Annexure A

The list of BRSR Core Indicators that were verified within this assurance engagement is given below:

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S.No.	BRSR Core Attributes	BRSR Core Indicators
1	Greenhouse gas (GHG) footprint	≈ Total Scope 1 emissions ≈ Total Scope 2 emissions ≈ GHG Emission Intensity (Scope 1 +2)
2	Water footprint	≈ Total water Extraction ≈ Total water consumption ≈ Water consumption intensity ≈ Water Discharge by destination and levels of Treatment
3	Energy footprint	≈ Total energy consumed ≈ % of energy consumed from renewable sources ≈ Energy intensity
4	Embracing circularity	≈ Plastic waste ≈ E-waste ≈ Bio-Medical Waste ≈ Construction and Demolition waste ≈ Battery waste ≈ Radioactive Waste ≈ Other hazardous waste ≈ Other non-hazardous waste ≈ Total waste generated ≈ Waste intensity ≈ Total waste recovered through recycling, re-using or other recovery operations ≈ Total waste disposed by nature of disposal method
5	Employee well-being and safety	≈ Spending on measures towards well-being of employees as a % of total revenue from operations of the Company ≈ Details of safety related incidents for employees
6	Enabling gender diversity in business	≈ Gross wages paid to females as % of total wages paid ≈ Complaints on POSH
7	Enabling inclusive development	≈ Input material sourced from MSMEs/ small producers as % of total purchases directly sourced from MSMEs/ small producers and directly from within India ≈ Job creation in smaller towns - Wages paid to persons employed in smaller towns as % of total wage cost
8	Fairness in engaging with customers and suppliers	≈ Instances involving loss/breach of data of customers as a percentage of total data breaches or cyber security events ≈ Number of days of accounts payable
9	Open-ness of business	≈ Concentration of purchases & sales done with trading houses, dealers, and related parties ≈ Loans and advances & investments with related parties

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Annexure B

The list of BRSR Report (Core + Non-Core) Indicators that were verified within this assurance engagement is given below:

Principles	Limited		
	Essential Indicators	Leadership Indicators	Core Indicators
Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.	-	-	8,9
Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe.	1	-	-
Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.	1,2, 3,4,5,8,9,1012,13	1,2,3,4,5	1(C),11
Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders.	1,2		-
Principle 5: Businesses should respect and promote human rights.	1,2,3(a),4,5,6,7,8,9	-	3 (b),7
Principle 6: Businesses should respect and make efforts to protect and restore the environment.	6	2	1,3,4,7,9
Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.	-	-	-
Principle 8: Businesses should promote inclusive growth and equitable development.	-	6	4,5
Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner	3	-	7