

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

2022-2023



Annexure-11

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 (‘Aavas’/‘The Company’)
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:	same as above
6	E-mail:	info@aaavas.in
7	Telephone:	0141-4659239
8	Website:	www.aavas.in
9	Financial year for which reporting is being done:	FY 2022-23
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:	₹79,05,68,740/- as on 31 March 2023
12	Name and contact details of the person who may be contacted in case of any queries on the BRSR report:	Mr. Sharad Pathak investorrelations@aaavas.in
13	Reporting boundary:	Disclosures made in this report are on a standalone basis and pertain only to Aavas.

II. Products/services**14. 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%

15. 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 business is providing home loans for the purchase or construction of residential properties and for the extension and repair of existing housing units. In addition to home loans, the Company is also offering mortgage-backed MSME and home equity loans.	64910	100%

III. Operations**16. Number of locations where plants and/or operations/offices of the entity are situated:**

Location	Number of plants	Number of offices	Total
National	N.A.*	346	346
International		-	-

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

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	13
International (No. of Countries)	-

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

Not Applicable.

c. A brief on types of customers

The Company provides housing loans primarily in the un-served, unreached and under-served markets, to customers belonging to low and middle-income segment in semi-urban and rural areas. The average ticket size is ₹8.90 Lakh and the average tenure of the loan is 16.5 years. The Company has played a proactive role in reaching out to communities at the ground level and enabling them to overcome the challenges of availing formal credit by individualized assessment of credit-worthiness of individual households, thereby addressing a critical gap in India's housing finance space.

Category	% of AUM in FY 22-23
Salaried Customers	40%
Self-employed Customers	60%

Category	Income Per Annum	% of AUM in FY 22-23
Economical Weaker Section	Up to 3 Lakh	22.34 %
Low Income Group	More than 3 Lakh to 6 Lakh	40.62 %
Middle Income Group	More than 6 Lakh to 18 Lakh	29.95 %
High Income Group	More than 18 Lakh	7.09 %

IV. Employees

18. Details as at the end of Financial Year:

a. Employees (including differently abled)

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	6,034	5,788	95.92%	246	4.08%
2.	Other than Permanent (E)	1,031	976	94.66%	55	5.34%
3.	Total Employees (D+E)	7,065	6,764	95.73%	301	4.26%

Note:- The Company does not have any workers as defined in the guidance note on BRSR.

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%	-	-
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total Differently Abled Employees (D+E)	3	3	100%	-	-

19. Participation/Inclusion/Representation of women:

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	9	2	22.22%
Key Management Personnel	4	-	-

20. Turnover rate for permanent employees and workers:

	FY 2022-23 Turnover rate in current FY			FY 2021-22 Turnover rate in previous FY			FY 2020-21 Turnover rate in the year prior to the previous FY		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	47.58%	28.30%	46.86%	45.82%	29.86%	45.34%	38.13%	21.89%	37.72%

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

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

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

VI. CSR Details

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

(ii) Turnover (in ₹): 1,610.60 Crore

(iii) Net worth (in ₹): 3,269.66 Crore

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redressal policy). *	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
		Number of complaint filed during the year	Number of complaint pending resolution at close of the year	Remark	Number of complaint filed during the year	Number of complaint pending resolution at close of the year	Remark
Communities	Yes	-	-	-	-	-	-
Investors (other than shareholders)	Yes	-	-	-	-	-	-
Shareholders	Yes	-	-	-	-	-	-
Employees	Yes	-	-	-	-	-	-

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redressal policy). *	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
		Number of complaint filed during the year	Number of complaint pending resolution at close of the year	Remark	Number of complaint filed during the year	Number of complaint pending resolution at close of the year	Remark
Customers	Yes	225	-	All the customer complaints were resolved.	294	-	All the complaints were resolved.
Value Chain Partners	Yes	-	-	-	-	-	-

*Some of the policies on the Company's Conduct with its stakeholders, including the grievance mechanisms are placed on the Company's website. Here are 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. In addition, there are internal policies placed on the intranet of the Company for redressal of grievances of employees.

24. 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	Risk or opportunity	Rationale for identifying the risk / opportunity	Approach to adapt or mitigate	Positive & Negative Implications
1.	Affordable Housing- Lending to Lower and middle income customer with undocumented income	Opportunity as well as Risk	<p>Opportunity: Affordable Housing is the need of hour. The government has acted as a facilitator to make the segment an alluring venture for private developers and introduced several incentives and schemes over the years.</p> <p>Risk: Company is primarily working with Lower and Middle level customer from under served and un-served areas, which largely comprises un-documented Income.</p>	<p>The Company possesses strong customer assessment standards which helps to moderate risks. Measures for risk mitigation include verification of credit history from credit risk information bureaus, probability of default assessment etc.</p> <p>The Company has maintained a lower delinquency percentage, compared to the industrial average, particularly in the affordable segment. Using conservative loan to value parameters and strong customer assessment standards also support company to mitigate credit risk.</p>	<p>Positive: India's urban population is estimated to double between 2018 and 2050. This shall be coupled with rising per capita income and nuclearization of families, which gives immense scope to company under Affordable Housing.</p> <p>Negative: However, undocumented history of receiving income makes it difficult to determine ability of customers to receive stable income, in future.</p>

S. No.	Material issue identified	Risk or opportunity	Rationale for identifying the risk / opportunity	Approach to adapt or mitigate	Positive & Negative Implications
2.	Human Capital	Opportunity	The Company has built a human-centric enterprise with the philosophy that sound customer satisfaction and service quality comes from an informed and a competence workforce. This places a premium on prudent employee recruitment and retention practices.	The Company boasts a highly skilled workforce and is currently prioritizing talent retention and motivation as part of its growth strategy. With a focus on cultivating effective managers and nurturing a pipeline of future leaders, the organization is fostering a high performance and efficient work culture.	Positive: The Company has nurtured a diverse and inclusive workforce where employees feel motivated to achieve their full potential.
3.	Digital Transformation	Opportunity	The Company regards technological upgradation as a key instrument in strengthening customer engagement for sustainable growth of the Company.	The Company is committed in advancing its technological framework and has recently 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 will significantly reduce manual data entry, paper work, and project assessment time.	Positive: The implementation of 'Gati' marks a significant milestone for Aavas, transforming it into a technologically-driven institution that consolidates the entire loan origination and customer service process onto a single platform. This will help in ensuring a more efficient and seamless user experience.
4.	Community Wellbeing and Social Impact	Opportunity	Social welfare activities undertaken by the Company not only improves its corporate goodwill and social reputation, but also helps the Company to resonate with community sentiments and aspirations, which helps in its sustainable growth in the longer run.	The Company recognizes the importance of being socially responsible and making a difference in lives of people. The Company implements its CSR initiatives directly and through implementing agencies. For further details, kindly refer to Annexure 9 of the Director's Report.	Positive: Social activities help build constructive reputation and public trust.

S. No.	Material issue identified	Risk or opportunity	Rationale for identifying the risk / opportunity	Approach to adapt or mitigate	Positive & Negative Implications
5.	Green Self-Built Housing	Opportunity	The Company is providing loans for construction of environment-friendly homes and supporting its customers in building homes that are sustainable as well as affordable.	The Company is working towards Green Home Ecosystem Development by reaching out to employees, customers, masons, contractors etc. and making them aware about the benefits of green homes through direct calling, SMS, Whatsapp messages, workshops, trainings, social media, brochures, and educative short films.	Positive: Loans for self-built housing have added a sustainability dimension to our value chain, making us pioneers in introducing concept of sustainable construction of self-built homes in Indian Housing Finance space.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes										
1.	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs? (Yes/No)	Y	Y	Y	Y	Y	Y	N	Y	Y
	b. Has the policy been approved by the Board? (Yes/No)	Yes, the Board approves all corporate governance policies of the Company.								
	c. Web Link of the Policies, if available	www.aavas.in								
2.	Whether the entity has translated the policy into procedure? (Yes/No)	Yes, the Company has translated the policies as applicable and imbibed the same into procedures and practices in all spheres of activities that the Company undertakes.								
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	<p>Yes, Scope of some key policies is broad enough to cover value chain partners as well within their ambit, such as :-</p> <ol style="list-style-type: none"> 1. Corporate Social Responsibility Policy 2. Environment & Social Policy 3. Equal Opportunity Policy 4. Grievance Redressal Policy 5. Human Rights Policy 6. Vigil Mechanism 7. Vishaka 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.	Not Applicable.								

5. Specific goals, commitments, targets set by the entity: (In regard to all of the 9 principles)

- **Housing for All:** To empower and upgrade lives of low and middle-income households by providing them accessible home loans and setting pioneering benchmarks in unserved and underserved markets. The Company is expanding its branch network and penetrating more geographies and segments where there is need for affordable housing finance.
- **Gati:** Aavas is committed to continuous improvement and has recently 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 will significantly reduce manual data entry, paper work and project assessment time.
- **Sustainability:** The Company is committed to a sustainable pathway across all its operations and functionalities. The Company is also working towards transition to environment friendly and sustainable office buildings in a phased manner. With the Green Housing Initiative, the Company is endeavouring to improve access to affordable green homes by providing a unique opportunity to its customers to avail home loans for beneficiary-led green self-built units.
- **Diverse and Inclusive Workplace:** We believe in nurturing employees to perform passionately with a sense of ownership. The Company is committed to improve employee satisfaction, career development and increased diversity and inclusion at workplace. The Company launched project 'Prerna' on International Women's Day, an initiative to promote gender equality and diversity in the organisation and also, to enable and empower women across all levels to realise their full potential and aspirations. The project encompasses mentoring, training/coaching interventions, hiring strategy, health & psychological well-being, women friendly policies and ensuring safer workplace.
- **Community Wellbeing:** The Company is committed to scaling up its social wellbeing programs, to reach more and more areas and touch more lives, while also constantly engaging with existing beneficiaries to bring real impact in their lives.

6. Performance of the entity against specific commitments, goals, targets:

- **Robust ESG Governance:** Independent Green House Gas (GHG) Assurance of the GHG Statement and Independent Auditor's Certificate on the disclosures under the GRI Reporting Standards was issued by an Independent auditor.
- **A Commitment to Sustainability:** The Company's approach is to lead by example and it started out with having its own Head Office certified as LEED Gold, which is the only commercial office in Jaipur, Rajasthan.
- **Nurturing Talent:** The Company continues to nurture a diverse and inclusive work environment where all employees are motivated to achieve their full potential without any discrimination on grounds of their gender, nativity, community, religious beliefs, and mental or physical ability. The Company took initiative towards increasing presence of women at all levels and especially at the higher levels of managerial hierarchy with Women Managers Empowerment Program and Gender Intelligence Program.
- **Enriching Lives:** The Company has expanded its reach with a network of 346 active branches across 13 states of India, helping more and more people achieve their dream of owning a home. The Company has been enriching lives and supporting dreams of numerous rural women, construction workers, children and rural youth through community wellbeing initiatives touching 25,00,000+ lives in the last two years across 30+ districts in 4 states of India.

Governance, leadership and oversight

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

In the last three years, we have been proactively navigating through green and sustainable solutions in our work life and beyond. Charity begins at home and we started out with green building certification of our own headquarters.

We are adding a new dimension to Indian Housing Finance space by addressing the financing gap in supporting beneficiary-led construction of green self-built homes in India, that too in the affordable segment. This is a unique and one of its kind initiative globally, which exemplifies climate action that is scalable, inclusive and cost-friendly.

We have also recently embarked on a journey of digital transformation with Project 'Gati', where we are building a single platform to streamline the entire loan origination and customer service journey, providing customers with a more seamless experience.

From climate response to efficient use of resources, from diversity to inclusion, from digitization to strong data security systems, our approach to sustainability is holistic and result-oriented. We are doing it all and today, we can proudly say that sustainability is very much a part of our DNA as we gear up for Aavas 3.0.

- | | |
|--|---|
| <p>8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).</p> | <p>Mr. Sachinderpalsingh Jitendrasingh Bhinder
Managing Director and Chief Executive Officer (MD and CEO)
DIN:- 08697657</p> |
| <p>9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.</p> | <p>mdoffice@aavas.in
0141-4659239</p> <p>Yes, The Managing Director & Chief Executive Officer as well as the senior management of the Company oversee the performance of the Company with respect to environment, social and governance. The Board of Directors on a quarterly basis also reviews the Company's sustainability performance. The Business Responsibility performance of the Company is assessed by the Risk Management Committee.</p> |

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee									Frequency (Annually/Half yearly/Quarterly/Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	The Company periodically reviews all policies and necessary changes are made to the policies and processes as per the need.																	
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company adheres to the existing regulations as applicable.																	

- | | P
1 | P
2 | P
3 | P
4 | P
5 | P
6 | P
7 | P
8 | P
9 |
|---|---|--------|--------|--------|--------|--------|--------|--------|--------|
| 11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency. | The processes and compliances are subject to scrutiny by internal auditor, statutory auditor, regulators and credit rating agencies as applicable. From a best practices perspective, as well as from a risk perspective, policies are periodically evaluated and updated by the Senior Management and the Board. | | | | | | | | |

12. If the answer to any of the above question is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

[illegible]

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:

The Company has been organizing regular in-house training programs for all employees at all levels besides also nominating employees to attend external training programs across various specialized functions. Further, the Company encourages its employees to pursue professional courses from reputed institutions to ensure career enrichment and personal development.

UDAAN: Leadership Development Program with IIM, Ahmedabad:

In a tie-up with the prestigious B-School at IIM Ahmedabad, the Company designed & conducted a six-month program exclusively for 34 mid-to-senior level employees. This learning opportunity was part of the Company's commitment to invest in the growth & development of its future leaders.

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
Board of Directors	76.5 Hours	Familiarization Program	100%
Key Managerial Personnel	47 Hours	High Impact Leadership Development, Objective & Key Results (OKR) Strategic Meet & Familiarization Program	100%
Employees other than BOD and KMPs	15,422 Hours	Objective & Key Results (OKR) training, Monday Morning Learning Hour, IIM, edX, Parivartan, Induction, Refresher Training, Train the Trainer etc.	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 Requirements) 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	-	-	-	-	-
Punishment	-	-	-	-	-

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

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
-	-

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 put in place an Anti-bribery and Corruption Policy. The Policy has been developed in alignment with its Code of Conduct and various other policies, as well as rules and regulations on anti-bribery and anti-corruption in India. The Policy states that the Company shall have zero tolerance towards bribery and corruption. The Policy applies to all individuals working at all levels and grades including directors, senior management, employees and all other persons directly associated with the Company. The policy is available on the website of the Company at <https://www.aavas.in/codes-and-policies>.

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

	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Directors	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

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

	FY 2022-23 Current Financial Year		FY 2021-22 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	-	-	-	-

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.

Leadership Indicators

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

During the year, the Company conducted various programs for its value chain partners to improve awareness on green homes across diverse locations and branches across India. These include:

Total Number of Awareness Programs Held	Topics/Principles covered under the training	% of Value chain partners covered (by the value of business done with such partners) under the awareness programmes.
One	Women Managers Empowerment Program	The Company organized three-day training for 30 women mid-to-senior level managers in Jaipur from different branches across India. This is a futuristic approach to nurture gender equality in the organization.
Two	Gender Intelligence Program	<p>A three-day workshop on Gender Sensitivity conducted by Gender Expert from International Finance Corporation (IFC), a member of the World Bank Group, to propagate the values of diversity and inclusion in the work culture. The first day dedicated to gender sensitization for the senior management followed by two days of Train-the-Trainer (ToT) sessions for mid-to-senior level employees from different departments engaging 38 employees.</p> <p>The Company on the International Women's Day had launched "Project Prerna", with yearlong interventions and initiatives to holistically bolster our gender diversity and inclusion agenda. Under the umbrella of "Project Prerna", Aavas planned to have highly accomplished and recognized women leaders from the industry to inspire our leadership team and our women employees.</p> <p>As a first step for PRERNA, with an objective to promote Gender Diversity and Women leadership pipeline, Company organized a webinar with Ms. Arundhati Bhattacharya, first woman and the youngest to Chair the 208-year-old public sector bank (The State Bank of India).</p>

Total Number of Awareness Programs Held	Topics/ Principles covered under the training	% of Value chain partners covered (by the value of business done with such partners) under the awareness programmes.
Five	Green India Drive in Pune, Ahmedabad, Hyderabad, Delhi and Mumbai	Green India Drive- Aavas organized seminars in association with International Financial Corporation (IFC) , a member of the World Bank Group to engage key stakeholders such as policy makers, regulators, architects, developers, builders and financial institutions to support emerging cities in transition to green building. It engaged 1,000+ green building stakeholders in five major cities of Pune, Ahmedabad, Hyderabad, Delhi and Mumbai.
Four	Green Samvaad in Jodhpur, Lucknow, Raipur and Bengaluru	The company has organized workshops in Jodhpur, Lucknow, Raipur and Bengaluru for engaging with masons, contractors, builders and architects to stimulate green home awareness among 200+ stakeholders from the supplier community.
Three	Green Home Training for Employees	Green Home training sessions for 200+ frontline employees from credit, sales and technical teams in Karnataka and Odisha to prepare the employees for supporting customers in their journey of building green home.
Regular and across the customer base	In-house Green Home Advisory and Assistance Services	Regular outreach to customers through messages, emails and calling to customers on green home along with in-persons technical guidance.

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

The Code of Conduct of the Company addresses the issue of Conflict of Interest among Board of Directors. Under the said Code, the Board of Directors and Senior Management Personnel are prohibited from engaging in any transaction or activity that may conflict with interests of the Company. They are also prohibited from taking up outside employment, as well as any position or engagement that may be prejudicial to the interests of the company. Here is a link to the Code of Conduct on website: <https://www.aavas.in/img/pdf/code-of-conduct-for-the-board-of-directors-and-the-senior-management-personnel.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 22-23 Current Financial Year	FY 21-22 Previous Financial Year	Details of improvements in environmental and social impacts
R & D	-	-	Green Housing Program: In 2020, the Company partnered with IFC, a member of the World Bank Group, to explore the avenues for improving access to affordable green housing in India and the rest of South Asia. This is the first of its kind initiative by IFC globally and seeks to bridge a critical financing gap in beneficiary-led construction of green individual homes. Two years down the line, the Green Housing Program is in its full swing with a new pipeline of green home loans in the Company's portfolio. The Company has taken a multi-dimensional approach towards green home ecosystem development across its value chain with initiatives in capacity building, community outreach, stakeholder engagement, awareness and education on green self-built homes.
Capex	-	-	Given the nature of business of the Company, the relevance of the above is largely restricted to information technology (IT) capex. In FY 2022-23, close to 1.91% of the total revenue was incurred towards IT hardware and software, which facilitated enhanced digital initiatives of the Company. This not only brought in increased efficiencies but also reduced the Company's paper usage across its operations.

2. a. Does the entity have procedures in place for sustainable sourcing?

b. If yes, what percentage of inputs were sourced sustainably?

Yes, as the nature of business of the Company is providing housing finance, at a corporate level, consumption of resources is limited to running the operations. The Company, however, is dedicated to becoming technically robust and moderating resource consumption. The Company has equipped all its branches with energy saving IT equipment, power saving lamps, high-end copier machines and digitized operations with minimal paperwork. The Company's web portal as well as mobile application facilitates online application of home loans to save time, energy and resources in disbursal process.

The Company is committed to continuous improvement and has recently embarked on a digital-first initiative. The project involves building a single platform to streamline the entire loan origination and customer service journey, providing customers with a more seamless experience.

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 providing housing finance, there is no hazardous waste generated by the Company. In the Current Financial Year, approximately 3.933 metric tonnes of waste was generated at the Head Office out of which 0.59 metric tonnes of plastic waste was put to reuse.

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

Not Applicable.

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.
64910	Housing Finance Activities	100%	FY 2022-23	No	The primary business activity of the Company is providing housing finance. The loan cycle is a sequential process ranging from sourcing of the loan to approval, disbursement, servicing, and repayment of the loan. The said cycle is displayed on the website of the Company at https://www.aavas.in/product .

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

Not Applicable.

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

Not Applicable.

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

Not Applicable.

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

Not Applicable.

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	Health Insurance		Accident Insurance		Maternity benefits		Paternity Benefits		Day Care Facilities	
		NO.	%	NO.	%	NO.	%	NO.	%	NO.	%
PERMANENT EMPLOYEES											
Male	5,788	5,099	88.08 %	5,788	100 %	-	-	5,788	100 %	-	-
Female	246	221	90.20 %	246	100 %	246	100 %	-	-	-	-
Total	6,034	5,320	88.17 %	6,034	100 %	246	100 %	5,788	100 %	-	-
OTHER THAN PERMANENT EMPLOYEES											
Male	976	944	96.52 %	976	100 %	-	-	976	100 %	-	-
Female	55	55	100 %	55	100 %	55	100 %	-	-	-	-
Total	1,031	997	96.70 %	1,031	100 %	55	100 %	976	100 %	-	-

b. Details of measures for wellbeing of workers

Not applicable.

2. Details of retirement benefits for current and previous financial year.

Stakeholder group from whom complaint is received	FY 2022-23 Current Financial Year			FY 2021-22 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*	95.40%	-	Y	98%	-	Y
Gratuity	100 %	-	Y	100%	-	Y
ESI**	36 %	-	Y	74%	-	Y
Others	-	-	-	-	-	-

*All employees except management 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.

The Head Office of the Company has ramps and elevators for easy movement of persons with disabilities. The Company also maintains application forms in Braille to cater to the special needs of visually impaired customers. Information and communication technology is accessible to all, including disabled persons, with the help of digitized operations.

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 believes in equal opportunity for all its employees and is committed to an inclusive work environment free from any kind of discrimination, and this practice has been duly incorporated in its Equal Opportunity Policy, which is available on the website of the Company at <https://www.aavas.in/codes-and-policies>. The Company values and welcomes diversity and does not treat anybody differently based on their race, sex, caste, religion, disability, or age.



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

Gender	Permanent Employees	
	Return to Work Rate	Retention Rate
Male	100%	100%
Female	100%	100%
Total	100%	100%

6. Is there a mechanism available to receive and redress grievances for 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	-
Other than Permanent Workers	-
Permanent Employees	Yes, the Company has put in place an Employee Grievance Redressal Policy to ensure that all communication channels are open and receptive, and all employees have an adequate opportunity to express their grievances. The Policy lays down a mechanism where on the primary level, an effort is made to resolve grievances through informal discussions, failing which, there is a time-bound three-tier grievance redressal mechanism. This mechanism has been approved by the Board and is communicated to all employees.
Other than Permanent Employees	

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

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

Category	FY 2022-23 Current Financial Year			FY 2021-22 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	-	-	-	-	-	-
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-

8. Details of training given to employees:

Category	FY 2022-23 Current Financial Year					FY 2021-22 Previous Financial Year				
	Total	On health and safety measures		On Skill Upgradation		Total	On health and safety measures		On Skill Upgradation	
		No.	%	No.	%		No.	%	No.	%
Employees										
Male	6,767	6,767	100%	6,767	100%	6,205	6,205	100%	6,205	100%
Female	298	298	100%	298	100%	223	223	100%	223	100%
Total	7,065	7,065	100%	7,065	100%	6,428	6,428	100%	6,428	100%

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

All employees undergo an annual performance appraisal process based on their defined KRAs and ratings are being given on a 5-point scale, based on which their increments and bonus are decided. The Company organized Icon Awards for providing recognition and acknowledging significant contribution of employees in terms of leadership, overall work performance, teamwork and adaptive changes in the organization.

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total	No.	%	Total	No.	%
Employees						
Male	6,764	6,764	100%	6,205	6,205	100%
Female	301	301	100%	223	223	100%
Total	7,065	7,065	100%	6,428	6,428	100%

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 is in the business of providing housing finance services. Hence, there are no occupational health and safety risks due to the nature of the work.

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

Not applicable.

- c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)

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 covered under its health insurance policy.

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

	Category	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Permanent Employees	-	-
Total recordable work-related injuries	Permanent Employees	-	-
No. of fatalities	Permanent Employees	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Permanent Employees	-	-

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

The Company ensures a safe and healthy workplace for comfort and wellbeing of all its employees. The Company's Head Office building, is a LEED Gold certified green building. A renowned doctor available in-house for consultation at Corporate Office for employees and their family members for free health check-ups on a weekly basis.

The Company has initiated various measures to encourage health conscious and fitness among its employees with in-house health, recreational and leisure activities such as Zumba dance classes, Aavas Cricket League, Surya Namaskar challenge and Dandiya dance classes. The Company also organized sessions 'Prabhav', 'Perfect Day at Office,' And 'Let's Find out Happiness' to encourage emotional, psychological, and social well-being of employees.

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

Category	FY 2022-23 Current Financial Year			FY 2021-22 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	100%

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 has health/accidental/term insurance Policy which provides insurance coverage for eligible employees, and adequate safeguard to families of deceased employees. Benefits like Provident fund, Gratuity and ESIC, as applicable, are settled on a priority basis. Further, employee stock option granted immediately vest with the employee's immediate family/person nominated by such employee. 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 business responsibility principles and values of transparency and accountability.

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 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Employee	-*	-	-	-

*There were no work related injuries in Current Financial Year or the Previous Financial Year.

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

No.

5. Details on assessment of value chain partners:

	% 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. Our 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.

Any individual or group of individuals that adds value to the business chain of the Company is identified as a key stakeholder. This inter alia includes customers, employees, shareholders, partners, and communities.

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, if they qualify based on specific criteria such as income, gender, etc.	Physical- Branches, notice board, pamphlets, personal visits, letters Digital/Electronic-Mobile App, website, email, SMS, customer care	Need basis	Stay in touch with the customer throughout the life cycle of the loan, address any issues that the customer may have, and periodic update about Company's progress.
Employees	No	Direct interactions and other communication mechanisms such as email, SMS, HRMS portal & App., webinars, awards & recognition programs, appraisal process, employee engagement initiatives	Regular and need basis	Focus to provide an exciting workplace, generate stable employment and improve productivity.
Shareholders	No	Annual General Meeting, Annual Report, Website, Quarterly Earning Calls, Regular investor meetings/calls, Stock Exchange Disclosures, Social/Print Media	Frequent and as per regulatory requirements	Update on Company's performance and milestones, adherence to regulatory compliances, in true spirit of transparency & governance.
Partners	No	Regular meetings, emails, SMS, phone calls, and Mobile App.	Ongoing and need basis	To increase reach and enhance business.
Communities	Yes	Directly and through implementing agencies	Ongoing and need basis	To support the sustainable growth of communities through continuous engagement.

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 Board and its various Statutory Committees are kept abreast on various developments and feedback on economic, environmental, and social topics on a quarterly basis through constant and proactive interactions with our key stakeholders.

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.**

Aavas Green Housing initiative is an endeavour to unlock the path towards climate action and sustainable use of natural resources with environment friendly construction of self-built homes. It takes synchronized efforts across institutions to bring real transformation and the Company is now actively focusing its efforts on Green Home Ecosystem Development, engaging regulators, partners, senior management, employees, customers, suppliers, and community at large. With this vision, the Company collaborated with International Finance Corporation (IFC), a member of the World Bank Group to conduct Green India Drive seminars across Pune, Ahmedabad, Hyderabad, Delhi and Mumbai to engage 1,000+ regulators, developers, architects, universities and financial institutions to lead the way towards a greener India with green buildings.

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

- The Company is providing loans for construction of environment friendly homes and supporting its customers in building homes that are sustainable as well as affordable.
- During the journey of innovating a path for financing of green with our partner IFC, involved multifaceted grassroots level challenges across stakeholders both on demand and supply side of green construction. The Company is trying to address these challenges by organizing Green Samvaad sessions on Green Homes engaging 200+ masons, contractors, builders, architects and developers in four cities of India.
- Under our community wellbeing initiatives, we engage with construction workers, a vulnerable social class through our Project Viswakarma. Under Gram Siddhi, we addressed remote rural women seeking alternative livelihoods.

Principle 5: Businesses should respect and promote human rights

Essential Indicators

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

The company has board approved Code of Conduct, Human Rights Policy, Equal Opportunity Policies and other best practices/policies around human rights to ensure dignity, fair practices, equal opportunity and absence of all forms of discrimination at workplace. Regular trainings and communications are done for the employees to educate them about the above practices/policies.

The Code of Conduct is communicated to all new employees at the time induction. New joiners are also provided training on Vishaka Policy against Sexual Harassment. In the Current Financial Year, 252 Prevention of Sexual Harassment (POSH) trainings were organized covering 5,719 employees. A three-day self defence training by representative from Nirbhaya Squad, Jaipur Police Authority, was organized at the Head Office of the Company covering 28 women employees.

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total (A)	No. of employees trained	%	Total Employees	No. of employees trained	%
Employees						
Permanent	6,034	6,034	100%	5,222	5,222	100%
Other than Permanent	1,031	1,031	100%	1,206	1,206	100%
Total Employees	7,065	7,065	100%	6,428	6,428	100%

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

Category	FY 2022-23 Current Financial Year					FY 2021-22 Previous Financial Year				
	Total (A)	Equal Minimum Wage		More than Minimum Wage		Total (D)	Equal Minimum Wage		More than Minimum Wage	
		No.(B)	% (B/A)	No.(C)	% (C/A)		No.(E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	6,034	271	4.49%	5,763	95.51%	5,222	40	0.77%	5,182	99.23%
Male	5,788	265	4.58%	5,523	95.40%	5,048	39	0.77%	5,009	99.23%
Female	246	6	2.45%	240	97.96%	174	1	0.57%	173	99.43%
Other than permanent	1,031	92	8.92%	939	91.08%	1,206	6	0.50%	1,200	99.50%
Male	976	92	9.40%	884	90.6%	1,157	5	0.43%	1,152	99.57%
Female	55	0	-	55	100%	49	1	2.04%	48	99.96%

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

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/codes-and-policies>

	Male		Female	
	Number	Median remuneration of respective category	Number	Median remuneration of respective category
Board of Directors (BOD)	7*	24,00,000	2	24,00,000
Key Managerial Personnel	4**	26,36,372	-	
Employees other than BOD and KMP	5783	2,38,746	246	2,59,732

*Mr. Sushil Kumar Agarwal resigned as the MD of the Company with effect from 3 May 2023 and is categorized as a part of Board of Directors for the purposes of this table.

**Mr. Sachinderpalsingh Jitendrasingh Bhinder, the MD and CEO, is categorized as part of Key Managerial Personnel for the purposes of this table.

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, Vishaka Committee has been set up at Head Office, State and Branch level under the Vishaka Policy to look into complaints of sexual harassment at workplace.

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/> and intranet portal of the Company. With respect to complaints related to sexual harassment at workplace an aggrieved person may raise their complaint orally or in writing before the Vishaka Committee or its members.

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

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	3	1	The pending case was received in the month of March 2023 and hence as at March 31, 2023 the Vishaka Committee was in process of examining the same.	-	-	-
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour/Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

7. 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 Vishaka 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

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

Yes, in certain business agreements and contracts where relevant.

9. Assessments for the year:

	% of Your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	The Company is in compliance with the laws as applicable.
Forced/involuntary labour	
Sexual Harassment	
Discrimination at Workplace	
Wages	
Others-please specify	

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

Nil.

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 is necessitated with respect to the business process.

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

The Company has incorporated 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 need be.

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?

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 expects its value chain partners to adhere to the same values, principles and business ethics upheld by the Company in all their dealings. No specific assessment in respect of the value chain partners has been carried out.
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.

No corrective action was necessitated.

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 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.

Parameter	FY 2022-23 Current Financial Year (in MT Co2 -e)	FY 2021-22 Previous Financial Year (in MT Co2 -e)
Total electricity consumption (A)	2,454.13	1,906.73
Total fuel consumption (B)	4,562.73*	10,622.85
Energy consumption through other sources (C)	3.23 (Diesel Generators)	4.64 (Diesel Generators)
	32.59 (HVAC Systems)	6.60** (HVAC Systems)
Total energy consumption (A+B+C)	7,052.681	12,540.82
Energy Intensity per rupee of turnover (Total energy consumption/turnover in rupees)	4.37 MT Co2 -e / ₹ Crores of turnover	-
Energy Intensity (optional)- the relevant metric may be selected by the entity	0.92 MT Co2 -e / Employee	-

*Being 125.40 MT Co2 -e from Employee Commute (Office travel) and 4,437.33 MT Co2 -e from Employee Commute (Residence to Aavas Office) of Total fuel consumption.

** For the Previous Financial Year, HVAC data was reported only w.r.t the Head Office of the Company.

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

Yes, the assessment of GHG Emissions was carried out by independent consultant firm, Kamal Cogent Energy Pvt. Ltd. Additionally, Independent GHG Assurance of the GHG Statement and Independent Auditor's Certificate on the disclosures under the GRI Reporting Standards was issued by an Independent auditor.

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

Not Applicable.

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

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, censor taps are used in washrooms to economize water consumption.

Parameter	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Water Withdrawn from source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater (borewall)	-	-
(iii) Third party water	-	-
(iv) Seawater/desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	-	-
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	-	-

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.

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

No.

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

Parameter	Please specify unit	FY 2022-23 Current Financial Year	FY 2021-22 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? (Yes/No) If yes, name of the external agency.

No

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

Parameter	Please specify unit	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Total Scope 1 emissions	MT Co2 -e	161	4.64
Total Scope 2 emissions	MT Co2 -e	2,454.13	1,913.33
Total Scope 1 and Scope 2 emissions per rupee of turnover	-	-	-
Total Scope 1 and Scope 2 emissions intensity	-	-	-

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

Yes, the assessment of GHG Emissions was carried out by independent consultant firm, Kamal Cogent Energy Pvt. Ltd.

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

The Company is endeavoring to minimize its GHG emissions where feasible. The Head Office of the Company was certified LEED Gold in May 2022. Further, through its Corporate Social Responsibility initiatives, the Company has undertaken various projects on environmental sustainability such as reforestation, investment in clean energy, and Green Housing Initiative.

Savings from	Carbon Reduction (MT Co2 -e)
275+kwh solar plant	351.00
8000+ Tree Plantation	408.51
Total Savings	759.51

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

As the nature of business of the Company is providing housing finance, the only key waste products are paper, plastic and e-waste. It is a practice adopted by the Company to engage certified e-waste handlers for disposal of e-waste. However, for the Current Financial Year no e-waste has been disposed off by the Company.

Parameter	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Total Waste generated (in metric tonnes)		
Plastic waste (A)	3.933*	5.364*
E-waste (B)	-	-
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	-	-
Radioactive Waste (F)	-	-
Other hazardous waste. Please specify if any. (G)	-	-
Other non-hazardous waste generated. Please specify, if any. (H)	-	-
Total	3.933	5.364

For each category of waste generated, total waste recovered through recycling, reusing or other recovery operations in metric tonnes

Category of Waste		
(i) Recycled	-	-
(ii) Re-used	0.59	1.696
(iii) Other Recovery Operations	-	-
Total	0.59	1.696

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	-	-
Total	-	-

* Computed with respect to the Head Office, which is the only owned premises of the Company.

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.

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

Given the nature of the business, there is no usage of toxic and hazardous chemicals by the Company. The only key waste products are paper, plastic and e-waste. In the Financial year under review, approximately 3.933 metric tonnes of waste was generated at the Company's Head Office, out of which 0.59 metric tonnes of plastic waste was put to reuse.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details.

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? (Yes/No) If no, the reasons thereof and the corrective actions taken if any.
-	-	-	-

11. 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
-	-	-	-	-	-

12. Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Yes/No).

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. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources.

Parameter	FY 2022-23 Current Financial Year (in MT Co2 -e)	FY 2021-22 Previous Financial Year (in MT Co2 -e)
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)	-	-

Parameter	FY 2022-23 Current Financial Year (in MT Co2 -e)	FY 2021-22 Previous Financial Year (in MT Co2 -e)
From non-renewable sources		
Total electricity consumption (D)	2,454.13	1,906.73
Total fuel consumption (E)	4,562.731	10,622.85
Energy consumption through other sources (F)	3.23 (Diesel Generators)	4.64 (Diesel Generators)
	32.59 (HVAC Systems)	6.60 (HVAC Systems)
Total energy consumed from non-renewable sources (D+E+F)	7,052.681	12,540.82

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

Yes, the assessment of GHG Emissions was carried out by independent consultant firm, Kamal Cogent Energy Pvt. Ltd. Additionally, Independent GHG Assurance of the GHG Statement of the Company for the year ended December 2022 was issued by Independent auditor.

2. Provide the following details related to water discharged:

Parameter	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Water discharge by destination and level of treatment (in kilolitres)		
(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	-	-
(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 kilolitres)	-	-

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

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

- **Name of the area**- Not Applicable.
- **Nature of operations**- Not Applicable.

- Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	-	-
Total volume of water consumption (in kilolitres)	-	-
Water intensity per rupee of turnover (Water consumed / turnover)	-	-
Water intensity (optional) –the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kilolitres)		
(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 kilolitres)	-	-

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.

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

Parameter	Unit	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	6,147*	12,463.5**
Total Scope 3 emissions per rupee of turnover	-	-	-
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

*For the Current Financial Year, fuel consumption for work related travel is included in Scope 1 and fuel consumption for office to residence is included in Scope 3 emissions.

**For the Previous Financial Year, Scope 3 emissions included fuel consumption for work related travel as well as office to residence travel.

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

Yes, the assessment of GHG Emissions was carried out by independent consultant firm, Kamal Cogent Energy Pvt. Ltd.

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable.

6. 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 recently 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 will significantly reduce manual data entry, paper work and project assessment time, thereby ensuring a seamless customer experience.

7. 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 Business Continuity Management Policy (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 customer.

8. 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 adverse impact on environment.

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

Not Applicable.

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

Essential Indicator

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

The Company is a member of 2 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
1.	The Associated Chambers of Commerce & Industry of India (ASSOCHAM)	National
2.	PHD Chamber of Commerce and Industry (PHD Chamber)	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.

Not applicable.

Name of authority	Brief of the case	Corrective action taken
-	-	-

Leadership Indicators

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

The Company does not take part in any lobbying and has not propagated any public policy positions.

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.

Not Applicable.

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
-	-	-	-	-	-

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

Not Applicable.

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 INR)
-	-	-	-	-	-	-

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. Details of such mechanisms and policies are given elsewhere in this report.

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

Not Applicable.

Parameter	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Directly sourced from MSMEs/small producers	-	-
Sourced directly from within the district and neighboring districts	-	-

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):

Not Applicable.

Details of negative social impact identified	Corrective action taken
-	-

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

Nil.

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

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?

No, the Company does not have a preferential procurement policy. Whilst the Company has always catered to the housing finance needs of lower and middle-income groups, given the nature of business, purchases from suppliers under the above-mentioned groups are limited.

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

Not Applicable.

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

Not Applicable.

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of Beneficiaries from vulnerable and marginalized groups
1.	Rural Development & Community Development		100%
	• Vishwakarma	30,000	(The primary object of our 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. We strive to improve the social economic condition of these communities.)
	• Gram Siddhi	41,000	
	• Community Infra	76,500	
2.	Health Care & Wellness		
	• Food Distribution at Hospitals	4,00,000	
	• Solar plant at Hospital	75,000	
	• Heart Surgeries of Children	10	
	• Diabetic care for one and all	985	
3.	Environment		
	• Environment	40,000	
	• Green Housing Program	15,350	
4.	Education & Holistic Development		
	• Cinema on Wheels	65,000	
	• Road safety awareness	21,000	
	• Education and Holistic Development	42,000	
	Total	8,06,845 lives touched	

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 put in place a Grievance Redressal Policy for prompt and effective redressal of customer complaints. The said Policy is available on the website of the Company at <https://www.aavas.in/codes-and-policies>.

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

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	All our loan products and Most Important Terms & Conditions (MITCs) are completely transparent and disclose all product related details.
Recycling and/or safe disposal	

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

	FY 2022-23 Current Financial Year		Remarks	FY 2021-22 Previous Financial Year		Remarks
	Received	Pending resolution		Received	Pending resolution	
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of Essential Services	-	-	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Other	-	-	-	-	-	-

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

Not applicable.

	Number	Reasons for recall
Voluntary recalls	-	-
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 has a framework and policy on cyber security and risk related to data privacy. The IT Strategy Committee of the Company takes care of cyber security framework and policies. Information Security Audit is conducted by Information Security Auditor of the Company and Audit Report is placed before the Audit Committee.

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

No penalties/regulatory action has been levied/taken on the above parameters.

Leadership Indicators

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

Detailed information relating to all financial products and services provided by the Company is available on the Company's website, <https://www.aavas.in/product>. In addition, the Company actively uses various social media and digital platforms to disseminate information on its products and services.

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

The Company has a Fair Practices Code, KYC Policy, Most Important Terms & Conditions (MITCs), Schedule of Charges and the said are available at all the branches as well as on the Company's website for transparent and responsible dealings with its customers.

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

In the event of any disruption/discontinuation of essential services, the Business Continuity and Management Plan (BCMP) gets activated and as per the process, we approach the customer through physical and digital mode.

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, in compliance with all the statutory requirements, the Company displays the information related to its products/services at the branches. Further, Company has also provided the said details on the website of the Company over and above the statutory requirements.

5. Provide the following information relating to data breaches:

a. Number of instances of data breaches along-with impact

Nil.

b. Percentage of data breaches involving personally identifiable information of customers:

Not Applicable.