

SUSTAINABILITY REPORT

2022-2023



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FOREWORD

"Sapne Aapke, Saath Hamaara" – this vision has been the guiding force behind Aavas journey, propelling us to become the lender of choice for first-time homeowners. We have been driven by the desire to play a catalytic role in the nation-building journey, enabling millions of lower and middle-income households in India to realize their dreams of owning a home. Today, as we continue to achieve new milestones in terms of our reach and scale, we have embraced a profound responsibility to thrive together and in harmony with one another.

As we enter the second decade of our existence, sustainability has taken center stage in our business strategy. We recognize that sustainability is not a destination but a journey, and we are committed to continual improvement in all aspects of our sustainability practices. Our approach is holistic and solution-oriented, encompassing climate response, efficient resource utilization, diversity and inclusion, digitization, and robust data security systems. By addressing the interests of all our stakeholders, we strive to create sustainable value for the communities we serve.

Through this Sustainability Report, Aavas Financiers aims to demonstrate how we bring our core values to life and elucidate our comprehensive environmental, social, and governance (ESG) approach and performance for the fiscal year 2022-23. This report complements our Business Responsibility and Sustainability Report (BRSR) for the same period, which forms an integral part of our Annual Report. It is important to note that the scope of this report is limited to Aavas Financiers Limited.

Within these pages, we have endeavored to capture key highlights our sustainability journey and the progress we have made in embedding sustainable practices across our operations. We remain steadfast in our commitment to the principles of responsible lending, ethical conduct, and stakeholder engagement. By sharing our achievements, challenges, and future aspirations, we aim to foster transparency and invite constructive dialogue with our stakeholders.

At Aavas, we firmly believe that sustainability is not just an obligation but an opportunity to create a better future. Our dedication to sustainable practices is underpinned by the belief that a thriving business can coexist with a thriving society and environment. By embracing sustainability as an integral part of our business, we strive to contribute to the broader goals of social progress, environmental stewardship, and economic prosperity.

MESSAGE FROM MD AND CEO

Dear valued stakeholder,

It is with great pleasure that I present to you the third edition of Aavas Sustainability Report for FY 2022-23. Throughout our journey, we have prided ourselves on taking the road less traveled, reaching out to communities at the grassroots level and empowering them to overcome the challenges of accessing formal credit. This personalized approach to credit assessment has allowed us to address a critical gap in India's housing finance sector. Now, our sustainability journey adds yet another dimension to our legacy of leading by example.

Over the past three years, we have proactively embraced green and sustainable solutions both in our professional lives and beyond. We firmly believe that charity begins at home, which is why we embarked on the journey of obtaining green building certification for our own headquarters. It brings me great pride to announce that our Head Office has become the first existing commercial building in Jaipur to be certified LEED Gold.

This year, Aavas has taken on the role of a national partner in the Green India Drive, leading the transition towards greener cities across the country. We have had the privilege of hosting distinctive and splendid roadshows in Pune, Ahmedabad, Hyderabad, Delhi, and Mumbai. The enthusiasm and participation we witnessed during these events were truly remarkable, reinforcing our commitment to a sustainable future.

I am particularly thrilled to share that Aavas has played a significant role as an execution partner in the financing of green self-built homes on a global level. This groundbreaking initiative marks just the beginning of our sustainability journey, with many more successes to come. We are honored to be part of this transformative change and would like to extend our heartfelt gratitude to all stakeholders for their sustained confidence in Aavas.

In this Sustainability Report, you will find a comprehensive overview of our initiatives, progress, and achievements in the realm of sustainability. It reflects our unwavering commitment to responsible practices and making a positive impact on the environment and society. We are continuously striving to strengthen our sustainability efforts and contribute towards a more sustainable future for all.

Thank you for your continued support and partnership in our sustainability journey. Together, we can build a better future.

Warm regards,

Sachinderpalsingh Jitendrapalsingh Bhinder

Managing Director and CEO

Aavas Financiers Ltd.

"We used to reside in a rented house with only one room and a kitchen, where we faced numerous difficulties. Building our own home had always been a dream of ours. It was during this time that a friend introduced us to Aavas. The Aavas team provided us with exceptional guidance and assured us that they would help turn our dream into a reality. Throughout the process, Aavas also enlightened us about the benefits of building a green home.

With the advice and guidance of Aavas, we made the decision to make our home 'green'. We used flyash bricks in place of red bricks to make our new home. Not only did this option cost less, but it also gave us other advantages such as reduced dampness and lesser plastering requirements. We have added features like window overhangs to our home to mitigate heat and coatings of white reflective paint on our roof to mitigate absorption of harmful rays of the sun.

Thanks to Aavas, our desire for our own home has been fulfilled, and we have even been able to save some money along the way. It has been over a year since we started living in our new home, and our family is incredibly content with our decision to embrace a sustainable lifestyle. We take pride in the fact that our home is EDGE certified, positively impacting the environment and inspiring others.

We would like to express our heartfelt gratitude to Aavas for their support, guidance, and emphasis on sustainability, all of which have made a positive impact in our lives."

- Sonu Singh and Lakshmi Devi

Our Green Home Success Story



OUR ESG JOURNEY



OUR PILLARS OF SUSTAINABILITY

ESG Profile	ESG Reporting	ESG Disclosures	ESG Ratings
<ul style="list-style-type: none"> Onboarded <i>Churchgate Partners</i> for real time mapping and independent review of ESG initiatives with international ESG standards such as UN SDG, SASB, WEF, UNGC etc. https://www.aavas.in/esg-reporting. 	<ul style="list-style-type: none"> In terms of Regulation 34(2)(f) of the SEBI Listing and Disclosure Requirements, Aavas submits the Business Responsibility and Sustainability Report (BRSR) which forms a part of its Annual Report from last two year. 	<ul style="list-style-type: none"> With comprehensive ESG disclosures on its website, Aavas has ensured 100% adherence to SEBI Listing and Disclosure Requirements. 	<ul style="list-style-type: none"> Aavas has been rated as 'Strong' score on ESG risk parameters by CRISIL ESG Score 2022 with 66 points, a score which is one of the best among its peers in the BFSI sector.

ROBUST GOVERNANCE

- We remain steadfast in our commitment to upholding transparency and business integrity as we pursue our ESG aspirations.

NURTURING WORKPLACE

- We are dedicated to fostering a work culture that is diverse, inclusive and promotes the wellbeing of our employees through initiatives focused on gender intelligence, sensitivity and employee welfare.

PROTECTING THE PLANET

- We are actively nurturing a more sustainable planet by minimizing our carbon footprint, optimizing energy usage and taking proactive measures to mitigate climate change.

HAPPY CUSTOMERS

- We are unwavering in our commitment to the happiness of our customers. We prioritize the highest level of customer privacy and safeguard their personal information with utmost care.

EMPOWERED COMMUNITY

- We are dedicated to engaging and empowering rural communities through various initiatives that focus on labour wellbeing, skill development for women and holistic growth for rural youth.

KEY HIGHLIGHTS FROM FY 2022-23

- Aavas Financiers achieved a remarkable milestone, as our Head Office became the first and only existing commercial building in Rajasthan to be awarded the prestigious LEED Gold certification.



- To foster a gender-sensitive culture, Aavas Management participated in a three-day Gender Intelligence Workshop facilitated by IFC Gender Expert, embedding a nuanced understanding of gender dynamics across the company.



- On International Women's Day, we proudly launched Project 'Perna,' a dedicated initiative aimed at promoting gender equality, diversity, and inclusion throughout our organization.



- Demonstrating our commitment to a greener future, Aavas spearheaded the Green India Drive Seminars in Pune, Ahmedabad, Hyderabad, Delhi, and Mumbai, leading the transition towards environmentally sustainable cities.



- We proudly unveiled the national launch of our Market Research Report on the 'Business Case for Affordable Green Housing in India,' shedding light on the economic benefits and viability of sustainable housing solutions.



- In a groundbreaking collaboration with IFC and EDGE, Aavas achieved international recognition by certifying 100 Green Self-built Homes, marking a significant milestone and setting a global precedent.



ROBUST GOVERNANCE

At Aavas, we have established a robust governance structure firmly rooted in the principles of kindness, fairness, effectiveness, and efficiency. It is this resilient framework that has enabled us to not only withstand the toughest of times but also thrive amidst challenges. We firmly believe that responsible governance is essential for generating sustainable value for all stakeholders.

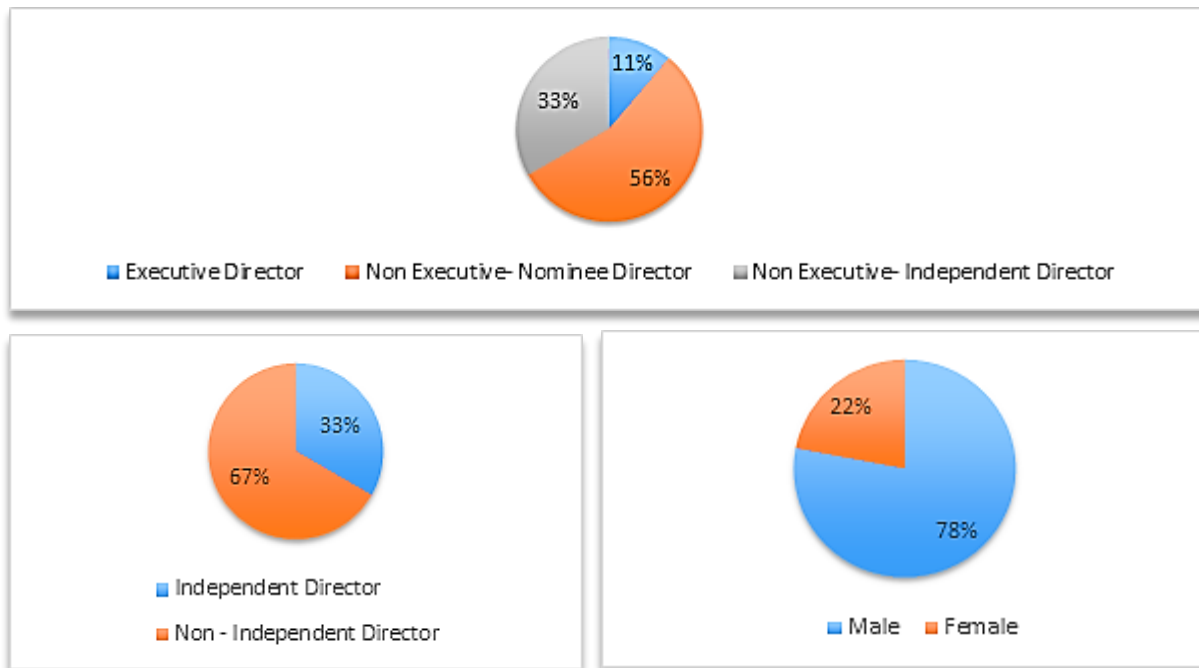
As a core value, we prioritize the respect for human rights, and in line with this commitment, we have seamlessly integrated environmental, social, and governance (ESG) considerations into the policies and principles that govern our business. Our tireless dedication to inclusive growth drives us to enhance our governance practices, ensuring the creation of a better future for everyone involved.

Size and Composition of the Board

The composition of Aavas' Board of Directors is designed to encompass diverse expertise and perspectives, ensuring effective governance and strategic guidance. With a total of 9 directors, including 3 independent directors (including 2 women directors), 5 non-executive nominee directors, and 1 managing director, our board reflects a wealth of experience, competence, and integrity.

Each member brings a unique set of skills, financial acumen, strategic astuteness, and exceptional leadership qualities to the table. By having such an accomplished and dedicated board, we reinforce our commitment to upholding the highest standards of corporate governance and driving the sustainable growth of Aavas.

S.NO	NAME OF DIRECTOR	DIN	DESIGNATION
1.	Mr. Sandeep Tandon	00054553	Independent Director (Non- Executive)
2.	Mr. Sachinderpalsingh Jitendrasingh Bhinder	08697657	Managing Director and CEO (Executive)
3.	Mrs. Kalpana Iyer	01874130	Independent Director (Non- Executive)
4.	Mrs. Soumya Rajan	03579199	Independent Director (Non- Executive)
5.	Mr. Ramachandra Kasargod Kamath	01715073	Nominee Director (Non- Executive)
6.	Mr. Vivek Vig	01117418	Nominee Director (Non- Executive)
7.	Mr. Nishant Sharma	03117012	Promoter Nominee Director (Non- Executive)
8.	Mr. Manas Tandon	05254602	Promoter Nominee Director (Non- Executive)
9.	Mr. Kartikeya Dhruv Kaji	07641723	Promoter Nominee Director (Non- Executive)



Robust Risk Management

Aavas recognizes the critical role of robust risk management in achieving long-term prosperity. Our risk management framework is ingrained in our business cycle, encompassing conscious risk assessment, control, and reporting. To ensure effective risk oversight, the Board has established a dedicated Risk Management Committee in compliance with SEBI-LODR Regulations. Comprising three directors and chaired by a Non-Executive Director, this committee diligently identifies risks that have the potential to impact the Company and implements appropriate measures to mitigate them.

While the exact impact of climate-related factors on our stakeholders remains uncertain, we proactively address this concern. Through various initiatives, we focus on comprehending climate risks relevant to our business activities. This includes assessing outsourcing risks, monitoring cyber security trends and response, tracking diversity and turnover metrics, maintaining operational health, conducting stress testing, and continuously monitoring risk levels. By prioritizing risk management across our operations, we aim to safeguard the interests of our stakeholders, fortify our resilience, and ensure sustainable growth in an ever-changing landscape.

A major thrust on Data Protection and Protecting Customer Privacy

At Aavas, safeguarding customer privacy and protecting data is of paramount importance to us. To ensure the highest level of data protection, we have implemented robust measures. Our physical and environmental controls include stringent entry protection, state-of-the-art water and fire safety equipment, CCTV monitoring, and reliable alarm systems, effectively eliminating any potential breaches.

In addition, we have built a resilient cyber space with minimal vulnerability to cyber incidents. Our comprehensive **Cyber Security Policy** extends not only to our employees but also to vendors, partners, and third parties. We prioritize continuous improvement and awareness by regularly sharing informative newsletters, mailers, knowledge series, and webinars, ensuring that all stakeholders, including employees, vendors, partners, and third parties, are equipped with the knowledge and tools to maintain strong cyber security practices.

By implementing these stringent measures, we uphold our commitment to maintaining the highest standards of data protection and customer privacy. Our dedication to data security remains steadfast as we continuously strive to stay ahead of evolving cyber threats and safeguard the trust our customers place in Aavas.

Policy-level Framework

The Company has developed a robust and strong policy-level framework to ensure transparent, ethical and accountable conduct. Key policies include Code of Conduct for Employees, Prevention of Insider Trading Policy, Whistle-Blower Policy, Policy on KYC and AML Measures and Fair Disclosure Practices Code. The Vigil Mechanism/Whistleblower Policy allows various stakeholders to report genuine grievances about unethical behavior.

With the help of the above policies, we have developed a culture where the Directors and employees feel free to bring to notice any wrongful conduct. All codes and policies of the Company are accessible on its website at <https://www.aavas.in/codes-and-policies> .

KEY ESG POLICIES

RESPONSIBLE VALUE CHAIN

We expect that our value chain partners to adhere to the same values, principles and business ethics upheld by the Company in all their dealings. We have a Board-approved **Environment and Social Policy** whereby it may not provide loans for activities which fall under the 'Exclusion List of Prohibited Activities' which include child labour, forced labour, production of harmful substances like alcohol and tobacco, or any other illegal activities.

DIVERSE AND INCLUSIVE CULTURE

The **Fair Practices Code** of the Company requires that differently abled persons be treated with humanitarian approach and given priority over other visiting clients at the branch in attending his/her queries/application. The Code also requires the Company to take special efforts to make it easy and convenient for customers like senior citizens, physically challenged, differently abled or blind and illiterate persons while providing service.

SAFE WORK ENVIRONMENT

Aavas professes zero tolerance to sexual harassment at workplace. The **Vishaka Policy** lays down a detailed mechanism for redressal in cases of sexual harassment at workplace. Any aggrieved woman or any person on behalf of an aggrieved woman may raise her concerns orally or in writing to Vishaka Committee or any of its members. The Company under its Vishaka Policy treats all disclosures made regarding sexual harassment as sensitive and highly confidential. The victim's identity is also kept confidential.

WHISTLE BLOWER POLICY

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about misconduct to express concerns without fear of punishment or unfair treatment under its **Vigil Mechanism**. This framework intends to cover serious concerns that could have grave impact on the operations and performance of the business of the Company.

NURTURING WORKPLACE

We believe in nurturing employees to perform passionately with a sense of ownership. To that end, we 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. We keep our hands on sustained high trust and high-performance culture across all its functionalities and operations.

Policies for securing Dignity, Safety and Wellbeing of Employees:

We have incorporated stringent **Vishaka Guidelines for Prevention of Sexual Harassment at Workplace (POSH)**. We also ensure regular trainings of the employees on these policies to ensure that they are aware of their rights. In FY 2022-23, we conducted 252 POSH trainings engaging 5,719 employees.

Aavas encourage employees to freely discuss their concerns and grievances. We have also set up an **Employee Grievance Redressal Mechanism** for speedy and effective redressal of employee grievances.

Our **Human Rights Policy** ensures adherence to labour laws and fundamental human rights norms with regard to employee health, safety, diversity and inclusion. Our Environment and Social Policy has a prohibited activities list which lays down certain activities which do not qualify for financing which include child and forced labor.

Under our **Equal Opportunity Policy**, we ensure that our workplace is free from discrimination of any kind and people from all socio-economic and cultural backgrounds, including women and differently-abled persons, feel welcome at work and very much a part of the fraternity.

Aavas ensure equality of opportunity and equal pay for equal work under our **Remuneration Policy**. Appraisals and promotions are based on objective criteria of merit.

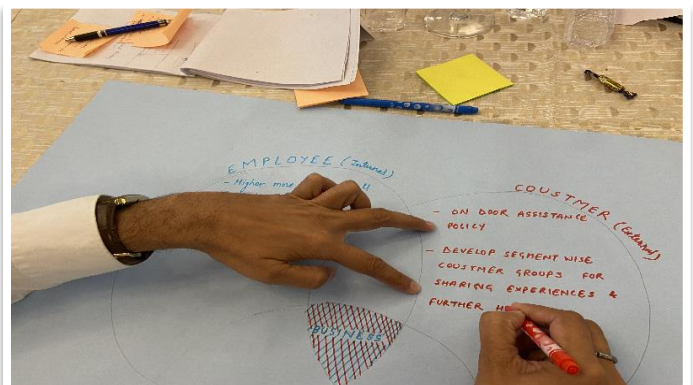
We strive for a culture of work-life balance with policies on Flexible Working Hours and provision for not only maternity leaves but also paternity leaves in our **Leave Policy**.

Gender Intelligence Workshop

Aavas, in collaboration with International Finance Corporation (IFC), a member of the World Bank Group, organized a three-day workshop on gender sensitivity in September 2022, conducted by IFC's Gender Expert, Pritha Dubey. The first day of the workshop dedicated to sowing the seeds of gender sensitivity at senior level in the Company engaging 22 persons from Aavas senior leadership. The next two days involved Train-the-Trainer sessions for a diverse mix of 16 mid-to-senior level employees from different departments, who came back and provided gender-sensitivity training in their respective departments, engaging 135+ employees in the exercise altogether.



The workshop was very interactive involving group activities, discussions, role-plays and active engagement of all participants.



Project 'Prerna'

Aavas is firmly committed to fostering diversity, equality, and inclusivity within our organization. This year, we have taken a significant stride forward with the launch of Project 'Prerna - The Inspiration,' an empowering initiative designed to enable and uplift women at all levels. Through this project, we are dedicated to developing the talent of women within our company, providing them with mentoring and coaching programs that nurture their potential and aspirations.



Launch of 'Prerna' on International Women's Day.



An interactive webinar with Ms. Arundhati Bhattacharya, Chairperson and CEO of Salesforce India, as a part of 'Prerna Initiative'.

Career Advancement Opportunities

At Aavas, we are committed to building a learning organization that thrives on continuous growth and development. To support this vision, we have established a dedicated 'Learning and Development' cell that organizes online trainings and webinars, enabling our employees to enhance their knowledge and skills. We believe in the importance of investing in our employees' professional growth, which is why we regularly conduct in-house training programs for all levels.

Additionally, we encourage our employees to attend external training programs across various specialized functions, expanding their expertise and horizons. Furthermore, we actively promote and support employees in pursuing professional courses from reputable institutions, ensuring both career enrichment and personal development. By fostering a culture of learning, we empower our employees to reach their full potential and contribute to the collective success of our organization.

Leadership programs with B-Schools



IIM-Ahmedabad

Leadership Development Program (Business Leadership)



IIM-Calcutta

Advanced Program in Strategic Management



IIM-Indore

Advanced Management Program for Corporate Leaders

'UDAAN' Leadership Development Program with IIM, Ahmedabad

In a tie-up with the prestigious B-School at IIM Ahmedabad, the Company designed and 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 and development of its future leaders.



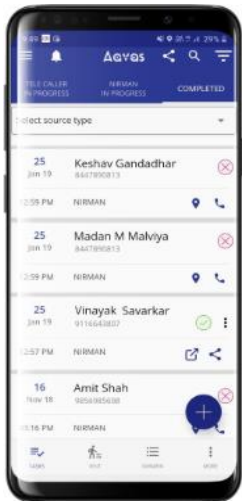
The Company organized three-day Women Managers Empowerment Program for 30 women mid-to-senior level managers in Jaipur from different branches across

Intellectual Capital



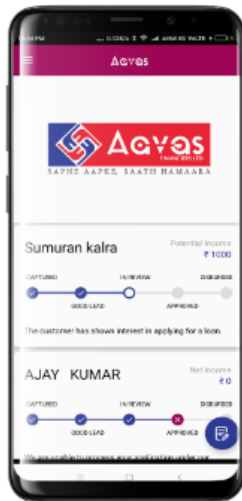
Customer App

★★★★★ 4.6



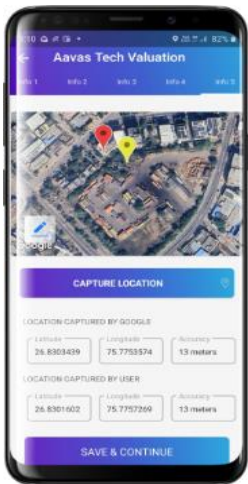
Nirman App

★★★★★ 4.5



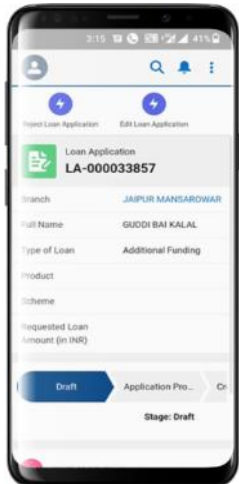
Aavas Mitra

★★★★★ 4.3



Technical Valuation

★★★★★ 4.2



Salesforce App



100%

Property locations
Geo-tagged

100%

Technical, Legal and Risk Assessment
Processes digitized including vendors

95%

Collections happen digitally
through digital channels

10%

Disbursements are sourced from leads generated through digital channels

70%

Leads are responded within 15 min through OMNI channel

75%

Part disbursements happen digitally

80%

Customer service requests are fulfilled digitally

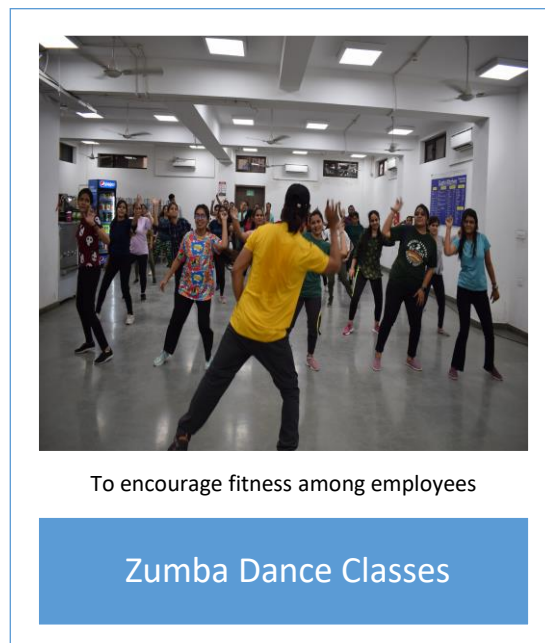
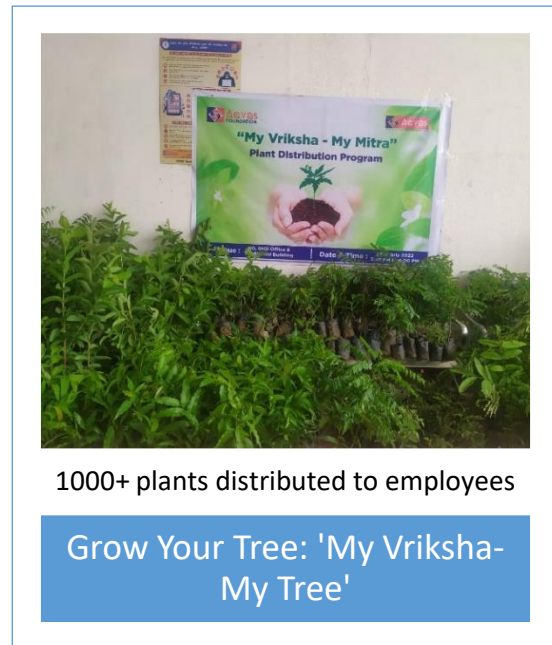
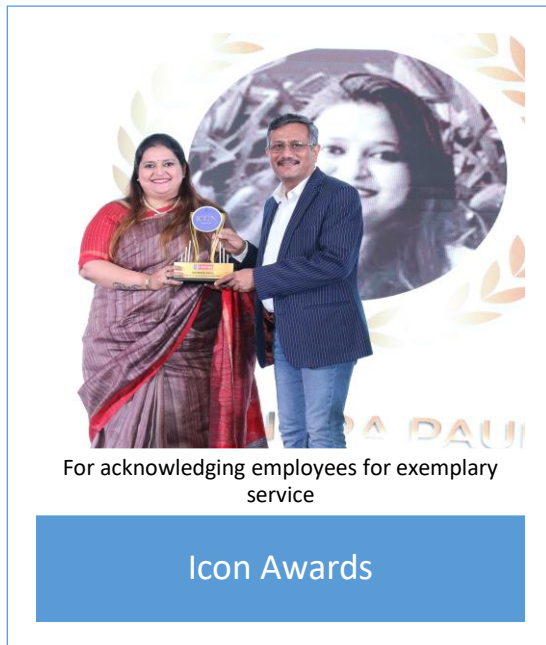
90%

Login fees are collected digitally

Employee Engagement Initiatives

At Aavas, we prioritize employee engagement as a key driver of our success. Throughout the year, we organize a wide range of activities that foster a culture of fitness and well-being among our employees. From the Surya Namaskar Challenge to celebrating International Yoga Day and participating in marathons, we encourage our employees to prioritize their physical and mental well-being.

Our work culture also promotes a sense of unity and belongingness through collective celebrations of various occasions, ranging from Diwali to Christmas, World Environment Day to International Women's Day. By actively engaging our employees, we foster a sense of pride, motivation, and camaraderie, which in turn drives our collective growth and success.





To build sporting spirit among employees

Aavas Cricket League



To promote fitness consciousness at workplace

Calrie-burn labels on Staircase



1,500 saplings planted

Plantation Activity at Hingonia



To promote women's safety

Women's Self Defense Training

Celebrating a spirit of togetherness on every festival!



PROTECTING THE ENVIRONMENT

At Aavas, we are deeply committed to protecting the environment and addressing the challenges posed by rapid urbanization in India. As a responsible corporate entity and a crucial part of the housing ecosystem, we understand the environmental concerns associated with accommodating the growing urban population. Additionally, we recognize the vulnerability of our customers at the lower and middle layers of the income class pyramid, to the adverse effects of climate change, such as extreme weather conditions, power shortages, and rising utility bills.

In light of these realities, we are dedicated to minimizing our greenhouse gas emissions wherever possible. We proactively engage in initiatives that promote climate-conscious policies and practices across our value chain. This includes our efforts in Green Affordable Housing, where we prioritize sustainable and eco-friendly and energy-efficient self- construction solutions. Furthermore, we actively contribute to the development of forest ecosystems and the establishment of solar plants in community areas, promoting renewable energy and fostering environmental stewardship.

By undertaking these initiatives, we aim to make a positive impact on the environment while simultaneously supporting the needs and aspirations of our valued customers.

Sustainable Business Conduct

Since its very inception, Aavas has developed a culture for sustainable office operations with a major thrust of judicious use of paper, electricity and other office resources. All branches of the Company have locally sourced inputs, energy saving IT equipment, power-saving lamps, high-end copier machines, and digitized operations.

The Company has recently embarked on a digital-first initiative with Project ‘Gati’ to streamline the entire loan process, bring greater resource efficiency and minimize the need for paper usage.

Building Sustainability into our Head Office, Jaipur



Energy Efficiency

Energy Saving VRF with water cooler condenser



Sustainable Sites

Roof painted with white reflective paint



Water Efficiency

Install water meter and other initiative to reduce water consumption



Organic Waste Converter

Converting waste into Fertilizer



Air Quality Enhancement

The air quality inside the premise is improved



The Head Office of the Company became the first and the only LEED Gold certified office project in Jaipur, Rajasthan under the LEED v4.1 O+M: Existing Building Category.

Carbon Foot-printing and GHG Assurance

As tackling climate change becomes more pressing than ever, we have been proactively monitoring our impact on the environment for the last two years. This allows us to understand where our biggest emission sources are, and enables us to plan our sustainability roadmap.

During FY 2022-23, the Company engaged a local Carbon Consulting firm, Kamal Cogent Energy Pvt. Ltd., Jaipur to calculate direct as well as indirect carbon emissions across all its offices and branches. Our Carbon Footprint Report for FY 2022-23 capturing our Scope 1, 2 and 3 emissions forms a part of Appendix II to this Report.

As a part of our efforts to towards stronger ESG governance, Independent Green House Gas (GHG) Assurance of the GHG Statement for the year ended December 2022 was carried out Independent auditor and the results of the assurance have been presented before the Board of Directors.

Green Home Ecosystem Development

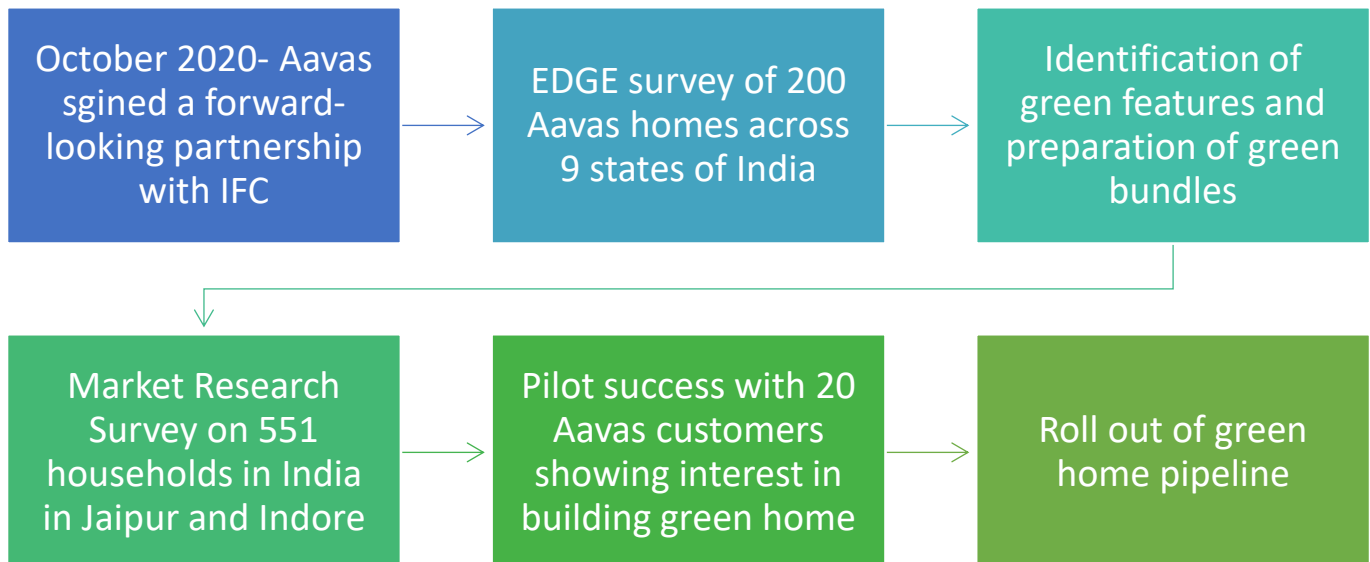
In a groundbreaking initiative, Aavas, in partnership with IFC (a member of the World Bank Group) and EDGE (Excellence in Design for Greater Efficiencies), has embarked on the development of a Green Home ecosystem in the affordable housing segment, marking a significant milestone in housing finance industry globally. Recognizing the financing gap and the need to support the construction of green self-built homes in India, we aim to revolutionize the Indian affordable housing finance space.

At the outset of this endeavor, the lack of an organized value chain and a universally accepted definition of a green home presented significant challenges. Homeowners, architects, contractors, finance companies, and even regulators had yet to fully explore and embrace this uncharted territory. Undeterred, we took the first step by defining a green home as one that minimizes environmental impact, maximizes resource efficiency, and promotes the well-being of its occupants.

Over the past two years, this ambitious project has sparked a wave of innovation across the entire self-built home construction lifecycle. From conceptualization to completion, we have stimulated multifaceted advancements that prioritize sustainability and eco-friendliness. Through this initiative, we are not only bridging the financing gap but also fostering a culture of responsible construction and sustainable living.

The project represents our unwavering commitment to environmental stewardship and our dedication to creating a greener, more sustainable future. By spearheading this transformative initiative, we are pioneering change in the affordable housing finance landscape and setting a new standard for affordable and environmentally conscious homes.

Aavas Green Home Journey



Key Achievements and Highlights:



Felicitation of Aavas Green Home Customer, by MD of National Housing Bank (NHB), Mr. Sarda Kumar Hota in New Delhi.



Aavas team personally visited customer home for felicitating the family on successful certification of their Green Home in Karnataka.

Green Samvaad

The Company organizes 'Green Samvaad' Workshops to stimulate Green Home Awareness in the supplier community and support a stronger supplier ecosystem for environment-friendly construction of self-built homes. In the last two years, we have organized five such workshops across five cities of India engaging 260+ members from the supplier community including builders, masons, contractors, architects, developers etc from Jaipur, Indore, Jodhpur, Lucknow, and Raipur.

Glimpses from Pan-India Green Samvaad Sessions and Green Home Branch Trainings



Green India Drive

Green India Drive Seminars were organized by Aavas in national association with IFC and EDGE to engage key stakeholders such as policy makers, regulators, universities, developers, builders, architects, banks and financial institutions to support emerging cities in transition to a greener built environment. The theme for these seminars is 'Leading to Greener India: Context, Challenges and Opportunities.' We have organized five such seminars in the last one year across 5 cities of India engaging a total of 1000+ stakeholders.



PUNE

A seminar on the theme "Leading towards greener Pune through green buildings" with 50 participants.



AHMEDABAD

Aavas along with IFC organised a seminar on 6th August 2022 with 150 participants.



HYDERABAD

"Leading to a Greener Hyderabad : Challenges and Opportunities" with 200+ participants.



DELHI

"Leading towards greener Delhi NCR" as a part of Green India Drive with 200+ participants from various fields.



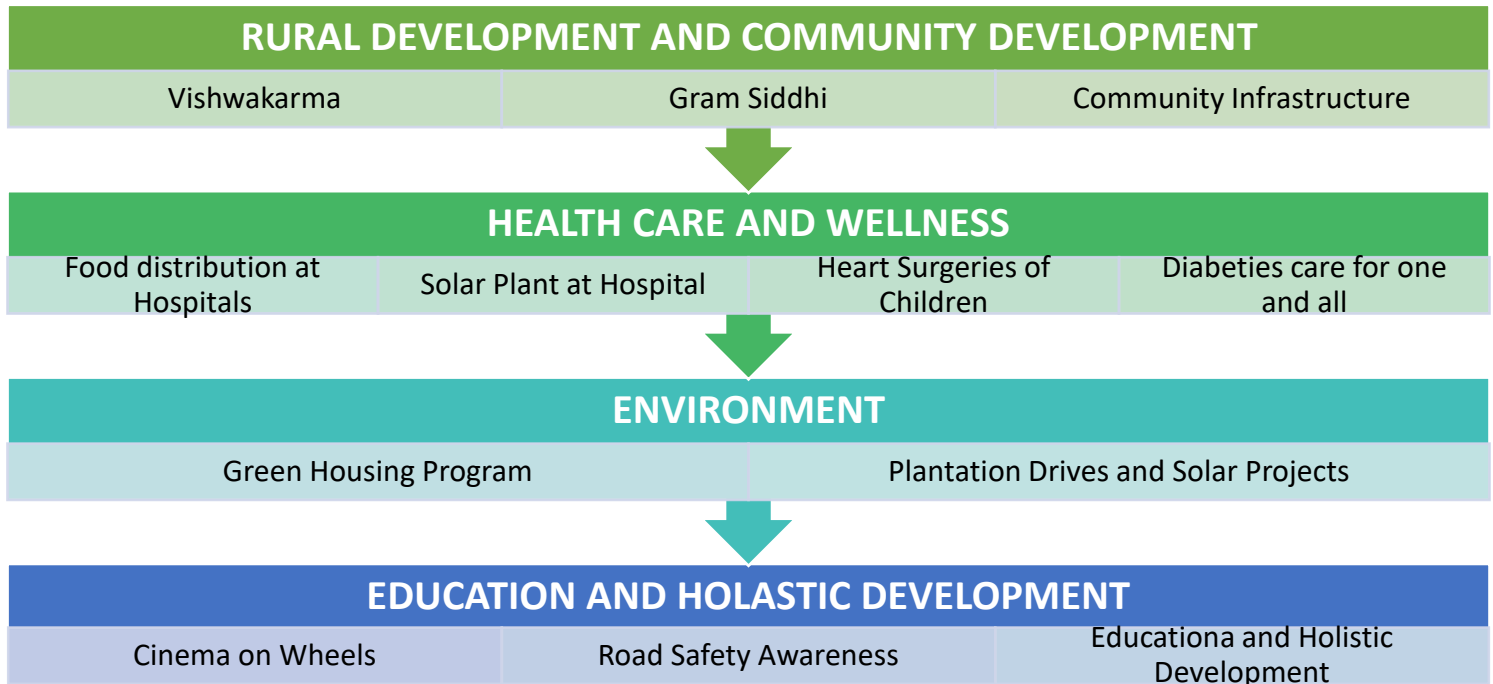
MUMBAI

"Leading towards greener Mumbai" as a part of Green India Drive. The roadshow gathered 400+ participants from various fields.

EMPOWERED COMMUNITY

Aavas Foundation, the CSR arm of Aavas Financiers Limited, works with socially and economically weaker sections through initiatives in skill development, education, healthcare and environment protection.

CSR Focus Areas



PROJECT VISHWAKARMA

It aimed to provide basic Safety and Security, Health and Hygienic environment at workplace for the Construction workers. It touched 5,000+ construction workers and 25,000+ family members.



GRAM SIDDHI

Providing skill-based training and employment opportunities to 5,000+ rural women. 25,000+ sanitary pads were distributed and menstrual hygiene training was provided to rural girls.



FOOD DISTRIBUTION AT HOSPITALS

1,000+ patient and their family get benifitted per day.



PLANTATION DRIVES

8,000+ trees planted and 275+ kWh solar panels.



ROAD SAFETY AWARENESS

40+ workshops were organized to trained 35,000+ youngsters.



EDUCATION AND HOLISTIC DEVELOPMENT

Infrastructure development facilities like sports ground, toilets, scholarship.

In addition to the above initiatives, the Company also facilitated heart surgeries of 10 children free of cost and set up diabetes camps for factory workers across Jaipur.

Appendix I

<i>GRI Standard</i>	<i>Principle/Disclosure</i>	<i>Our initiative</i>
<i>GRI 1- Foundation</i>	GHG Assurance for Carbon Emissions Report	GHG Assurance
<i>GRI 2- General Disclosure</i>	1.The organization and its Reporting Practices	
02-01	Organizational Details	Aavas Financiers Limited
02-02	Entities included in the organization's sustainability reporting	Holding Company
02-03	Reporting Period, Frequency and Contact point	Foreword
02-04	Restatement of Information	-
02-05	External Assurance	GHG assurance and GRI assurance
	2.Activities and Workers	
02-06	Activities, value chain and other business relationships	Green Samvaad and Green India Drive
02-07	Employees	Annual Report, pg 147
02-08	Workers who are not employees	Annual Report, pg 147
	3. Governance	
02-09	Governance Structure and Composition	Annual Report, pg 85
02-10	Nomination and Selection of the highest Governance body	
02-11	Chair of the highest Governance body	Message from MD and CEO
02-12	Role of the highest governance body in overseeing the management of impact	Annual Report, pg 85
02-13	Delegation of responsibility for managing impacts	Annual Report, pg 85
02-14	Role of the highest governance body in sustainability reporting	Annual Report, pg 153
02-15	Conflict of interest	Annual Report, pg 155
02-16	Communication of critical concerns	Annual Report, pg, 112
02-17	Collective knowledge of the highest governance body	Annual Report, pg 89
02-18	Evaluation of the performance of the highest governance body	Annual Report, pg 124
02-19	Remuneration Policies	Annual Report, pg 74
02-20	Process to determine remuneration	Annual Report, pg 74
02-21	Annual total compensation ratio	Annual Report, pg 74
02-22	Statement on sustainable development strategy	Pillar of Sustainability
02-23	Policy Commitment	Annual Report, pg 104
02-24	Embedding Policy commitments	Annual Report, pg 104
02-25	Process to remediate negative impacts	Annual Report, pg 172

02-26	mechanisms for seeking advice and raising concerns	Annual Report, pg 148
02-27	compliance with laws and regulations	Annual Report, pg 123
02-28	membership associations	Annual Report, pg 172
02-29	Approach to stakeholder engagement	Annual Report, pg 162
GRI 201	Economic Performance	
201-1	Direct Economic value generated and distributed	Annual Report, pg 193
201-2	Financial implications and other risks and opportunities due to climate change	Annual Report, pg 172
201-3	Defined benefit plan obligations and other retirement plans	Annual Report, pg 197
GRI 202	Market Presence	
202-1	Ratio of standard entry level wage by gender compared to local minimum wage	-
202-2	Proportion of senior management hired from the local community	Annual Report, pg 85
GRI 203	Indirect Economic Impacts	
203-1	Infrastructure investments and services supported	Empowered Community
203-2	Significant indirect economic impacts	Empowered Community
GRI 205	Anti-Corruption	
205-1	Operations assessed for risks related to corruption	Annual Report, pg 155
205-2	Communication and training about anti-corruption policies and procedures	Annual Report, pg 155
205-3	Confirmed incidents of corruption and actions taken	Annual Report, pg 155
GRI 206	Anti-Competitive Behaviour	
206-1	Legal actions for anti-competitive behaviour, anti-trust and monopoly practices	Annual Report, pg 123
GRI 207	Tax	
207-1	Approach to tax	Annual Report, pg 198
207-2	Tax Governance, control and risk management	Annual Report, pg 198
207-3	Stakeholder engagement and management of concern related to tax	Annual Report, pg 198
207-4	Country by country reporting	-
GRI 302	Energy	
302-1	Energy Consumption within the organization	Annual Report, pg 166
302-2	Energy consumption outside of the organization	Annual Report, pg 166
302-3	Energy intensity	Annual Report, pg 166
302-4	Reduction of energy consumption	Annual Report, pg 166
302-5	Reduction in energy requirements of products and services	Annual Report, pg 166
GRI 303	Water and Effluence	
303-2	Management of water discharge related impacts	-

303-3	Water withdrawal	-
303-4	Water discharge	-
303-5	Water consumption	Annual Report, pg 167
GRI 304	Biodiversity	
304-1	Operations sites owned, leased, managed in or adjacent to protected areas and areas of high biodiversity value outside protected areas	-
304-2	Significant impacts of activities, products and services on biodiversity	-
304-3	habitats protected or restored	-
GRI 305	Emissions	
305-1	Scope 1 emissions	Appendix II
305-2	scope 2 emissions	Appendix II
305-3	scope 3 emissions	Appendix II
305-4	GHG Emissions intensity	Annual Report, pg 166
305-5	Reduction of GHG emissions	Annual Report, pg 166
GRI 306	Effluents and Waste	
306-2	waste by type and disposal method	Annual Report, pg 168
306-3	significant spills	-
306-4	transport of hazardous waste	-
306-5	water bodies affected by water discharge and run-off	-
GRI 308	Supplier Environmental Assessment	
308-1	New suppliers that were screened using environmental criteria	-
308-2	Negative environment impact in the supply chain and action taken	-
GRI 401	Employment	
401-1	New Employee Hire and Employee turnover	Annual Report, pg 148
401-2	Benefits provided to full-time employees that are not provided to temporary or part time employees	Annual Report, pg 158
401-3	Parental leave	Annual Report, pg 158
GRI 403	Occupational Health and Safety	Annual Report, pg 159
GRI 404	Training and Education	
404-1	Average hours of training per year per employee	Annual Report, pg 154
404-2	Program for upgrading employee skills and transition assistance program	Annual Report, pg 154
404-3	Percentage of employees receiving regular performance and career development reviews	Annual Report, pg 154
GRI 405	Diversity and Equal Opportunity	
405-1	Diversity of governance bodies and employees	Annual Report, pg 85

405-2	Ratio of basic salary and remuneration of women to men	Annual Report, pg 164
GRI 406	Non-Discrimination	
406-1	Incident of discrimination and corrective action taken	Annual Report, pg 163
GRI 407	Freedom of Association and Collective Bargaining	
407-1	Operation and suppliers in which the right to freedom of association and collective bargaining may be at risk	-
GRI 408	Child Labour	
408-1	Operations and suppliers at significant risk for incidents of child labour	Nurturing Workplace
GRI 409	Forced and Compulsory Labour	
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Nurturing Workplace
GRI 410	Security Practices	
410-1	Security personnel trained in human rights policies or procedures	Annual Report, pg 163
GRI 413	Local Communities	
413-1	Operations with local community engagement, impact assessments and development programs	Empowered Community
	Operations with significant actual and potential negative impact on local communities	Empowered Community
GRI 414	Supply Social Assessment	
414-1	New suppliers that were screened using environmental criteria	Green Samvaad
	Negative environment impact in the supply chain and action taken	Green Samvaad
GRI 418	Customer Privacy	
	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Robust Governance

Appendix II



CO₂ EMISSION REPORT 2023

At AAVAS Headquarters, we strive to keep sustainability at the core of our operation. We continue to source ingredients locally and support local employee and staff. As tackling climate change becomes more pressing than ever, we have stepped up our efforts by engaging a local Carbon Consulting firm, Kamal Cogent Energy Pvt. Ltd., Jaipur to calculate carbon footprint. This allows us to understand where our biggest emission sources are, and enables us to effectively reduce our impact on the environment. Below you can find a summary from April 2022 to March 2023 carbon footprint of HO and all branches:



Scope - 1

161 Mt CO₂-e

- Diesel Generator Emission
3.23 Mt CO₂-e (HO and all branches)
- HVAC Systems
32.59 Mt CO₂-e (HO and all branches)
- Employee Commute (Official Travel)
125.401 Mt CO₂-e (HO) *



Scope - 2

2,454 Mt CO₂-e

- Electricity Consumption (Grid)
2,454.13 Mt CO₂-e (HO and all Branches)



Scope - 3

6,147 Mt CO₂-e

- Purchased Goods
1,709.31 Mt CO₂-e (Pan India) *
- Employee Commute (Residence to Aavas Office)
4,437.33 Mt CO₂-e (Pan India)*
- Waste
0.072 Mt CO₂-e (Pan India)



Total  **8,762 Mt CO₂-e**

Note: * Marked is the old data.