Annexure-10

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. DETAILS OF THE LISTED ENTITY

1.	**Corporate Identity Number (CIN) of the Listed Entity:**	L65922RJ2011PLC034297
2.	**Name of the Listed Entity:**	Aavas Financiers Limited
3.	**Year of incorporation:**	2011
4.	**Registered office address:**	201-202, 2nd Floor, Southend Square, Mansarovar Industrial Area, Jaipur - 302020, Rajasthan, India
5.	**Corporate address:**	201-202, 2nd Floor, Southend Square, Mansarovar Industrial Area, Jaipur - 302020, Rajasthan, India
6.	**E-mail:**	info@aavas.in
7.	**Telephone:**	0141 - 4659239
8.	**Website:**	www.aavas.in
9.	**Financial year for which reporting is being done:**	FY 2025-26
10.	**Name of the Stock Exchange(s) where shares are listed:**	Equity shares are listed on National Stock Exchange of India Limited (NSE) & Bombay Stock Exchange Limited (BSE)
11.	**Paid-up Capital:**	₹79,28,27,430/- as on March 31, 2026
12.	**Name and contact details of the person who may be contacted in case of any queries on the BRSR report:**	Mr. Sharad Pathak Designation: Chief Compliance Officer Email: investorrelations@aavas.in
13.	**Reporting boundary:**	The disclosures made in this report are on a standalone basis and pertains to Aavas Financiers Limited only.
14.	**Name of assessment or assurance provider:**	Grant Thornton Bharat LLP
15.	**Type of assessment or assurance obtained:**	Reasonable Assurance

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 Services	Other Financial Activities	100%

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.	The Company's primary business is providing home loans for the purchase, construction, renovation and repair of residential properties. It also offers mortgage-backed MSME loans and home equity loans.	64910	100%

III. OPERATIONS

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	N.A.*	442	442**
International		-	-

*The Company is a Non-Banking Financial Company - Housing Finance Company (NBFC HFC) and does not undertake any manufacturing activities.

**The Company operates within India with a total of 435 branches across 13 States and 2 Union Territories (including Delhi and Chandigarh), along with 7 offices, aggregating to a total of 442 locations as on March 31, 2026. The Company does not have any foreign offices, branches, assets, or lending operations outside India.

19. Markets served by the entity:

a. Number of locations

Location	Number
National (No. of States & UTs)	15*
International (No. of Countries)	0

*The total count of 15 represents the aggregate of 13 States and 2 Union Territories.

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

The Company operates solely within India; therefore, exports do not contribute to its turnover.

c. A brief on Types of Customers

The Company is committed to providing housing finance solutions to communities that have historically been underserved, unserved, or overlooked by traditional financial institutions. It strategically focuses on addressing the housing needs of low and middle income families, particularly in semi-urban and rural areas. By concentrating on this segment, the Company bridges a vital gap in the housing finance sector and facilitates access to homeownership for individuals who are often overlooked by larger lenders. The average ticket size is ₹10.2 Lakh and the average tenure of the loan is 15.3 years.

Category	% of AUM in FY 2025-26
Salaried Customers	38.5%
Self-employed Customers	61.5%

Category	Income Per Annum	% of AUM in FY 2025-26
Economically Weaker Section	Up to ₹3 Lakh	19.7%
Low Income Group	More than ₹3 Lakh up to ₹6 Lakh	34.6%
Middle Income Group	More than ₹6 Lakh up to ₹18 Lakh	33.9%
High Income Group	More than ₹18 Lakh	11.8%

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				
1.	Permanent (D)	7,649	7,224	94.45%	425	5.55%
2.	Other than Permanent (E)	1,822	1,709	93.80%	113	6.20%
3.	**Total Employees (D+E)**	**9,471**	**8,933**	**94.32%**	**538**	**5.68%**
		WORKERS				
4.	Permanent (F)	NA	NA	NA	NA	NA
5.	Other than Permanent (G)	NA	NA	NA	NA	NA
6.	**Total Workers (F+G)**	**NA**	**NA**	**NA**	**NA**	**NA**

b. Differently abled Employees and Workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C / A)
		DIFFERENTLY ABLED EMPLOYEES				
1.	Permanent (D)	3	3	100%	0	0%
2.	Other than Permanent (E)	0	0	0%	0	0%
3.	**Total Differently Abled Employees (D+E)**	3	3	100%	0	0%
		DIFFERENTLY ABLED WORKERS				
4.	Permanent (F)	NA	NA	NA	NA	NA
5.	Other than Permanent (G)	NA	NA	NA	NA	NA
6.	**Total Differently Abled Workers (F+G)**	NA	NA	NA	NA	NA

21. Participation/Inclusion/Representation of Women:

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors (BOD)	8*	3	37.5%
Key Management Personnel (KMP)	4	0	0%

*Mr. Sachinderpalsingh Jitendrasingh Bhinder, Managing Director & CEO, has been classified in above table, under the Key Managerial Personnel (KMP) category, rather than being included under the Board of Directors (BOD) category.

22. Turnover rate for permanent employees and workers:

Particulars	FY 2025-26 (Turnover rate in current FY)			FY 2024-25 (Turnover rate in previous FY)			FY 2023-24 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	51.65%	45.52%	51.32%*	50.87%	41.02%	50.40%	52.62%	34.55%	51.80%
Permanent Workers	NA	NA	NA	NA	NA	NA	NA	NA	NA

*The same has been calculated as per the SEBI Guidance Note.

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.	Aquilo House Pte. Ltd. (Promoter)	Holding Company	48.88%	No

VI. CSR DETAILS

24. (i) **Whether CSR is applicable as per section 135 of Companies Act, 2013:** Yes

(ii) **Turnover (in ₹):** 2,684.83 Crore

(iii) **Net worth (in ₹):** 5,050.85 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 (NGRBC):

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy) *	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remark	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remark
Communities	Yes	-	-	-	-	-	-
Investors (other than shareholders)	Yes	-	-	-	-	-	-
Shareholders	Yes	-	-	-	-	-	-
Employees	Yes	-	-	-	-	-	-
Customers	Yes	614	Nil	-	400	Nil	-
Value Chain Partners	Yes	-	-	-	-	-	-

*The Company's policies regarding conduct with its stakeholders, including the grievance mechanisms are available on its website. The link to grievance redressal mechanisms for investors: https://www.aavas.in/details-of-debenture-trustee-rta-and-grievance, for customers: https://www.aavas.in/resource/grievance-redressal-policy. The Company has constituted a Stakeholder Relationship Committee for redressal of grievances of its security holders.

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 / Opportunity	Rationale for Identifying the Risk / Opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive & negative implications)
1	Affordable Housing - Lending to lower- and middle-income customers with undocumented income	Opportunity & Risk	**Opportunity:** Affordable housing continues to remain a key national priority, supported by sustained government initiatives such as PMAY 2.0 and related policy measures aimed at improving affordability and expanding housing supply for EWS, LIG, and MIG segments. Additionally, structural demand drivers such as rapid urbanization, rising income levels, and increasing home ownership aspirations continue to support long-term growth prospects, making the segment a conducive and scalable opportunity. **Risk:** The Company's focus on serving lower- and middle-income customers, particularly in underserved and unserved geographies, involves dealing with borrowers having partially or fully undocumented income streams, which poses challenges in accurately assessing repayment capacity and creditworthiness.	The Company has established robust customer assessment and credit underwriting practices, including comprehensive credit bureau checks, internal risk scoring models, and probability of default assessments. Conservative Loan-to-Value (LTV) ratios and prudent underwriting standards are maintained to mitigate credit risks and ensure portfolio quality, resulting in delinquency levels remaining below industry benchmarks.	**Positive:** Sustained demand for affordable housing driven by urbanization, rising disposable incomes, and continued government support is expected to enhance long term business growth and portfolio expansion. **Negative:** Limited availability of documented income among target customers may impact the accuracy of income assessment, potentially increasing credit risk and operational complexity in underwriting decisions.
2	Economic Conditions & External Risks	Risk	Global geopolitical tensions, including regional conflicts and supply chain disruptions, along with persistent inflationary pressures, may adversely impact the broader economic environment in India. In recent periods, elevated fuel prices and supply-side constraints have increased household expenditure, resulting in moderation of disposable incomes. This may, in turn, affect borrowers' repayment capacity and overall credit behaviors.	The Company mitigates this risk through prudent customer evaluation, maintaining a diversified loan portfolio, adopting conservative underwriting standards, and undertaking regular monitoring of macroeconomic indicators to enable timely portfolio adjustments.	**Negative:** Elevated credit risk, potential increase in delinquencies or delayed repayments, and higher operating and funding costs arising from economic uncertainty. **Positive:** Opportunity to deepen market penetration in underserved segments, strengthen customer relationships through responsible lending practices, and benefit from stable demand supported by structural housing shortages and government initiatives in the affordable housing sector, thereby supporting long-term portfolio growth.

S. No.	Material Issue Identified	Indicate Whether Risk / Opportunity	Rationale for Identifying the Risk / Opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive & negative implications)
3	Financial & Digital Inclusion	Opportunity	The Company views financial and digital inclusion as a key opportunity to expand its reach, enhance customer engagement, and cater to underserved segments, particularly in semi-urban and rural markets, supported by increasing digital adoption across India.	The Company continues to expand its physical presence in semi-urban and rural areas while strengthening its digital capabilities. It is advancing digital transformation through system integrations, promoting paperless processes under its 'Go Green' initiative, enabling e-documentation and digital loan agreements in loan processing, thereby enhancing operational efficiency and customer convenience.	**Positive:** Enables expansion in underserved affordable housing segments, leading to portfolio growth and increased market share. Digital initiatives, including digital loan agreements, drive cost efficiencies, reduce turnaround time, and enhance customer experience, supporting scalable and sustainable business growth. **Negative:** Requires continued investment in technology infrastructure, cybersecurity, and customer onboarding/ awareness, which may increase upfront costs and pose implementation and adoption risks during the transition phase.
4	Data Privacy & Cyber Risk	Risk	Increasing digital adoption in India has heightened exposure to data breaches, cyber fraud, and misuse of customer information. Additionally, evolving regulatory requirements, including the Digital Personal Data Protection (DPDP) Act, 2023 and RBI guidelines, necessitate robust data protection and cybersecurity frameworks to safeguard customer information, ensure compliance, and mitigate operational and reputational risks.	The Company mitigates this risk by strengthening IT infrastructure, implementing robust data security frameworks, conducting regular vulnerability assessments and monitoring, enhancing employee awareness, and ensuring compliance with applicable data protection regulations.	**Negative:** Risk of financial loss due to fraud incidents or regulatory penalties, potential operational disruption, increased technology and compliance costs, and reputational damage impacting customer trust and business volumes. **Positive:** Opportunity to strengthen customer confidence through robust data protection practices, enhance digital adoption, improve operational efficiency through secure technology platforms, and build a resilient and compliant digital ecosystem supporting long-term growth in the affordable housing segment.
5	Climate Change	Risk	Climate change poses heightened risks in the affordable housing segment due to vulnerability of low- and middle-income borrowers and exposure of self-constructed housing to environmental impacts, while also creating opportunities for sustainable housing finance.		

S. No.	Material Issue Identified	Indicate Whether Risk / Opportunity	Rationale for Identifying the Risk / Opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive & negative implications)
5 (a)	Climate Change – Physical Risks	Risk	Increased frequency of extreme weather events (floods, cyclones, heatwaves) disproportionately affects informal income borrowers and self-built housing, impacting repayment capacity and collateral quality.	• Geographically diversified portfolio • Business Continuity Management Policy (BCMP) • Digitized processes and strengthened underwriting practices	**Negative:** Potential impact on borrower repayment capacity and asset quality due to climate-related disruptions.
5 (b)	Climate Change – Transition Risks	Risk	Evolving climate regulations and sustainability standards may affect financing eligibility, construction practices, and long-term valuation of affordable housing assets.	• Promotion of green affordable housing • “Go Green Initiative” (paperless operations) • Development of green housing ecosystem • Resource optimization and green offices	**Negative**: Increased compliance costs, potential asset devaluation for non-sustainable housing, and higher operational expenses due to regulatory changes.
5 (c)	Low-Carbon Operations & Green Mobility	Opportunity	Increasing policy focus on low-carbon development and sustainable housing presents opportunity to reduce emissions and strengthen ESG positioning in the affordable housing segment.	• Installation of EV charging facilities • Promotion of low-carbon practices across operations • Alignment with green housing initiatives	**Positive:** Reduction in emissions, improved ESG positioning, and enhanced brand value.
6	Green Self-Built Housing	Opportunity	The Company promotes financing for eco-friendly self-built green homes, enabling customers to adopt sustainable, cost-efficient, and resource-efficient construction practices. These homes are designed with key features such as reduced energy consumption, lower water usage, natural lighting and cooling, eco-friendly construction practices, and efficient construction timelines without compromising structural strength and durability. Through its “Green Homes Initiative”, the Company aims to bridge the financing gap and develop a scalable ecosystem for green self-built housing in the affordable housing segment.	The Company adopts a multi-dimensional approach under its Green Homes Initiative, including capacity building, community outreach, and stakeholder engagement to strengthen the green housing value chain. It promotes awareness through training sessions, brochures, social media outreach, and educational content, and conducts on-ground programmes such as “Green Samvaad” to encourage adoption of sustainable construction practices among customers, masons, and local stakeholders.	**Positive:** Supports portfolio growth through increasing demand for eco-friendly affordable housing, while enhancing the Company’s positioning as a sustainability-focused lender. The inherent features of green homes-such as lower energy and water consumption and reduced construction costs—lead to savings in operating expenses for customers, thereby supporting improved repayment capacity and long-term asset quality.

S. No.	Material Issue Identified	Indicate Whether Risk / Opportunity	Rationale for Identifying the Risk / Opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive & negative implications)
7	Diversity, Equity & Inclusion (DEI)	Opportunity	The Company is well positioned to advance Diversity, Equity & Inclusion (DEI), aligning its workforce diversity with its customer base, particularly in semi-urban and rural markets, thereby supporting inclusive and sustainable growth in a changing workforce landscape.	The Company implements inclusive hiring practices, equitable compensation structures, and fair promotion policies. These are supported by structured mentorship programmes, capability-building initiatives, and awareness efforts to strengthen workforce diversity and foster an inclusive work environment.	An inclusive workforce enhances employee engagement, productivity, and innovation, leading to improved decision-making and stronger business performance. It also supports better customer connect in diverse geographies, aiding growth in the affordable housing segment
8	Community Well-being & Social Impact	Opportunity	Active participation in social welfare initiatives strengthens the Company's reputation and stakeholder trust and fosters deeper engagement with community needs, aspirations, and trust. This is particularly relevant in the affordable housing segment, where customer relationships are closely linked with local communities. The opportunity is further reinforced by increasing emphasis on inclusive growth, financial inclusion, and community development under national priorities in India.	The Company undertakes structured CSR initiatives in partnership with the Aavas Foundation organizations, focusing on community development, livelihood enhancement, education, financial literacy, and overall social well-being. These initiatives are designed to create sustainable community impact and strengthen stakeholder engagement across geographies.	**Positive:** Enhances stakeholder trust, strengthens brand equity, and supports long-term sustainable growth through improved community relationships and customer connect, particularly in semi-urban and rural markets. It also aids in deeper market penetration and customer loyalty in the affordable housing segment
9	Regulatory Compliance	Risk	The Company operates in a highly regulated financial services environment and is subject to various laws, regulations, and guidelines issued by regulators such as the Reserve Bank of India (RBI), along with other applicable statutory and legal authorities. Continuous regulatory changes, evolving compliance requirements, and enhanced governance expectations increase the complexity of operations. Any non-compliance or delay in adapting to new regulations may result in financial penalties, legal action, and reputational risk, impacting stakeholder confidence and business continuity.	The Company has established a robust compliance and governance framework, including dedicated compliance functions, internal audit mechanisms, and periodic monitoring of regulatory changes. It ensures timely implementation of regulatory requirements through standard operating procedures, regular employee training, and compliance reviews. Strong internal controls, risk management systems, and board-level oversight further support adherence to applicable laws and guidelines.	**Negative:** Potential financial penalties, legal costs, operational disruptions, and reputational damage arising from non-compliance or regulatory breaches. **Positive:** Strong compliance and governance practices enhance stakeholder trust, improve operational resilience, support sustainable business growth, and strengthen the Company's credibility with regulators and investors.

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.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Yes, the Board approves all corporate governance policies of the Company.								
c. Web Link of the Policies, if available	The Policies covering these principles are available on the Company's website under codes and policies section. Link of the Codes and Policies -https://www.aavas.in/codes-and-policies.								
2. Whether the entity has translated the policy into procedure? (Yes/No)	Yes, the Company has translated the applicable policies and imbibed the same into procedures and practices across all spheres of activities the Company undertakes.								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes, the Company expects its value chain partners to adhere to the same standards of ethics and values as are observed by the Company. The following policies have a broad scope and apply to value chain partners: - 1. Code of Conduct 2. Corporate Social Responsibility (CSR) Policy 3. Anti-Bribery and Corruption Policy 4. Environment & Social Policy 5. Environment Social & Governance (ESG) Policy 6. Equal Opportunity Policy 7. Grievance Redressal Policy 8. Human Rights Policy 9. IT Outsourcing Policy 10. Outsourcing Policy 11. Vigil Mechanism/Whistle Blower Policy 12. Vishakha Policy								
4. Name of the national and international codes/certifications/labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Apart from the LEED Gold Certification, the Company does not hold any other national or international codes, certifications, or label standards. However, it ensures that its operations adhere to the NGBRC, reinforcing its dedication to ethical and responsible business practices.								

5. Specific commitments, goals and targets set by the entity with defined timelines, if any:

	Target	Timeline
Environment	Carbon Neutrality (Scope 1 & 2 Emissions)	70% by FY 2032-33 and 100% by FY 2049-50
	Scope 3 Emissions (Plastic & Paper Waste)	50% by FY 2027-28
	Carbon Offset • Planting 70,000 Trees • Solar Plant 3,500 KWP • Green Housing Offset	By FY 2029-30
Social	Increase women workforce up to 8%	By FY 2027-28
	Increase women workforce in Head Office & related office up to 25%	By FY 2027-28
	Maintain Fresh Hire up to 20%	Every Year
	Increase the number of Specially Abled Employees to 10	By FY 2027-28

	Target	Timeline
	CSR: - • Engage 5,50,000 + people in Education & Holistic Development • Engage 4,50,000+ beneficiary through women empowerment and Gram Siddhi Program	By FY 2029-30
Governance	BRSR Core Assurance	From FY 2023-24
	Target to achieve a low ESG risk ratings/score.	-
	Climate Impact Reporting and became a member of CDP and attain a rating of A.	By FY 2027-28
	Sustainability Report to be aligned with international reporting frameworks.	-

6. Performance of the entity against specific commitments, goals, targets along-with reasons in case the same are not met:

Category	Particulars	Target / Timeline	Status at the end of FY 2025-26	Status at the end of FY 2024-25
Environment	Carbon Neutrality (Scope 1 & 2 Emissions)	70% by FY 2032-33 and 100% by FY 2049-50	39.40%	47.72%
	Scope 3 Emissions (Plastic & Paper Waste)	50% by FY 2027-28	Paper: 100% recycled (99.45% emission reduction)* Plastic: Partial year data available; so not comparable	44.00% (Including Plastic and Paper Waste)
	Carbon Offset Initiatives			
	• Planting 70,000 Trees	By FY 2029-30	10,000+ trees planted	13,051 trees planted
	• Solar Plant (3,500 KWP)	-	630 KWP installed	620 KWP installed
	• Green Housing Offset	-	718 Certified Self-Built Green Homes	348 Certified Self-Built Green Homes
Social	Increase women workforce up to 8%	By FY 2027-28	5.68%	5.69%
	Increase women workforce in HO & related office up to 25%	By FY 2027-28	26.83%	26.91%
	Maintain Fresh Hire up to 20%	Annual	31.74%	36.70%
	Increase the Specially Abled Employees up to 10	By FY 2027-28	3	2
	CSR Outreach (Education & Holistic Development)	By FY 2029-30	6,20,087 beneficiaries (Direct + Indirect)	3,42,012 beneficiaries (Direct + Indirect)
	Women empowerment & Gram Siddhi Program	-	3,926 beneficiaries (Direct + Indirect)	3,526 beneficiaries (Direct + Indirect)
Governance	BRSR Core Assurance	From FY 2023-24	Reasonable Assurance undertaken	Voluntary Limited Assurance undertaken
	Target to achieve a low ESG risk ratings/ score.	By FY 2026-27	Ongoing discussions with rating providers	In discussion stage
	Climate Impact Reporting and became a member of CDP and attain a rating of A.	By FY 2027-28	Participated in CDP	Planned for FY 2025-26
	Sustainability Report to be aligned with international reporting frameworks.	Continued Progress	Aligned with GRI, SASB, and TCFD frameworks	Aligned with SDG and GRI standards

* The Scope 3 Emissions (Plastic & Paper Waste) status for FY 2025-26 has been maintained in line with FY 2024-25. During FY 2025-26, 100% of paper waste generated was diverted to recycling compared to 22.91% in FY 2024-25, resulting in a significant reduction in landfill-related paper waste emissions (99.45%). However, plastic waste recycling was not undertaken during FY 2025-26 due to operational constraints, including the non-availability of on-site storage facilities, and plastic waste data pertains to a partial period only. Accordingly, the overall status percentage has not been revised to avoid potential overstatement of progress.

S. No.	Particulars	FY 2025-26	FY 2024-25
Environment			
1	**Scope 1 & Scope 2 Emissions Neutralized**	39.40% neutralized	47.72% neutralized
2	**Resource Efficiency & Digitization Initiatives**	• Continued monitoring and optimization of paper usage, expanded paperless operations and reduced consumption of single use plastic. • Continued digitalization under the 'Go Green Initiative' through online home loan applications via web portals and mobile applications, contributing to significant reduction in paper usage. • Rolled out digital agreements in 362 Branches & 12,187 Total Digital Agreements were executed as on March 31, 2026	• Implemented monitoring & control paper usage, launched paper recycling initiatives and reduced plastic consumption. • Digitalized operations under "Go Green Initiative" to minimize paper work and facilitated online applications for home loans via web portal and mobile applications. • Introduced a pilot phase for E-signing in loan documentation process. • In-house digital application based technical valuation with 100% geo-tagging. • As of March 31, 2025, 11% of branches (i.e., 5 branches) have been enabled for digital agreement signing. The module was made live in February, 2025.
3	**Tree Plantation & Solar Installation**	• Planted 10,000+ trees • Installed 630 KWP Solar Plant	• Planted 13,051+ trees • Installed 620 KWP Solar Plant
4	**Self-Built Green Homes Constructed**	718	348
5	**Annual GHG Reductions from Green Homes (tCO_2e/year)**	764.81	402.00
6	**Annual Water Savings from Green Homes (m^3/year)**	34,149.66	16,830.00
7	**Annual Energy Savings from Green Homes (MWh/year)**	1,080.89	542.00
Social			
1	**Women Workforce Representation**	• 5.68% overall women workforce • 26.83% women at Head Office and related offices	• 5.69% overall women workforce • 26.91% women at Head Office and related offices
2	**Gender Inclusion Initiatives**	Expanded Prerna Mentor-Mentee Program & Prerna Webinars, enhanced Wellness Sessions, continued Women Wellness Leave, Improved Workplace Hygiene Measures and continued Women Excellence Awards.	Implemented Prerna Mentor-Mentee Program & Prerna Webinars, Wellness Sessions, Women Wellness Leave, Workplace Hygiene Measures and Women Excellence Awards.
3	**Employee Benefits & Support**	• Flexible working hours • Continued Webinars on Group, Health, and Accidental Insurance covering its features and benefits. • Continued Maternity and Paternity Leave benefits. • Implemented Creche Reimbursement Policy at Head Office.	• Flexible working hours • Webinars on Group, Health, and Accidental Insurance covering its features and benefits. • Maternity and Paternity Leave benefits. • Implemented Creche Facility at Head Office.

S. No.	Particulars	FY 2025-26	FY 2024-25
4	**CSR Outreach - Education & Development Program**	6,20,087+ beneficiaries	3,42,012+ beneficiaries
5	**CSR Outreach - Women Empowerment & Gram Siddhi Program**	3,926+ beneficiaries	3,526+ beneficiaries
Governance			
1	**Governance Framework**	Strengthened oversight through CSR & ESG Committee and ESG Policy Framework	Established CSR & ESG Committee with defined ESG Policy framework
2	**BRSR Reporting**	Mandatory Reasonable BRSR Core Assurance in line with SEBI mandate	Voluntarily BRSR Core Assurance (Limited) as per SEBI mandate
3	**ESG Ratings (Independently Assigned)**	• CFC Finlease Private Limited (82 - Excellent) • CRISIL ESG (64 - Strong) • ESG Risk Assessment & Insights (67 - Strong) • Sustainalytics (23.9 - Medium Risk) • NSE (71 - Aspiring) • S&P Global (35) • SES ESG (77.7 - Medium)	• CRISIL ESG (63 - Strong) • ESG Risk Assessment & Insights (70.62 - Strong) • SES ESG (77.8 - Medium)
4	**External Assessments / Improvements**	Participated in EcoVadis and CDP Assessments, strengthening ESG roadmap, transparency, and disclosure quality.	Strengthened ESG disclosures to enable data readiness for external benchmarking and global assessments.
5	**Awards & Recognition**	• Childcare Champion Award at India Childcare Awards 2025. • Indian CSR Awards for Best Environment Safety Initiative 2025. • Economic Times Rajasthan Business Award for CSR Initiative of the Year. • Road Safety Leader Award 2025. • Best CSR Award at NBFC Tomorrow Conclave & DNA Awards 2025. • National Housing Bank Award 2025 for Product Innovation in Affordable Housing. • ICMAI Green Awards 2023-24 in Small Cap Category.	Best Mid-Cap Service Sector Award under ICAI Sustainability Reporting Awards 2023-24.
6	**Social Initiatives (Aavas Gurukul Road & Safety Program)**	• 37 workshops conducted • 9,500 helmets distributed • 23 Traffic Police Assistance Booths installed	• 18 workshops conducted • 8,000 helmets distributed • 39 Traffic Police Assistance Booths installed

Governance, leadership and oversight

7. **Statement by Director responsible for business responsibility report, highlighting ESG related challenges, targets and achievements.**

The Company continues to strengthen its Environmental, Social, and Governance (ESG) agenda through a robust governance framework and a long-term vision for sustainable growth. Focused efforts were undertaken to integrate ESG principles into core business operations while addressing evolving environmental and social priorities within the housing finance sector.

A significant milestone in the Company's sustainability journey has been its continued emphasis on climate-responsive business practices. The Company has supported 718 Self - built green homes, resulting in annual water savings of 34,149.66 m^3, annual energy savings of 1,080.89 MWh, reduction of 764.81 tons of CO_2 emissions, and estimated annual cost savings of ₹ 78,69,47,591. The Company is engaged with customers, employees, partners, suppliers, and government authorities through Green Samvaad programmes and outreach initiatives to strengthen the green housing ecosystem. The Company continued to advance climate-responsive business practices through its green building certified Head Office.

During Financial Year 2025-26, the Company further strengthened its energy conservation efforts by introducing an internal Electric Vehicle (EV) charging facility for two-wheelers at the Head Office under its Green Mobility initiative. This step promotes sustainable commuting, reduces dependence on fossil fuel-based transportation, and contributes to lowering Scope 1 and Scope 3 emissions, aligned with the Company's commitment to carbon neutrality.

The Company remains committed to fostering a diverse, equitable, and inclusive workplace. Several employee-focused initiatives were undertaken including the launch of the Creche Policy, the "PRERNA Mentoring 2.0" Programme, PRERNA webinars, and Women Excellence Awards. These initiatives are aimed at supporting women professionals, strengthening leadership capabilities, and building an inclusive and resilient workforce culture.

The Company's ESG efforts and commitment to sustainable business practices has received recognition during the Financial Year. The Company was honoured with the ICMAI Green Awards 2023-24 in Small Cap Category at the Sustainability Summit 2.0. Additionally, the Company received the Product Innovation Award at the NHB Housing & Housing Finance Excellence Awards 2025. These recognitions reflect the Company's continued focus on sustainability-led governance and innovation in affordable housing finance.

The Company follows an integrated ESG approach encompassing climate action, resource efficiency, digital transformation, data security, employee development, inclusivity, and community engagement. Going forward, the Company remains committed to further strengthening governance practices, establishing measurable ESG goals, and driving sustainable and inclusive growth through responsible leadership and continuous innovation.

<table>
<tr><td>8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).</td><td>Mr. Manu Yeshpal Singh
Chief Executive Officer (CEO)</td></tr>
<tr><td>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.</td><td>Yes, Board of Directors of the Company has embodied various Board Committees, which are accountable for and have hold over Key Sustainability & ESG related policies of the Company, as mentioned below:

1. CSR & ESG Committee: Acknowledging global trends and the increasing importance of ESG factors, the Company has constituted a Board-level CSR & ESG Committee to provide strategic direction and oversight on ESG-related matters. Further, a Management-level ESG Steering Committee has been established to ensure effective implementation, monitoring, and alignment of ESG initiatives. This Steering Committee provides guidance to the ESG Working Groups and the ESG team, thereby strengthening governance and execution.

2. Risk Management Committee: The Company has constituted a Board-level Risk Management Committee to promote a risk-aware culture and establish a robust risk governance framework. The Committee is responsible for identifying, assessing, and mitigating key risks, including those related to ESG factors, covering both internal and external dimensions.

The Managing Director & CEO, along with the senior management team, are responsible for overseeing the Company's ESG performance on an ongoing basis. In addition, the Board of Directors (BOD) reviews the Company's sustainability performance on a quarterly basis, to ensure alignment with strategic objectives and regulatory expectations.</td></tr>
</table>

10. Details of Review of NGRBC's 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	All the policies of the Company are approved/ reviewed by the BOD									A	A	A	A	A	A	-	A	A
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances.	The Company adheres to the existing regulations as applicable and there were no non-compliances.									A	A	A	A	A	A	-	A	A

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.

P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8
The processes and compliances are reviewed by Internal Auditors, Statutory Auditors, Secretarial Auditors, Regulators, and Credit Rating Agencies, as applicable. To uphold the best practices and address risks, policies are periodically assessed and updated by the Senior Management and the Board. An independent assessment of the ESG Reporting of the Company has been provided by Churchgate Partners. Link for the ESG Reporting - https://www.aavas.in/esg-reporting. The Company has obtained Reasonable Assurance of its BRSR Core Statement from Grant Thornton Bharat LLP for FY 2025-26, in line with SEBI's revised assurance framework issued via Circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2025/42 dated March 28, 2025.							

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

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the principles material to its business (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	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	NA	NA	NA	NA	NA	NA	NA	NA
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
It is planned to be done in the next financial year (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
Any other reason (please specify)	NA	NA	NA	NA	NA	NA	NA	NA	NA

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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

Essential Indicators

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

During the Financial Year 2025-26, the Company has conducted multiple mandatory training programs with a strong emphasis on ethics, integrity, transparency, and accountability, reinforcing the Company's commitment to responsible business conduct. The training programs are designed to strengthen awareness of compliance requirements and promote a culture of ethical decision making across all levels of the workforce. Each training program records significant employee participation. Further, the sessions have conducted pan-India through virtual learning platforms, enabling seamless and consistent access for employees across functions, and roles.

Prerna:- The Company launched the "PRERNA Mentoring 2.0" Programme to facilitate structured mentor-mentee engagements focused on career development, leadership capability building, confidence enhancement, and professional guidance through continuous interaction with experienced leaders. In addition, dedicated orientation and capacity-building sessions were conducted for mentors and mentees to ensure alignment on programme objectives, expectations, engagement frameworks, and desired outcomes.

The Company also organized a webinar on "Fostering Gender Diversity – Breaking the Bias" to strengthen awareness regarding workplace inclusion and unconscious bias. These initiatives were aimed at promoting preventive healthcare awareness, physical fitness, mental well-being, stress management, and work-life balance among women employees. Recognizing the importance of holistic employee well-being, the Company conducted several wellness-focused training sessions and awareness programmes under the PRERNA initiative such as Women Wellness Workshops conducted at Bengaluru, Delhi, and Jaipur, which is a Women Wellness and Fitness Talk, and Wellness Seminars focused on posture management, stress management, and mental exercises.

Employee Induction Training:- The Company conducts structured induction, functional, behavioral, compliance, process oriented, productivity enhancement programmes and capability-building training programmes for new employees to facilitate smooth onboarding and strengthen role-based competencies across functions. These training initiatives are designed to familiarize employees with the Company's business operations, organizational processes, customer service standards, compliance requirements, financial products, insurance offerings and operational systems, thereby enabling effective integration into the workplace. In Addition, the Company conducts mandatory trainings focused on workplace ethics, data privacy, cybersecurity practices, employee safety, and regulatory compliance to strengthen awareness and promote responsible business conduct.

ESG Training:- The Company has integrated Environmental, Social, and Governance (ESG) training into its overall employee learning and development framework to ensure that employees across functions and levels are equipped with a foundational understanding of responsible business practices and sustainability principles. ESG-related learning modules are incorporated into induction programmes for new employees as well as periodic classroom and physical training sessions conducted throughout the year.

By embedding ESG principles into its organizational learning framework, the Company aims to foster a culture of sustainability, accountability, transparency, and ethical conduct across all levels of the organization. The initiative also supports the Company's broader objective of integrating ESG considerations into day-to-day operations, stakeholder engagement, and overall business strategy.

Green Homes Mandatory Training:- The Company organised training programmes throughout the year to promote awareness and understanding of green housing concepts among its front-line teams across all branches. These training initiatives were delivered through virtual webinars and self-paced learning modules, enabling wider accessibility and continuous learning across locations. The programmes focused on enhancing employee knowledge regarding sustainable housing practices, green home financing, customer benefits, and eligibility criteria, thereby strengthening the Company's ability to promote sustainable housing solutions and support informed customer engagement.

Segment	Total number of trainings and awareness programs held	Topics /principles covered under the training	% of persons in respective category covered by the awareness programs
BOD	25.5 Hours	Programme on IT Roadmap and Regulatory Updates by SEBI/MCA/NHB/RBI, Information Security / Cyber Security Awareness Training, Programme on RBI update on consolidation of Master Directions	100%
KMPs	12 Hours	RBI updates on consolidation of Master Directions, Information Security / Cyber Security Awareness Training, IT Roadmap and Programme on Regulatory Updates by SEBI/MCA/NHB/RBI, Insider Training, POSH Training	100%
Employees other than BOD and KMPs	4,01,287 Hours	Branch Head Training, Credit Manager Training, BSM Training, Managers Orientation, Prarambh Induction, PMAY Training, Productivity Booster Training, Lead Escalation Training, POSH Training, Information Security & Cyber Security Awareness, Insurance Training, Refresher Training, ESG Training, Green Homes Mandatory Training	100%

2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, 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):**

	Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	-	-			
Settlement	-				
Compounding Fee	-				

	Non-monetary			
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	-	-		

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	

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, the Company has implemented an Anti-bribery and Corruption Policy, which demonstrates its commitment to maintain a zero-tolerance approach towards bribery and corruption. This policy aligns with the prevailing regulations and laws on anti-bribery and anti-corruption in India. Its scope covers all individuals within the Company, including directors, senior management, employees, and anyone else who is directly associated with the Company. The objective of this policy is to establish a robust and transparent operational framework that promotes accountability in all aspects of the Company's operations. The Company also communicates and creates awareness among its employees through its internal communication. The policy is available on the Company's website at https://www.aavas.in/codes-and-policies.

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

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Directors	-	-
KMPs	-	-
Employees	-	-
Workers	NA	NA

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

	FY 2025-26 (Current Financial Year)		FY 2024-25 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	-	-	-	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	-	-	-	-

Conflict management is guided by the Policy on Materiality of Related Party Transactions: https://www.aavas.in/img/pdf/Policy-on-Materiality-of-related-party-transactions-and-on-dealing-with-related-party-transactions.pdf.

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.**

Not Applicable, as no such instances reported during the Reporting Period.

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

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Number of days of accounts payable	17.62*	1.45

*The increase in number of days of accounts payable during FY 2025–26 is primarily on account of a change in calculation methodology. In the current year, finance costs have been excluded from the computation of cost of goods/services procured, whereas in the previous year (FY 2024–25), finance costs were included as per the audited methodology. Accordingly, the figures are not directly comparable and the current year number appears higher due to this change.

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

Parameter	Metrics	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Concentration of Purchases	a) Purchases from trading houses as % of total purchases	-	-
	b) Number of trading houses where purchases are made from	-	-
	c) Purchases from top 10 trading houses as % of total purchases from trading houses	-	-
Concentration of Sales	a) Sales to dealers/ distributers as % of total sales	-	-
	b) Number of dealers/distributors to whom sales are made	-	-
	c) Sales to top 10 dealers/ distributers as % of total sales to dealers/ distributors	-	-

Parameter	Metrics		FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Share of RPTs in	a)	Purchases (Purchases with related parties/ Total Purchases)	0.056%*	0.040%
	b)	Sales (Sales to related parties/ Total Sales)	-	-
	c)	Loans & Advances (Loans & Advances given to related parties/ Total Loans & Advances)	0.003%**	-
	d)	Investments (Investments in related parties/ Total Investments made)	-	-

* Includes purchase of services amounting to ₹12.18 lakh from Perfios Software Solutions Pvt. Ltd., which was a related party of the Company up to June 30, 2025, as disclosed under Note 35 – Related Party Transactions in the audited financial statements. The transaction has been considered for computation of RPT purchases.

** Home Loan has been extended to Mr. Saurabh Sharma, Company Secretary & Compliance Officer of the Company.

Leadership Indicators

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

During the Financial Year 2025-26, the Company conducted various programs and has taken multiple awareness initiatives which aimed at strengthening sustainability and responsible practices across its value chain partners. These include:

Total Number of Awareness Programs Held	Topics/Principles covered under the training	% age of value chain partners covered (by the value of business done with such partners) under the awareness programmes
Regular and round the year	**PRERNA Initiative**	Under, the PRERNA initiative, the Company launched the “PRERNA Mentoring 2.0” Programme, which enabled structured mentor–mentee engagement to support career development, leadership readiness, and professional growth of women employees through continuous guidance and orientation support. The Company also conducted several wellness-focused training sessions and awareness programmes under the PRERNA initiative. These included Women Wellness Workshops conducted at Bengaluru, Delhi, and Jaipur, which is a Women Wellness and Fitness Talk and wellness seminars focused on posture management, stress management, and mental exercises. The Company also organized a webinar on “Fostering Gender Diversity – Breaking the Bias” to strengthen awareness regarding workplace inclusion and unconscious bias.
One (1)	**Green Samvaad at Surendranagar (Gujarat)**	To promote green home awareness within the supplier ecosystem and strengthen adoption of sustainable construction practices, the Company organized a Green Samvaad program in Surendranagar, Gujarat. The program engaged more than 200 participants including builders, masons, contractors, architects, and developers, focusing on eco-friendly construction techniques, resource efficiency, and long-term benefits of green housing.
Regular and round the year	**Green Home Training for Employees**	The Company conducted Mandatory Green Home trainings for frontline and supervisory employees including Relationship Officers, Disbursement Officers, Branch Heads, and other relevant roles. During Financial Year 2025-26, a total of 9,471 employees were covered under this programme. The Company has also developed an in-house team of EDGE experts through intensive engagement with International Finance Corporation (IFC) to foster green home ecosystem development.

Total Number of Awareness Programs Held	Topics/Principles covered under the training	% age of value chain partners covered (by the value of business done with such partners) under the awareness programmes
One (1)	**Green Home Awareness through Documentaries**	The Company developed and disseminated documentary content showcasing real-life adoption of green homes in locations such as Raipur and Jodhpur. These documentaries highlighted benefits including energy savings, water efficiency, and improved living standards, thereby creating awareness, addressing misconceptions, and encouraging adoption of sustainable housing practices across the ecosystem.
Regular and across the customer base	**In-house Green Home Advisory & Assistance Services**	The Company is continuously engaged with customers and construction ecosystem stakeholders through digital and in-person channels, providing technical guidance and advisory support for green home construction. This included assistance on design optimization, material selection, and adoption of sustainable practices, thereby strengthening awareness and enabling informed decision-making.

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

   Yes, the Company has a Code of Conduct for the Board of Directors and the Senior Management Personnel which specifies that the members of the Board and Senior Management shall not engage in any transaction or activity that may conflict with the interest of the Company. The Code of Conduct can be accessed on the website- https://www.aavas.in/img/pdf/code-of-conduct-for-the-board-of-directors-and-the-senior-management-personnel-feb-2026.pdf

   The Company also has a policy on Materiality of Related Party Transactions and on Dealing with Related Party Transaction which addresses the issue of conflict of interest. The Policy on Materiality of related party transactions and on dealing with related party transactions can be accessed on the website- https://www.aavas.in/img/pdf/Policy-on-Materiality-of-related-party-transactions-and-on-dealing-with-related-party-transactions-feb-2026.pdf

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

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

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)	Details of improvements in environmental and social impacts
R &D	-	-	Green Housing Program: The Company is a pioneer in India's affordable housing finance space by supporting certification of 718 self-built green homes. As per projections, these homes are designed to collectively save: - • 34,149.66 m3 of water per year • 1,080.89 MWh of energy per year • 7,64.81 tons CO2 of GHG emissions per year • ₹ 78,69,47,591 cost saved per year The Company is actively nurturing an entire ecosystem for green affordable housing in India's housing finance space by engaging all key stakeholders from the green housing value chain including customers, employees, suppliers, government bodies, partners etc. through seminars, workshops, webinars, conferences, emailers, documentaries and other awareness and outreach initiatives on the concept, features and benefits of green homes.
Capex	0.70%	0.97*%	In the Financial Year 2025-26, 0.70% of the total revenue of the Company was allocated towards Information Technology (IT) hardware and software. This investment in IT facilitated enhanced digital initiatives, leading to increased efficiencies and a reduction in paper usage across the Company's operations.

*The FY 2024–25 figure has been revised due to reclassification; wherein non-essential office equipment earlier included under IT assets has been excluded.

2a. **Does the entity have procedures in place for sustainable sourcing? b. If yes, what percentage of inputs were sourced sustainably?**

Given the Company's primary focus on providing housing finance, resource consumption is inherently limited. However, the Company actively ensures sustainable operations and moderated resource utilization. Under its ESG Policy, the Company is committed to procuring environmentally friendly inputs and sourcing materials locally, with a particular emphasis on supporting women-led MSMEs. Sourcing decisions are guided by the Environment & Social Policy: https://www.aavas.in/img/pdf/environment-social-policy.pdf

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

As the nature of business of the Company is housing finance, no hazardous waste is generated by the Company. During the Financial Year 2025-26, approximately 10.97 metric tons of waste was generated across the Head Office and associated offices, out of which 5.45 metric tons of paper waste and 5.52 metric tons of e-waste were recycled through authorized vendors. This reflects a reduction compared to the previous financial year, wherein approximately 12.96 metric tons of waste was generated.

The Company has undertaken significant steps towards digital transformation to minimize its environmental footprint. During Financial Year 2025-26, digital agreements were rolled out across 362 branches, with 12,187 agreements executed as on March 31, 2026. This transition has substantially reduced branch-level paper consumption and physical document storage requirements. Additionally, seamless digital integrations through web platforms, customer applications, referral channels, and chatbots have further strengthened paperless operations.

Further, under its "Go Green Initiative," the Company actively monitors and regulates printing and photocopy activities to reduce paper consumption. Efforts are also made to segregate waste at source and promote recycling and reuse practices wherever feasible. Through these initiatives, the Company is steadily progressing towards responsible resource management and sustainable operations.

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.**

   No, given the nature of the Company's operations, EPR is not applicable to the Company.

Leadership Indicators

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

NIC Code	Name of the 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.
			-		

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.**
   Nil

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).**
   Nil

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tons used, recycled, and safely disposed, as per the following format:**
   Nil

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

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

Essential Indicators

1. a. Details of measures for well-being of employees.

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity benefits		Paternity Benefits		Day Care Facilities	
		NO. (B)	% (B/A)	NO. (C)	% (C/A)	NO. (D)	% (D/A)	NO. (E)	% (E/A)	NO. (F)	% (F/A)
PERMANENT EMPLOYEES											
Male	7,224	7,031	97.33%	7,224	100%	-	NA	7,031	97.33%	-	-
Female	425	406	95.53%	425	100%	406	95.53%	-	NA	-	-
Total	**7,649**	**7,437**	**97.23%**	**7,649**	**100%**	**406**	**100%**	**7,031**	**100%**	**-**	**-**
OTHER THAN PERMANENT EMPLOYEES											
Male	1,709	1,709	100%	1,709	100%	-	NA	1,709	100%	-	-
Female	113	113	100%	113	100%	113	100%	-	NA	-	-
Total	**1,822**	**1,822**	**100%**	**1,822**	**100%**	**113**	**100%**	**1,709**	**100%**	**-**	**-**

b. Details of measures for wellbeing of workers.

Category	% of workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		NO. (B)	% (B/A)	NO. (C)	% (C/A)	NO. (D)	% (D/A)	NO. (E)	% (E/A)	NO. (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**

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

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Cost incurred on well-being measures as a % of total revenue of the Company	0.30%	0.31%

2. Details of retirement benefits for Current FY and previous Financial Year.

Benefits	FY 2025-26 (Current Financial Year)			FY 2024-25 (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 workers	Deducted and deposited with the authority (Y/N/N.A.)
PF*	100%	NA	Y	100%	NA	Y
Gratuity	100%	NA	Y	100%	NA	Y
ESI**	43%	NA	Y	49%	NA	Y
Others	NA	NA	NA	NA	NA	NA

*All employees except apprentice trainees are covered for PF benefits.

**All employees are eligible for coverage under ESIC whose gross salary is less than or equal to ₹21,000/- per month.

3. Accessibility of Workplaces

Are the premises / offices of the entity accessible to differently abled employees, 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, as per its Equal Opportunity Policy, The Head Office of the Company is equipped with easily accessible facilities and infrastructure to enable differently abled employees to effectively discharge their duties. The Company also endeavors to make all events and meetings inclusive, and ensures that specially-abled employees are put to roles where they can work without any barriers and utilize their skills at the optimum level. It can be accessed on the website at https://www.aavas.in/img/pdf/equal-opportunity-policy.pdf. Accessibility commitments are also supported by the Human Rights Policy: https://www.aavas.in/img/pdf/human-rights-policy.pdf

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

Yes, the Company is committed to a diverse and inclusive work environment free from all forms of discrimination based on age, gender, caste, race, religion, or disability. This practice is duly preserved in the Company's Equal Opportunity Policy, which can be accessed on the website at https://www.aavas.in/img/pdf/equal-opportunity-policy.pdf

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

Gender	FY 2025-26 (Current Financial Year)	
	Permanent Employees	
	Return to Work Rate	Retention Rate
Male	100%	58.94%
Female	100%	66.67%
Total	**100%**	**59.51%***

*The same has been calculated as per the SEBI Guidance note.

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

	Yes/No (If yes, then give the details of the mechanism in brief)
Permanent Workers	NA
Other than Permanent Workers	
Permanent Employees	Yes*
Other than Permanent Employees	

*The Company believes in open and receptive channels of communication within its workflow, and encourages employees to freely share their concerns with their departmental heads, HR or members of the senior management. To address the instances of unresolved employee grievances, the Company has put in place a mechanism under its Employee Grievance Redressal Policy which provides all employees with an adequate opportunity to have their grievances resolved effectively and at the earliest possible stage. The policy is available on the intranet portal of the Company where it is accessible to all employees.

The Whistle Blower/Vigil Mechanism provides a confidential and non retaliatory grievance channel for employees: https://www.aavas.in/img/pdf/Vigil-Mechanism-Policy.pdf

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

The Company does not have any employee associations; however, it recognizes the right to freedom of association and does not discourage collective bargaining.

Category	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category who are part of association or Union (B)	% (B/A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category who are part of association or Union (D)	% (D/C)
Total Permanent Employees	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA
Total Permanent Workers	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA

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

Category	FY 2025-26 (Current Financial Year)					FY 2024-25 (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	8,933	8,933	100%	8,933	100%	8,892	8,892	100%	8,892	100%
Female	538	538	100%	538	100%	536	536	100%	536	100%
Total	**9,471**	**9,471**	**100%**	**9,471**	**100%**	**9,428**	**9,428**	**100%**	**9,428**	**100%**
WORKERS										
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**

Note: Training programs offered under health and safety/wellness and skill upgradation are mandatory. Hence, all employees have been included in such training programs.

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

Policies for career growth and progress are in place for all employees. All employees undergo an annual performance appraisal process based on their defined Key Responsibility Areas (KRA) and ratings are given on a 5-point scale, based on which their annual increments and bonuses are determined.

Category	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Total (A)	No.(B)	%(B/A)	Total (C)	No. (D)	%(D/C)
EMPLOYEES						
Male	8,933	7,237	81.00%	8,892	6,906	77.66%
Female	538	448	83.27%	536	432	80.59%
Total	**9,471**	**7,685**	**81.14.%**	**9,428**	**7,338**	**77.83%**
WORKERS						
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA
Total	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**

10. **Health and safety management system:**

a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

The Company primarily operates in housing finance and, due to the nature of its business, faces minimal occupational health and safety risks. Nevertheless, the Company remains committed to providing a safe, healthy and supportive working environment for its employees and continues to undertake various health and safety-related training and awareness initiatives in alignment with its Human Rights Policy. During Financial Year 2025 26, the Company implemented the following employee centric occupational health and safety initiatives:

- **Health Check-up Camps: -** The Company organized periodic health check-up camps as part of its preventive healthcare initiatives to promote employee well-being and encourage early detection of health-related risks. These included regular doctor consultations at the Jaipur Head Office and quarterly health check-ups enabling employees to monitor their health status and adopt timely preventive measures.

- **Emergency Preparedness & Awareness Training: -** The Company conducted First Aid and CPR (Cardiopulmonary Resuscitation) training programmes to equip employees with essential life-saving skills required to respond effectively during medical and workplace emergencies. These training sessions were designed to enhance employee preparedness in providing immediate assistance in critical situations, thereby improving response time and potentially saving lives.

- **World Cancer Awareness Session: -** The Company conducted OPD Consultation & Health Screening Camp for employees to promote preventive health care and early detection. It also educated employees the importance of maintaining a healthy lifestyle. Complimentary Screenings tests were also provided such as Mammography, Pap Smear, Ultrasound (USG) and Hemoglobin Tests.

- **Wellness and Fitness Activities: -** To encourage healthier and more active lifestyles, the Company conducted various wellness and fitness initiatives, including Yoga Sessions, Zumba Classes, Fitness Challenges, and other employee wellness programmes. These initiatives aimed at supporting employee's physical fitness, mental well-being, stress management, and overall work-life balance.

- **World No Tobacco Day Awareness: -** The Company conducted an awareness session on the occasion of World No Tobacco Day to sensitize employees regarding the adverse health effects associated with tobacco consumption. The session aimed to enhance awareness on the health risks of tobacco use and encourage employees to adopt healthier lifestyle choices.

The Company continues to encourage employee participation in health and safety initiatives through regular communication, awareness sessions and on ground engagement, thereby fostering a proactive culture of safety and well being.

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

Given the nature of business, this is not directly applicable, however, under its Human Rights Policy, the Company ensures that all parameters of health and safety are complied with at all its workspaces and takes sufficient measures to avoid any workplace hazards.

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

Given the nature of business, this is not directly applicable and as such, there are no workers employed by the Company.

d. **Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Yes, all employees of the Company are covered under the Company's Accidental Policy and, majority of the employees are also covered under its Health Insurance Policy.

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

Safety Incident/Numbers	Category	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Permanent Employees	0	0
	Workers	NA	NA
Total recordable work-related injuries	Permanent Employees	0	0
	Workers	NA	NA
No. of fatalities	Permanent Employees	0	0
	Workers	NA	NA
High consequence work-related injury or ill-health (excluding fatalities)	Permanent Employees	0	0
	Workers	NA	NA

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

The Company undertakes multiple structured initiatives to ensure a safe, healthy, and supportive workplace for its employees and visitors.

- **Infrastructure safety and security measures: -** The Company has equipped all its offices and branches with fire extinguishers, which are periodically inspected and refilled to ensure operational readiness. In addition, CCTV surveillance systems, security personnel, and access control mechanisms have been implemented across locations to maintain a safe and secure working environment for employees and other stakeholders.

- **Preventive Healthcare and Medical Support: -** Under the "We Care" employee well-being initiative, the Company provides employees with quarterly health check-ups, First Aid and CPR training, and regular health awareness drives aimed at promoting preventive healthcare and overall well-being. At the Head Office, the Company facilitates weekly on-site doctor consultations for employees and their family members. Additionally, the Company has established tie-ups with empaneled hospitals to enable employees to access healthcare services at concessional rates.

- **Mental Health, Fitness, and Wellness Initiative: -** Through the "We Care" initiative, the Company conducted various wellness initiatives, including the Aavas Fitfest Challenge, Yoga Day sessions, Zumba workshops, and lifestyle wellness programmes aimed at promoting employees' physical health and overall well-being. The Company also undertakes counselling-oriented workshops and stress management programmes across locations to support employees mental and emotional well-being.

- **Health Awareness Program: -** The Company organized various health awareness initiatives, including programmes on World Cancer Awareness Day, World No Tobacco Day, and preventive health talks to encourage informed health practices and promote employee awareness on preventive healthcare and healthy lifestyle choices.

- **Women focused Health and Wellness Initiative: -** Under the PRERNA initiative, the Company conducted specialized wellness sessions and webinars covering topics such as “Aging is Optional” and “Retirement Planning for Women,” aimed at promoting holistic well-being, financial awareness, and life-stage preparedness among women employees. Further, the Company has implemented a Women’s Wellness Policy that provides an additional monthly paid leave to support women employees experiencing health-related discomfort, thereby reinforcing its commitment to employee welfare and gender-responsive workplace practices.
- **Childcare support: -** The Company implemented a Creche Facility Policy at its Head Office, providing a safe, hygienic, and nurturing environment for employee’s children during working hours. This initiative supports working parents in effectively balancing professional and personal responsibilities, while also contributing to enhanced employee well-being, engagement, and retention within the organization.
- **Community and employee engagement activities: -** The Company organized participation-based initiatives such as Blood Donation Camps, the Aavas Marathon, and Family-inclusive Wellness events, which collectively reinforce a culture of health, safety, and holistic well-being.

  Through these structured initiatives, the Company continues to foster a safe, healthy, and inclusive workplace aligned with its employee centric and sustainability commitments.

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

	FY 2025-26 (Current Financial Year)			FY 2024-25 (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	-	-	-	-	-	-
Health & Safety	-	-	-	-	-	-

14. Assessments for the year:

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

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

    No corrective action plan has been necessitated on the above-mentioned parameters.

Leadership Indicators

1. **Does the entity extend any life insurance or any compensatory package in the event of death of Employees?**

   Yes, The Company provides adequate safeguard to families of deceased employees through its health/accidental/term insurance policy. Benefits like Provident Fund, Gratuity and ESIC, as applicable, are settled on a priority basis. Additionally, employee stock options granted to deceased employee immediately vest with the nominee upon death and the Company assists the family in exercising such options.

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

   The Company ensures that statutory dues as applicable to transactions within the remit of the Company are deducted and deposited in accordance with prevailing regulations. The Company expects its value chain partners to uphold the same business responsibility principles and values of transparency and accountability as are observed by the Company.

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.**

	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 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Employees	-	-	-	-
Workers	NA	NA	NA	NA

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)**

Yes, the Company helps its employees in their career progression, it intends to put in place system and strategies to understand the capacity of an employee and undertake capacity building efforts by providing training. From time to time, the Company promotes in-house talent and in continuation to this, it opens opportunities for Performer/Right Skill Set/Enthusiastic People. The Company helps employees in their transition from officers to managers, and managers to leaders.

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

	% of value chain partners (by value of business done with such partners)
Health and safety practices	The Company expects all its value chain partners to follow existing regulations with regard to health, safety and working conditions. The Environment & Social Policy has a prohibited activities list which lays down certain activities that do not qualify for financing which include child labor, forced labor, etc.
Working Conditions	

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

No corrective action plan has been necessitated on the above-mentioned parameters.

Principle 4: 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.**

   A Key stakeholder is any individual or group, connected to the Company, who significantly influences and adds value to its organizational operations. This includes customers, employees, shareholders, investors, business partners, suppliers, regulatory bodies, government entities, and community at large. Stakeholder engagement processes are defined under the ESG Policy: https://www.aavas.in/img/pdf/environment-social-governance-policy.pdf

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

Stakeholder Group	Whether identified as vulnerable or 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, key topics and concerns raised during such engagement
Customers	Yes, some customers may be identified as vulnerable or marginalized group, if they qualify specific criteria with regard to their income, gender, etc.	Physical- Branches, notice boards, pamphlets, personal visits, letters. Digital/Electronic- Mobile app, website, email, SMS, WhatsApp, direct calling, customer care, Chatbot feature on website, surveys and feedback.	Regular and Need basis	Maintain contact with the customer during the loan period, address the customer's potential problems to ensure quality service as well as through customer grievance redressal mechanism.
Employees	No	Direct interactions through email, SMS, HRMS portal, physical and virtual meetings, employee engagement initiatives including trainings, wellness and cultural events, sports and fitness activities, awards and recognition programs, women-focused forums (PRERNA), family-inclusive events, and online surveys.	Regular and need basis	Develop a culture that promotes meritocracy, provides adequate growth opportunity and ensures a diverse, equitable and inclusive workplace. The employees are updated about Company values and business strategies.
Shareholders & Investors	No	Annual General Meeting, Annual Report, Quarterly Reports, Website, Quarterly Earning Calls, Regular investor meetings/ conference calls, Stock Exchange Disclosures, Factsheets Social/ Print Media	Regular and as per regulatory requirement	Update on Company's performance and milestones, adherence to regulatory compliances, in true spirit of transparency & governance.
Business Partners & Suppliers	No	Regular meetings, emails, SMS, phone calls, and Mobile App and website.	Regular and need basis	Ensure effective communication for quality and efficient service.

Stakeholder Group	Whether identified as vulnerable or 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, key topics and concerns raised during such engagement
Regulators & Government	No	Email, one-to-one meetings, virtual meetings, conference calls, mandatory filings with regulators, policy updates, circulars, guidelines and directives.	Regular and as per regulatory requirement	Adherence to all relevant laws and responsiveness towards regulatory changes.
Community	Yes	Community meetings, CSR project interactions, social media, print media, project field visits, awareness sessions, capacity-building programs, collaboration with implementing agencies.	Regular and need basis	Aavas Foundation engages with rural communities through the Aavas Adarsh Gram initiative, implementing development projects related to drinking water, sanitation, education infrastructure, hygiene facilities, plantation and community infrastructure. Employees participate in CSR outreach activities, supporting inclusive development and monitoring of project outcomes.

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 Company maintains continuous and structured engagement with its key stakeholders to gather inputs on economic, environmental, and social matters. These engagements enable effective communication of stakeholder expectations and are integrated into the Company's strategic and operational decision-making processes.

   To ensure Board-level oversight, the Company has constituted a CSR & ESG Committee, which reviews ESG-related developments, stakeholder feedback, and progress on a periodic basis. Inputs received through stakeholder consultations conducted by management and external experts, including CARE Analytics & Advisory Pvt. Ltd., are consolidated and presented to the Committee on a quarterly basis. These updates are further incorporated into investor presentations and risk management reviews, ensuring comprehensive visibility at the Board level.

   In addition, ESG disclosures and key updates are available on the Company's website, while significant developments are communicated to stock exchanges, enabling broader stakeholder access and transparency. The Company also undertakes third-party assessments of its ESG performance to strengthen the credibility and effectiveness of its sustainability practices.

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, the Company engages with various stakeholders to ensure sustain and long-term value creation for all of them. The following are certain instances where input from stakeholders have been incorporated to bring positive change-

- With the Green Housing initiative, the Company has taken a decisive step towards responsible housing development by engaging with the entire ecosystem around the green home value chain, including customers, frontline employees, suppliers, technical experts as well as international certifiers through stakeholder engagement initiative such as Green Samvaad, capacity building workshops, social media awareness campaigns etc. In the pioneering initiative, the Company bridges a critical gap between global vision and local reality by conveying ground level challenges and real-world feedback to international visionaries and experts while also addressing local myths around eco-friendly housing among home owners.
- Under, the PRERNA initiative, the Company launched the "PRERNA Mentoring 2.0" Programme, which enabled structured mentor–mentee engagement to support career development, leadership readiness, and professional growth of women employees through continuous guidance and orientation support. The Company also conducted several wellness-focused training sessions and awareness programmes under the PRERNA initiative. These included Women Wellness Workshops conducted at Bengaluru, Delhi, and Jaipur, which is a Women Wellness and Fitness Talk and wellness seminars focused on posture management, stress management, and mental exercises. The Company also organized a webinar on "Fostering Gender Diversity – Breaking the Bias" to strengthen awareness regarding workplace inclusion and unconscious bias.
- The Company's Sustainability Bond Framework further strengthens stakeholder driven social impact by enabling dedicated financing for affordable housing for EWS/LIG customers, women centric lending, and MSME entrepreneurs. These focus areas were identified as material through ongoing engagement with customers, frontline officers, community representatives, and sector experts. The framework supports the Company's mission to extend financial inclusion to underserved and vulnerable communities, while aligning with stakeholder expectations and broader social development priorities.

To further enhance opportunities for stakeholder feedback, the Company, under its ESG Policy has established a management-level ESG Steering Committee and a functional Social & Governance Working Group to obtain feedback from relevant internal and external stakeholders on the Company's ESG practices wherever necessary.

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

The Company undertook several targeted CSR interventions during Financial Year 2025-26 to address the needs of vulnerable and marginalized communities across multiple states. The key initiatives include: -

A. Aavas Aarogya (Health Care and Wellness)

S. No.	CSR Activity	Description
1	**Aavas Saksham (Distribution of Artificial Limbs)**	The Company, in collaboration with the Blind People's Association, India, provided 200 artificial limbs to 187 Persons with Disabilities (PwDs), enabling them to regain mobility and lead more self-reliant lives. The initiative reached beneficiaries across Gujarat (Gandhidham, Surat), Maharashtra (Pune), Madhya Pradesh (Indore), and Rajasthan (Udaipur and Jaipur).
2	**Government PHC Facility Improvement**	The Company contributed to strengthening community healthcare infrastructure by upgrading the Government Primary Health Centre (PHC) at Village Dhodsar, Jaipur, Rajasthan, thereby access to primary healthcare services for more than 36,500+ people residing in surrounding rural communities.
3	**Providing Mother Child Care Kit**	The Company provided 3250 Child Care Kit to Mother & New Born Child in two hospitals of Jaipur, Rajasthan, aimed at promoting the health and well-being of mothers and newborns.
4	**Early Childhood Development**	The Company collaborated with Mobile Creches for Working Mother's Children NGO to establish three childcare centers in the urban slums of Kalkaji & Kapashera (Delhi) and Vatva (Ahmedabad). The centers will cater 150 underprivileged children between age of 6 months to 6 years providing them early education, nutrition, immunization and access to mainstream education.
5	**Aavas Aahar Program**	The Company supported healthcare and community welfare initiatives by providing hot cooked meals to over 2.4 Lakhs+ patients and caregivers outside Hospitals in Jaipur, Rajasthan.

S. No.	CSR Activity	Description
6	**Providing Ambulances to Government Hospitals**	The Company provided two Eeco ambulances to government hospitals with the objective of strengthening healthcare infrastructure, and supporting emergency medical services for patients in need. One ambulance was handed over to a government hospital in Pune and the other to a government hospital in Gokak.
7	**Providing Intensive Care Ventilators**	The Company provided two Intensive Care Ventilators for ICU to Bhagwan Mahaveer Cancer Hospital & Research Centre (BMCHRC), Jaipur to improve the Cancer Care facilities & help to provide affordable treatment to the cancer patients.
8	**Aavas Aajivika (Livelihood, Skills & Income Generation)**	The Company implemented a Comprehensive Skill Development Programme in the BFSI and Housing Finance sector across Indore, Ahmedabad, and Delhi, wherein six batches were successfully completed, by giving training to over 250 candidates. The Company also supported livelihood enhancement initiatives by providing training to 80 women artisans in handicraft development in Village Jahota, Jaipur, Rajasthan.

B. Aavas Gurukul

S. No.	CSR Activity	Particular
1.	**Aavas Road Safety**	The company organized 37 bootcamps, supported 9500 individuals through helmets, and installed 23 Traffic Police Assistance Booths across Rajasthan, Gujarat, Madhya Pradesh, Maharashtra, Uttar Pradesh, Delhi NCR, Karnataka & Tamil Nadu in collaboration with the Rajasthan Sadak Suraksha Society & Triguna, Government departments, and school authorities. Also, The Company conducted eight Road Safety Bootcamps across Rajasthan, Karnataka, and Tamil Nadu, during which 2,500 helmets were distributed to promote road safety awareness and reduce accident risks.
2.	**School Revamp Programme**	The Company renovated Government school's infrastructure of Ghaziabad (Uttar Pradesh), Bengaluru (Karnataka), Udaipur, Jaipur & Sikar (Rajasthan). The renovation work includes restoration of school old buildings and toilets, paint and beautification, bala paintings, teen shade construction in the school grounds. More than 1560 + students every year will benefit from the program getting quality education.

C. Aavas Green

S. No.	CSR Activity	Particular
1.	**Aavas Urja**	The Company installed 630 KWP of on-grid solar plant systems across multiple public institutions in Karnataka, Gujarat, Madhya Pradesh, and Rajasthan to promote the adoption of green energy and reduce carbon emissions.
2.	**Aavas Van**	The Company has collaborated with Foundations and Government departments to develop dense forests using the Miyawaki method. More than 5000 saplings were planted at the Godhavi–Manipur, Ahmedabad and 5000+ saplings planted at RIICO-Bagru, Jaipur. Also, the Company has ensured maintenance and care of 10846+ saplings planted.

D. Aavas Adarsh Gram

S. No.	CSR Activity	Particular
1.	**Aavas Adarsh Gram (Transforming Kalakh into a Model Village)**	The Company undertook a comprehensive initiative to transform Gram Panchayat Kalakh into a climate-resilient and inclusive model village. In the foundational phase (Year 1) of the project, installation of solar-powered drinking water stations, construction of covered drainage systems, upgradation of Primary Health Centre (PHC) resources and facilities, development of smart classrooms, and solar electrification of key public institutions such as schools, anganwadis, and PHCs was completed. These initiatives have directly benefited over 3,598+ individuals across 471 households in Gram Panchayat Kalakh.

Principle 5: 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:**

The Company is committed to upholding human rights and fostering a fair, inclusive, and discrimination-free workplace, as reflected in its Board approved policies, including the Code of Conduct, Human Rights Policy, and Equal Opportunity Policy, along with other best practices designed to ensure dignity, fair treatment, and equal opportunities for all employees. These policies are regularly reinforced through structured training programmes and internal communication initiatives to enhance employee awareness and adherence.

During the Financial Year 2025-26, the Company further strengthened its commitment to maintaining a safe, dignified, and harassment-free workplace by conducting 299 Prevention of Sexual Harassment (POSH) training sessions, covering 6,409 employees. In addition, mandatory training was provided to members of the Internal Complaints Committee (ICC) to ensure effective handling of related matters. POSH training is also integrated into the employee induction programme to promote early awareness and encourage a respectful workplace culture from the outset of employment.

The Company, through Aavas Gurukul, conducted a Prevention of Sexual Harassment (POSH) webinar attended by over 1,219 employees. The training programme formed an integral part of the Company's commitment to fostering a safe, respectful, and inclusive workplace environment for all employees.

These initiatives collectively reinforce the Company's unwavering commitment to human rights, workplace dignity, gender equity, and the creation of a safe, inclusive, and respectful work environment for all employees.

Category	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Total (A)	No. of employees /workers trained (B)	% (B/A)	Total (C)	No. of employees/ workers trained (D)	% (D/C)
Employees						
Permanent	7,649	7,649	100%	7,233	7,233	100%
Other than Permanent	1,822	1,822	100%	2,195	2,195	100%
Total Employees	**9,471**	**9,471**	**100%**	**9,428**	**9,428**	**100%**
Workers						
Permanent	NA	NA	NA	NA	NA	NA
Other than Permanent	NA	NA	NA	NA	NA	NA
Total Workers	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**

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

Category	FY 2025-26 (Current Financial Year)					FY 2024-25 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No.(B)	% (B/A)	No.(C)	% (C/A)		No.(E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	**7,649**	**347**	**4.54%**	**7,302**	**95.46%**	**7,233**	**407**	**5.63%**	**6,826**	**94.37%**
Male	7,224	316	4.37%	6,908	95.63%	6,823	381	5.58%	6,442	94.42%
Female	425	31	7.29%	394	92.71%	410	26	6.34%	384	93.66%
Other than permanent	**1,822**	**0**	**0.00%**	**1,822**	**100%**	**2,195**	**143**	**6.51%**	**2,052**	**93.49%**

Category	FY 2025-26 (Current Financial Year)					FY 2024-25 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No.(B)	% (B/A)	No.(C)	% (C/A)		No.(E)	% (E/D)	No. (F)	% (F/D)
Male	1,709	0	0.00%	1,709	100%	2,069	140	6.77%	1,929	93.23%
Female	113	0	0.00%	113	100%	126	3	2.38%	123	97.62%
Workers										
Permanent	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Other than permanent	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

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

a. **Median remuneration:**

The remuneration paid to the Directors is in line with the Remuneration Policy of the Company which is available on its website at https://www.aavas.in/img/pdf/policy-on-nominations-remuneration.pdf .

	Male		Female	
	Number	Median remuneration of respective category	Number	Median remuneration of respective category
BOD*	5	30,00,000	3	30,00,000
KMPs	4	2,65,29,469	-	-
Employees other than BOD and KMP**	3766	5,27,380.50	256	5,13,280.5

*Mr. Sachinderpalsingh Jitendrasingh Bhinder, Managing Director & CEO, has been classified in above table, under the Key Managerial Personnel (KMP) category, rather than being included under the Board of Directors (BOD) category.

** Employee count and median remuneration have been calculated considering only those employees who were part of the Company at both the beginning and end of FY 2025-26. Employees who joined and/or separated during the year have been excluded from this calculation.

Note: - The Employees considered for this table are permanent employees of the Company.

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

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Gross Wages paid to females as % of total wages	5.77%	5.61%

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 Chief People Officer (CPO) oversees the related function and is responsible for addressing the same. The Company has also put in place a comprehensive ESG Policy which addresses human rights issues and impacts, particularly equality of opportunity, employee health & wellbeing, diversity & inclusion, positive work environment etc. Link of the Whistleblower Policy: https://www.aavas.in/img/pdf/Vigil-Mechanism-Policy.pdf.

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

The Company has in place grievance redressal mechanisms for its respective stakeholders such as customers, employees, shareholders, and others. All the grievance redressal mechanisms are available on the Company's website https://www.aavas.in/.

6. Number of Complaints on the following made by employees:

	FY 2025-26 (Current Financial Year)			FY 2024-25 (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	-	-	-	1	-	Action Taken
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour/ Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

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

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	1
Complaints on POSH as a % of female employees/ workers	0%	0.20%
Complaints on POSH upheld	0	1

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

The Company has in place a Human Rights Policy, Equal Opportunity Policy, Vigil Mechanism/Whistle Blower Policy, and Vishakha Policy which provides a mechanism to prevent discrimination and harassment at workplace. As per the said policies, all the disclosures made shall be treated as sensitive, confidential and non-retaliatory. Link of the codes and policies: - https://www.aavas.in/codes-and-policies.

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

Yes, in certain business agreements and contracts where relevant.

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	-
Forced/involuntary labour	
Sexual Harassment	
Discrimination at Workplace	
Wages	
Others-please specify	

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

    The Company is diligent in implementing its human rights policies and sensitizing its workforce on the importance of human rights in the workplace. Hence, no corrective actions have been necessitated.

Leadership Indicators

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

   The Company is of the belief that it has upheld basic principles of human rights in all its dealings in alignment with its Human Rights Policy. Hence, no significant change has been necessitated with respect to the business process.

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

   The Company has adopted a culture where its employees and directors feel free to raise any concerns about wrongful conduct, with the help of its Whistle Blower Policy. The said policy provides a Vigilance Mechanism to channelize reporting of instances of wrongful conduct. The Audit Committee oversees the Vigil Mechanism. Employees have been facilitated direct access to the Chairperson of the Audit Committee, if necessary.

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, the Head Office of the Company has ramp for easy movement of differently abled visitors. Most of the branches are on ground floors or have elevators and infrastructure for differently abled visitors. The Company also maintains application forms in Braille to cater to the special needs of visually impaired customers.

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

	% of value chain partners (by value of business done with such partners) that were assessed
Child Labour	The Company has not conducted any such assessment of value chain partners. The Company through its ESG Policy outlines and always requires that suppliers comply with all applicable laws, regulations and standards within the geographies in which they operate as part of the Supply Chain initiative.
Forced/involuntary labour	
Sexual Harassment	
Discrimination at Workplace	
Wages	
Others-please specify	

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

   NA

Principle 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. **Details of total energy consumption and energy intensity, in the following format:**

The Company is service oriented and in the business of providing housing finance, therefore, there is no direct significant consumption and energy intensity. However, as a proactive and responsible corporate, the Company tracked energy consumption and other indicators during the year under review. Link of the Environment & Social Policy: https://www.aavas.in/img/pdf/environment-social-policy.pdf.

Parameter	Unit of Measurement	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
From Renewable Sources			
Total electricity consumption (A)	-	-	-
Total fuel consumption (B)	-	-	-
Energy Consumption through other sources (C)	-	-	-
Total energy consumed from renewable sources (A+B+C)	-	-	-
From Non-renewable Sources			
Total electricity consumption (D)	Giga Joule	15,753.38	13,598.79
Total fuel consumption* (E)	Giga Joule	98.90	142.89
Energy Consumption through other sources (F)	-	-	-
Total energy consumed from non-renewable sources (D+E+F)	Giga Joule	15,852.28	13,741.68
Total energy consumed (A+B+C+D+E+F)	Giga Joule	15,852.28	13,741.68
Energy Intensity per rupee of turnover (Total energy consumed/Revenue from Operations)	Giga Joule per ₹	0.00000059	0.00000058
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)** (Total energy consumed/Revenue from operations adjusted for PPP)	Giga Joule per USD	0.000012	0.000012
Energy intensity in terms of physical output	-	NA	NA
Energy Intensity (optional) (Total energy consumed/full time employees)	Giga Joule per employee	1.89	1.46

* The Company uses Diesel Generators in its Head Office only, which is included under fuel consumption.

** The Purchasing Power Parity (PPP) conversion rate of 20.34 has been adopted based on the latest data published by the International Monetary Fund (IMF) on its website. https://www.imf.org/external/datamapper/PPPEX@WEO/IND.

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, the assessment of GHG Emissions was carried out by independent consultant firm, Care Analytics and Advisory Pvt. Ltd and the same has been assured by assurance provider.

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.**

   NA

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

   The Company's usage of water is restricted to human consumption purposes only. Further, efforts have been made to ensure that water is consumed judiciously. In the Head Office and its related offices, sensor taps are used in washrooms to economize water consumption. Water usage is monitored under the Environment & Social Link of the Policy- https://www.aavas.in/img/pdf/environment-social-policy.pdf

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Water Withdrawn from source (in kiloliters)		
(i) Surface water	-	-
(ii) Groundwater	1,29,709*	1,19,033.79
(iii) Third party water	-	-
(iv) Seawater/desalined water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kiloliters) (i+ii+iii+iv+v)	1,29,709	1,19,033.79
Total volume of water consumption (in kiloliters)	1,29,709	1,19,033.79
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	0.00000483 kiloliters per ₹	0.00000506 kiloliters per ₹
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.0000983 Kiloliters per USD	0.000104 Kiloliters per USD
Water intensity in terms of physical Output	NA	NA
Water intensity (optional) (Total water consumption / Full time employee)	13.69	12.63

*For Head Office, water consumption (7,304 kiloliters) is based on actual metered data. For other locations (branches), where direct measurement is unavailable, water consumption has been estimated using CGWA guideline of 45 litres per employee per working day.

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 same has been assured by assurance provider.

4. **Provide the following details related to water discharged:**

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Water discharge by destination and level of treatment (in kiloliters)		
(i) To Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) To Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) To Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kiloliters)	-	-

*The Company operates from leased premises and does not directly monitor Wastewater discharge.

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency.

No.

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	Unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
NOx	-	-	-
SOx	-	-	-
Particulate matter (PM)	-	-	-
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – please specify	-	-	-

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

No.

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

Parameter	Unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Scope 1 emissions	tCO_2e	45.84	33.02
Total Scope 2 emissions	tCO_2e	3106.92	2,746.20
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions/ Revenue from operations) *	tCO_2e / ₹	0.00000012	0.00000012
Total Scope 1 and Scope 2 emissions 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)	tCO_2e/ USD	0.0000024	0.0000024

Parameter	Unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Scope 1 and Scope 2 emission intensity in terms of physical output	-	NA	NA
Total Scope 1 and Scope 2 emission intensity (Total Scope 1 and Scope 2 emissions/Full time employees)	tCO_2e/FTE	0.41	0.29

* Turnover for FY 2025 26 has been considered as Revenue from Operations amounting to ₹ 2,68,345.64 lakh, as disclosed in the audited financial results. Other income has been excluded in line with BRSR guidance, which requires intensity metrics to be computed using operational revenue

**The Purchasing Power Parity (PPP) conversion rate of 20.34 has been adopted based on the latest data published by the International Monetary Fund (IMF) on its website. https://www.imf.org/external/datamapper/PPPEX@WEO/IND

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, the assessment of GHG Emissions was carried out by independent consultant firm, Care Analytics and Advisory Pvt. Ltd and the same has been assured by assurance provider.

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

During Financial Year 2025-26, the Company introduced an internal EV charging station for two-wheelers at its Head Office under the Green Mobility and Go Green initiatives. Employees were encouraged to utilize the EV charging facility to support sustainable commuting and reduce fuel-based transportation emissions, thereby promoting low-carbon mobility practices and strengthening employee participation in sustainability initiatives.

The Company's Head Office continues to maintain its LEED Gold Certification obtained in May 2022, reflecting its commitment to sustainable infrastructure and resource-efficient operations.

Through its CSR initiatives, the Company continues to advance its commitment to an eco-friendly and sustainable future by undertaking projects focused on environmental stewardship. These include tree plantation drives such as the 'Each One Plant One' initiative, the development of dense urban forests under the 'Aavas Van' initiative using the Miyawaki method in collaboration with Catch Foundation and government departments, investments in clean energy, and the Green Housing Initiative. During the year, over 5,000 saplings were planted at Godhavi–Manipur, Ahmedabad, and another 5,000+ saplings at RIICO Bagru, Jaipur. In addition, the Company ensured continued maintenance of over 10,846 saplings planted during the previous Financial Year in Bijnor, Lucknow, and the BSF campus in Indore. These initiatives contributed towards ecological restoration, carbon sequestration, biodiversity enhancement, and alignment with the Company's ESG Policy.

Savings from	Carbon Reduction (tCo2e)*
630 KWP Solar Plants	919.70
10,000+ Tree Plantation	322.53
Total Savings	**1,242.23**

*For FY 2025-26, Carbon reduction figures are estimated based on proportional scaling of FY 2024-25 emission reduction factors and indicative sequestration assumptions. Actual values may vary based on operational performance, grid emission factors, and tree survival rates.

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

As the nature of business of the Company is providing housing finance, the key waste products are plastic, paper and e-waste.

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	0.269*	3.954
E-waste (B)	5.52	2.95
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Battery waste (E)	-	-
Radioactive Waste (F)	-	-
Other hazardous waste. Please specify if any. (G)	-	-
Other non-hazardous waste - Paper Waste**(H)	5.45	6.05
Total (A+B+C+D+E+F+G+H)	**11.24**	**12.960**
Waste intensity per rupee of turnover (Total waste generated /Revenue from operations) MT/₹	0.00000000041	0.00000000055
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity)	0.0000000086	0.0000000114
Waste intensity in terms of physical output	NA	NA
Waste intensity (optional) - (Total waste generated /Full Time Employees) MT/FTE	0.00118	0.00137
For each category of waste generated, total waste recovered through recycling, reusing or other recovery operations (in metric tonnes)		
Category of Waste		
(i) Recycled	10.97	4.34
(ii) Re-used	-	-
(iii)Other Recovery Operations	-	-
Total	**10.97**	**4.34**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	0.269	8.62
Total	**0.269**	**8.62**

* Plastic waste generated during FY 2025 26 was of immaterial volume and pertains to a six month period only. Due to operational constraints, including the absence of storage facilities, plastic waste recycling could not be undertaken during the year.

** Computed with respect to the Head Office only.

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 same has been assured by assurance provider

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.**

As the Company's business involves providing housing finance, no hazardous waste is generated from its operations. The Company ensures the responsible disposal of electronic waste in compliance with the applicable E-Waste (Management and Handling) Rules. During the Financial Year 2025-26, a total of 5,523 kg (5.523 MT) of e-waste was recycled through authorized recyclers including 1,868 kg and 3,655 kg respectively. The Company continues to ensure that all e-waste generated is channeled exclusively through certified recyclers, thereby adhering to environmentally sound and regulatory-compliant disposal practices.

The Company has launched the 'Go Green Initiative' to reduce paper consumption and thereby minimize paper waste. The Company actively monitors and regulates printing and photocopying activities to promote responsible usage of resources. Further, the Company endeavors to adopt effective waste segregation practices and ensures recycling and reuse of waste wherever feasible.

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.

All the offices as well as branches of the Company are in premises which have the requisite building permits, including environmental approvals.

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 the corrective actions taken if any.
		-	

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

Not applicable.

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
			-		

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).

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

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
		-		

Leadership Indicators

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

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

- Name of the area- Not Applicable
- Nature of operations- Not Applicable
- Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Water withdrawal by source (in kiloliters)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kiloliters)	-	-

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total volume of water consumption (in kiloliters)	-	-
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 kiloliters)		
(i) Into Surface water	-	-
No treatment	-	-
With treatment-please specify level of treatment	-	-
(ii) Into Groundwater	-	-
- No treatment	-	-
- With treatment-please specify level of treatment	-	-
(iii) Into Seawater	-	-
- No treatment	-	-
- With treatment–please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
No treatment	-	-
With treatment-please specify level of treatment	-	-
(v) Others	-	-
No treatment	-	-
With treatment-please specify level of treatment	-	-
Total water discharged (in kiloliters)	-	-

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

(Yes/No) If yes, name of the external agency.

No.

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

Parameter	Unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Scope 3 emissions	tCO_2e	12487.98	13,654.54**
Total Scope 3 emissions per rupee of turnover	tCO_2e/₹	0.000000529	0.00000058
Total Scope 3 emission intensity (optional) – (Total Scope 3 Emission /Full Time Employees)	tCO_2e/FTE	1.50	1.45***

*Please note that in FY 2025-26, the Company reported emissions across five categories in Scope 3 (Categories 1, 2, 5, 6, and 7), compared to three categories (Categories 5, 6, and 7) reported in FY 2024-25. Despite the broader reporting boundary, total Scope 3 emissions decreased by 8.54%. This reduction is attributable to improved and more reliable raw data collection methodology e.g., moving from survey-based results to actual data.

**The FY 2024-25 figure have been restated following an update to emissions from employee commuting. Scope 3 emissions under the Employee Commute category for FY 2024-25 have been revised to 10,315.28 tCO_2e from 11,090.90 tCO_2e, in line with an improved data collection and calculation methodology.

***FY 2024-25 emission intensity is higher than FY 2025-26 primarily due to higher total Scope 3 emissions in FY 2024-25 along with a marginally lower employee base compared to FY 2025-26.

Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency.

No.

3. **With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details**

of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

As the Company is providing financial services, it does not cause any significant, direct impact on biodiversity. The Company's offices and branches are not operated in and around the ecologically sensitive areas.

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
1	GATI	Aavas is committed to continuous improvement and has embarked on a digital-first initiative called Project 'GATI'. The project involves building a single platform to streamline the entire loan origination and customer service journey, providing customers with a more seamless experience.	The new system has significantly reduced manual data entry, paper work and project assessment time, thereby ensuring a seamless customer experience.
2	LED Lighting & Robust IT Systems	The Company has adopted various energy-efficient practices, including the use of LED lighting and insulation measures to reduce air conditioning consumption. It also prioritizes the procurement of energy-efficient equipment with higher star ratings, leverages power supervision technologies, and has implemented cloud-based solutions and virtualized information centers to optimize energy usage and improve operational efficiency.	Reduces energy consumption, decreases air conditioning demand, lowers costs, enhances operational efficiency, and promotes sustainability.
3	Integrated Technology Transformation (LOS, LMS, ERP & CRM)	The Company has implemented advanced digital platforms including Loan Origination System (Salesforce), Loan Management System (Oracle Flexcube), and ERP (Oracle Fusion), along with CRM integration-consolidating processes into a single platform with real-time data connectivity.	Reduced process duplication, minimized manual intervention, improved operational efficiency, and enabled lower resource consumption through digitized workflows and automation.
4	AI enabled Customer & Collections Systems	The Company has deployed an AI-powered collections Voice BOT along with seamless digital integrations across its web portal, mobile application, and chatbots to enhance customer interaction and service delivery, thereby improving operational efficiency and customer experience.	Reduced physical follow-ups, optimized operational costs, improved efficiency, and minimized environmental impact through digital engagement channels.
5	Green Building Certification	The Company has actively integrated green and sustainable solutions into its operations. The Company achieved a significant milestone by securing LEED Gold certification for the Head Office, making it the first existing commercial building in Jaipur to receive the prestigious recognition.	The initiative has significantly improved energy efficiency, reduced water consumption, and elevated indoor air quality, ensuring a more sustainable and healthier environment.
6	Go Green Initiative	The Company has digitized its loan processes by enabling online home loan applications through its web portal and mobile application, thereby reducing reliance on physical documentation and enhancing operational efficiency and customer convenience.	Reduced paper consumption, improved operational efficiency, and optimized document storage.

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
7	Green Mobility - Employee EV Charging Initiative	During Financial Year 2025-26, the Company established an internal Electric Vehicle (EV) charging station for two-wheelers at the Head Office under its Green Mobility programme to promote sustainable commuting.	Increased EV adoption among employees, reduced fuel-based travel emissions, and supported Scope 1 and Scope 3 emission reduction goals.
8	Digital Agreements & Paperless Branch Operations	The Company has rolled out digital agreements across 362 branches, with over 12,000 agreements executed digitally, thereby significantly reducing dependence on physical documentation and improving process efficiency.	Significant reduction in paper usage, faster execution of agreements, improved efficiency, and reduced environmental footprint.

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

   Yes, the Company has a Board approved BCMP which focuses on safety and protection of people, minimizing damages and liabilities, timely recovery of critical business processes at all the offices to provide continuous service to its customers.

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?**

   Given the nature of the Company's business, there has been no significant adverse impact on environment.

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

   The Company as per its ESG Policy expects its supply chain partners to demonstrate commitment on sustainability and align on environmental aspects. The Company has not assessed its value chain partners for environmental impacts.

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

   a. By the listed entity: Nil, while no green credits have been procured, the Company is exploring renewable energy options to strengthen its sustainability efforts.

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

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

Essential Indicators

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

   The Company is a member of 4 trade/industry chamber/associations.

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

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Confederation of Indian Industry (CII)	National
2	The Associated Chambers of Commerce & Industry of India (ASSOCHAM)	National
3	PHD Chamber of Commerce and Industry (PHDCCI)	National
4	Finance Industry Development Council (FIDC)	National

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

   NA

Name of authority	Brief of the case	Corrective action taken
	NA	

Leadership Indicators

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

S. No.	Public Policy Advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/Half yearly/ Quarterly / Others –please specify)	Web Link, if available
			-		

Principle 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

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

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
The Company's operations do not involve any projects which require need for any Social Impact Assessments. However, from a CSR standpoint, to ensure adherence to program objectives and maximization of social impact, the Company works closely with its implementing partners on CSR program design, the implementation model, and the governance and reporting of impact during the course of the program.					

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 ₹)
NA						

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

The Company has various mechanisms in place to receive and redress grievances of its various stakeholders. The Company also has in a place a whistleblower mechanism to capture any grievance or complaint of any internal or external stakeholder which includes vendors, communities etc. Details of such mechanisms and policies are given in Section A: General Disclosure of this report. CSR grievance handling aligns with the CSR Policy: https://www.aavas.in/img/pdf/corporate-social-responsibility-policy-feb-2026.pdf

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

Particulars	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	25.29%	17.51%
Sourced directly from within India	97.07%	96.31%

*The above figures are based on financial data prepared in accordance with Indian Generally Accepted Accounting Principles (IGAAP), i.e., prior to adjustments required under Ind AS. For the purpose of this disclosure, "purchases" include relevant other indirect expenses and capital expenditure (capex) additions considered as part of total inputs.

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

Location	FY 2025-26* (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Rural	0.64%	0.54%
Semi-Urban	15.30%	16.06%
Urban	25.55%	23.91%
Metropolitan	58.52%	59.49%

*Locations are categorized as per the RBI Population-based Classification System (Rural / Semi-Urban / Urban / Metropolitan), aligned with Census 2011 definitions. The classification methodology remains unchanged across FY 2025 26.

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
NA	

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

S. No.	State	Aspirational District	Amount Spent (₹)
NA			

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

   (b) From which marginalized /vulnerable groups do you procure?

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

   Although the Company does not have a standalone procurement policy, its procurement practices are governed under the ESG Policy. The Company endeavors, wherever feasible, to procure inputs that are recycled or reusable, environment-friendly, energy-efficient, and locally sourced from small vendors and MSMEs, including women-led enterprises.

   The Company expects its value chain partners to adhere to the same laws, regulations, and human rights standards as are observed by the Company, including laws pertaining to safety & wellness at workplace, prohibition of forced labour, human trafficking, environment protection, etc.

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
-				

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 the authority	Brief of the Case	Corrective action taken
-		

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	**Livelihood & Women Empowerment**	1,650	100% (The primary object of CSR programs of the Company is to support and upgrade lives of marginalized and vulnerable communities such as rural women, disabled women, rural youth, construction workers, children etc. The Company strive to improve the socio-economic condition of these communities.)
	• Gram Siddhi		
	• Skill Development of Youth (Aavas Udaan - Comprehensive skill development programme in BFSI)		
2	**Health Care & Wellness**	3,04,185	
	• Daily food distribution at hospital		
	• Distribution of mother & childcare kits		
	• Artificial limb distribution		
	• Childcare centers		
	• Ambulance to Government hospitals		
	• Renovation of Primary Health Centres		
	• ICU ventilator support to hospitals		
3	**Education and Holistic Development**	2,78,075	
	• Road Safety Awareness to youths and women		
	• Helmet distribution		
	• Traffic Police Booths		
	• Government school infrastructure improvement		
	• Olympiad and student outreach programme		
	• Student Scholarship		
	• Education & Sports Support		
4	**Environment Sustainability**	10,598	
	• Solar Plant (630 kWp)		
	• Tree Plantation (10,000+)		
5	**Rural & Community Development (Women Empowerment)**	3,598	
	• Aavas Adarsh Gram-Transforming Kalakh into a model village		
Total Lives Touched		5,98,106	

Principle 9: Businesses should engage with and provide value to their customers in a responsible manner

Essential Indicators

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

   The Company has a structured grievance redressal mechanism to effectively receive and address customer complaints, with the framework embedded in loan agreements to ensure customer awareness. Complaints can be lodged at branch locations or through multiple communication channels and are recorded in the Company's CRM system for tracking and resolution.

   A defined three-step escalation mechanism is in place, wherein unresolved complaints beyond 15 days may be escalated to the Nodal Officer, and further to the National Housing Bank (NHB) through designated government portals if not resolved within 30 days. The detailed Grievance Redressal Policy is available on the Company's official website: https://www.aavas.in/resource/grievance-redressal-policy

   The Company leverages digital tools such as Salesforce Customer Relationship Management (CRM), mobile applications, IVR, chatbots, and online portals to efficiently record, monitor, and resolve customer grievances. Periodic reports on complaints, including resolution timelines (TAT), are placed before the Audit Committee for review. As a customer-centric organization, the Company remains committed to ensuring high service standards and customer satisfaction. During the Financial Year 2025-26, no penalties, regulatory actions, or adverse observations were reported in relation to the delivery of essential services.

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

As a percentage of total turnover		
Environmental & Social parameters relevant to the product	All loan products are supported by transparent disclosures through Key Fact Statements (KFS) and Most Important Terms & Conditions (MITC). These documents provide comprehensive product information and are made available in eight languages, including English, Hindi, and six regional languages, on the Company's website to ensure accessibility and informed customer decision-making.	100%
Safe and responsible usage	The Company ensures that product terms, conditions, and associated risk disclosures are clearly and transparently communicated to facilitate informed and responsible usage by customers.	100%
Recycling and/or safe disposal	During Financial Year 2025-26, the Company disposed of approximately 5.523 metric tons of e-waste through authorized recyclers in compliance with the E-Waste (Management) Rules, 2022. Disposal practices are supported by valid recycling certificates, ensuring environmentally sound handling, dismantling, and recycling of IT and electronic assets. The Company continues to follow responsible e-waste management practices aligned with regulatory requirements and its sustainability commitments.	NA

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

	FY 2025-26 (Current Financial Year)		Remarks	FY 2024-25 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at the end of year		Received during the year	Pending resolution at the end of year	
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-

	FY 2025-26 (Current Financial Year)		Remarks	FY 2024-25 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at the end of year		Received during the year	Pending resolution at the end of year	
Delivery of Essential Services	-	-	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Other	-	-	-	-	-	-

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

	Number	Reasons for recall
Voluntary recalls	No voluntary or forced recalls were reported during the financial year.	
Forced recalls		

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

Yes, The Company follows a zero-tolerance approach towards mishandling of sensitive personal data, including Aadhaar information, in compliance with UIDAI, RBI, and applicable data protection regulations. Details of the Company's governance framework and policies are available on its official website https://www.aavas.in.

To strengthen cybersecurity, the Company undertakes regular system upgrades and security patch deployments across offices, branches, and remote locations, along with enterprise email security controls such as spam filtering and quarantine mechanisms. Key safeguards include mandatory Aadhaar masking, need-to-know-based access controls, restrictions on unsecured storage or communication of sensitive data, and oversight by the IT Strategy Committee. Additionally, periodic external audits are conducted, with findings placed before the Audit Committee for review. The policy can be accessed on the website- https://www.aavas.in/privacy-policy.

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.**

The Company follows robust processes to ensure compliance and responsible practices across advertising, delivery of essential services, cyber security, and customer data privacy. Customer-facing initiatives, including referral programs such as the "Aavas Ambassadors" initiative, are designed with transparent reward structures in line with fair marketing practices. During the Financial Year 2025-26, no instances of non-compliance, product recalls, or disruptions in essential services have been reported. Further, no penalties, regulatory actions, or adverse observations have been recorded.

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

   a. Number of instances of data breaches- Nil

   b. Percentage of data breaches involving personally identifiable information of customers- Nil

   c. Impact, if any, of the data breaches - Nil

The Company's Aadhaar masking protocols, access control mechanisms, restricted storage practices, and secure system usage have effectively mitigated the risk of data breaches.

Leadership Indicators

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

   Detailed information on all financial products and services offered by the Company is available on its official website https://www.aavas.in/product as well as on its loan application platform. The Company also leverages multiple marketing platforms, including various social media channels, to disseminate information and enhance awareness of its products and services among customers and stakeholders.

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

   The Company informs and educates customers through its Fair Practices Code, Key Fact Statements (KFS), Most Important Terms and Conditions (MITCs), Schedule of Charges, and digital communications such as SMS and website disclosures. To further promote awareness, the Grievance Redressal Policy, along with these key documents, is made available at branch locations and on the Company's website, including in regional languages to facilitate better customer understanding. These measures are aimed at informing and educating consumers on the safe and responsible usage of the Company's products and services, thereby strengthening customer trust and enhancing service quality.

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

   In the event of any disruption or discontinuation of essential services, the Business Continuity Management Plan (BCMP) is activated. As part of this process, the Company reaches out to customers through both physical and digital modes to ensure continuity of communication and service delivery. Physical modes include in-person interactions at branch locations, field visits by relationship officers, and distribution of printed notices or communications to customers, wherever required. Digital modes include communication through SMS, WhatsApp, emails, mobile applications, and updates on the Company's official website https://www.aavas.in. These measures ensure timely dissemination of information, minimize customer inconvenience, and maintain uninterrupted access to essential services.

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 provides product related information and regulatory requirements through various customer focused disclosures, including the Key Fact Statement (KFS), Most Important Terms and Conditions (MITC), and detailed loan agreements. These documents are designed to ensure transparency by clearly outlining product features, pricing, charges, and customer obligations. Additionally, details on processing fees, applicable charges, and repayment mechanisms are made available at branch locations, on the Company's official website https://www.aavas.in/product , and through its digital platforms, including the customer mobile application, thereby enabling informed decision-making and ease of access for customers. The Company follows a customer-centric approach and is committed to maintaining transparency across all customer interactions. No, the Company does not carry out customer satisfaction survey as it continuously captures customer feedback through ongoing engagement and service interactions, which are used to drive continuous improvement in service quality and customer experience.

INDEPENDENT PRACTITIONER'S REASONABLE ASSURANCE REPORT ON IDENTIFIED SUSTAINABILITY INFORMATION INCLUDED IN AAVAS FINANCIERS LIMITED'S BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR) FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026

To
The Board of Directors
Aavas Financiers Limited
Jaipur, Rajasthan, India

1. We have been engaged to perform a reasonable assurance engagement for Aavas Financiers Limited (the 'Company'), vide our engagement letter dated 11 March 2026 in respect of non-financial information pertaining to core attributes of Business Responsibility and Sustainability Report (BRSR) listed below (the "Identified Sustainability Information") prepared by the Company's management in accordance with the Criteria stated below. This Identified Sustainability Information is included in the BRSR section in the Annual Report of the Company for the financial year ended 31 March 2026. This engagement was conducted by a multidisciplinary team including assurance practitioners and engineers.

IDENTIFIED SUSTAINABILITY INFORMATION

2. The Identified Sustainability Information for the financial year ended 31 March 2026 is summarised below:

Attribute	Principle	Key Performance Indicator
Energy footprint	Principle 6 – 1	• Total energy consumption (in Joules or multiples) • % of energy consumed from renewable sources • Energy intensity
Water footprint	Principle 6 – 3	• Total water consumption • Water consumption intensity
	Principle 6 – 4	Water Discharge by destination and levels of Treatment
Greenhouse (GHG) footprint	Principle 6 – 7	Greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity
Embracing circularity - details related to waste management by the entity	Principle 6 – 9	• Details related to waste generated by the entity (Category wise) • Waste intensity • Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations • For each category of waste generated, total waste disposed by nature of disposal method
Enhancing Employee Wellbeing and Safety	Principle 3 – 1(c)	Spending on measures towards well-being of employees and workers (including permanent and other than permanent) – cost incurred as a % of total revenue of the company
	Principle 3 – 11	Safety related incidents: • Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) • Total recordable work-related injuries • No. of fatalities • High consequence work-related injury or ill health (excluding fatalities)
Enabling Gender Diversity in Business	Principle 5 – 3(b)	Gross wages paid to females as % of total wages paid by the entity
	Principle 5 – 7	Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Attribute	Principle	Key Performance Indicator
Enabling Inclusive Development	Principle 8 – 4	Percentage of input material (inputs to total inputs by value) sourced from MSMEs/ small producers and from within India
	Principle 8 – 5	Job creation in smaller towns – Wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the locations, as % of total wage cost
Fairness in Engaging with Customers and Suppliers	Principle 1 – 8	Number of days of accounts payables
	Principle 9 – 7	Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events
Open-ness of business	Principle 1 - 9	Details of concentration of purchases and sales with trading houses, dealers, and related parties along with loans and advances & investments, with related parties

3. Boundary of the report covers the Company's operations in India which includes the Corporate Office, Back offices and Branches as on 31 March 2026.

4. Our reasonable assurance engagement is with respect to the Identified Sustainability Information for the reporting boundary as mentioned above for financial year ended 31 March 2026 only unless otherwise stated and we have not performed any procedures with respect to earlier periods or any other elements included in the BRSR and, therefore, do not express any opinion thereon.

CRITERIA

5. The criteria used by the Company to prepare the Identified Sustainability Information is summarised below (hereinafter referred to as 'Criteria'):

   Regulation 34(2)(f) of the Securities and Exchange Board of India (the "SEBI") (Listing Obligations and Disclosure Requirements), Regulations, 2015 ('LODR Regulations') as amended, read with SEBI Master circular HO/49/14/14(7)2025-CFDPOD2 /I/3762/2026 dated 30 January 2026 and BRSR Core Reporting Standard formulated by Industry Standards Forum.

MANAGEMENT'S RESPONSIBILITIES

6. The Company's management is responsible for selecting or establishing suitable criteria for preparing the Identified Sustainability Information, taking into account applicable laws and regulations, if any, related to reporting on the Identified Sustainability Information, identification of key aspects, engagement with stakeholders, content, preparation and presentation of the Identified Sustainability Information in accordance with the Criteria. This responsibility includes design, implementation and maintenance of internal control relevant to the preparation of the BRSR and the measurement of Identified Sustainability Information, which is free from material misstatement, whether due to fraud or error.

INHERENT LIMITATIONS

7. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities.

PRACTITIONER'S INDEPENDENCE AND QUALITY CONTROL

8. We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) ('IESBA Code') issued by the International Ethics Standards Board for Accountants' ('IESBA'), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour and we have the required competencies and experience to conduct this assurance engagement.

9. Our firm applies International Standard on Quality Management (ISQM) 1, "Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements", which requires the firm to design, implement and operate a system of quality management including policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

PRACTITIONER'S RESPONSIBILITY

10. Our responsibility is to express a reasonable assurance in the form of an opinion on the Identified Sustainability Information based on the procedures we have performed and evidence we have obtained.
11. We conducted our reasonable assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised), "Assurance Engagements other than Audits or Reviews of Historical Financial Information" ("ISAE 3000 (Revised)"), issued by the International Auditing and Assurance Standards Board ("IAASB"). This standard requires that we plan and perform our engagement to obtain reasonable assurance about whether the Identified Sustainability Information is prepared, in all material respects, in accordance with the Criteria.
12. A reasonable assurance engagement involves assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances and evaluating the overall presentation of the Identified Sustainability Information.
13. The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, analytical procedures and agreeing or reconciling with underlying records.
14. Given the circumstances of the engagement, in performing the procedures listed above, we:
    - Conducted discussions with individual data owners for understanding business processes and data management processes at corporate office of the Company.
    - Conducted walkthroughs and visited the corporate office in Jaipur for data and document verification.
    - Conducted interviews with senior executives to understand the reporting process, governance, systems and controls in place during the reporting period.
    - Reviewed the records and relevant documentation including information from audited financial statements or statutory reports submitted by the Company to support relevant performance disclosures within our scope.
    - Evaluated the suitability and application of Criteria and that the Criteria have been applied appropriately to the subject matter.
    - Selected key parameters and representative sampling, based on statistical sampling tables and agreeing claims to source information to check accuracy and completeness of claims such as source data, meter data, etc.
    - Re-performed calculations to check accuracy of claims,
    - Reviewed data from independent sources, wherever available,
    - Reviewed data, information about sustainability performance indicators and statements in the report.
    - Reviewed and verified information / data as per the BRSR Framework.
    - Reviewed accuracy, transparency and completeness of the information/ data provided.
15. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our reasonable assurance opinion.

EXCLUSIONS:

Our reasonable assurance engagement scope excludes the following and therefore we do not express an opinion on the same:

- Operations of the Company other than those mentioned in the paragraph 2 and 3 above on Scope of Assurance
- Aspects of the BRSR and the data/information (qualitative or quantitative) other than the Identified Sustainability Information.
- Data and information outside the defined reporting period i.e., 01 April 2025 to 31 March 2026.
- Data related to Company's financial performance, strategy and other related linkages expressed in Identified Sustainability Information.
- The statements that describe expression of opinion, belief, aspiration, expectation, forward looking statements provided by the Company.

- Assertions related to Intellectual Property Rights and other competitive issues
- Mapping of the Identified Sustainability Information with reporting frameworks other than those mentioned in Criteria above.
- While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls.
- The procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

OPINION

16. Based on the procedures we have performed and the evidence we have obtained, the Identified Sustainability Information included in the BRSR for the financial year ended 31 March 2026 is prepared in all material respects, in accordance with the Criteria.

RESTRICTION ON USE OR DISTRIBUTION

17. Our reasonable assurance report has been prepared and addressed to the Board of Directors of the Company at the request of the Company solely, to assist the Company in reporting on the Company's sustainability performance and activities. Accordingly, this report may not be suitable for any other purpose and should not be used by any other party other than Board of Directors of the Company. Further, we do not accept or assume any duty of care or liability for any other purpose or to any other party to whom this report is shown or into whose hands it may come without our prior consent in writing.

GRANT THORNTON BHARAT LLP

Abhishek Tripathi
Partner
Dated: 15 July 2026
Place: Grant Thornton Bharat LLP
Unit No. 02, Second Floor, BPTP Capital City,
Plot No – 2B, Sector-94, Gautam Buddha Nagar,
Noida - 201301, Uttar Pradesh, India