

SUSTAINABILITY REPORT

2020-21



Sustainability Report FY 2020-21

At Aavas, we are committed to the fulfillment of the 17 Sustainable Development Goals (SDGs), which have been laid down as global ideals by United Nations, not only for governments and NGOs, but also private actors, in furtherance of a more equitable and viable future for generations to come. SDG 11 on Sustainable Cities and Communities lies at the very core of Aavas. Our business of providing affordable home loans to low-income and middle-income groups is directly aligned with SDG Target 11.1 of ensuring access to adequate, safe and affordable housing for all.

10 years in operation

Targeting unserved and underserved customers

Affordable housing finance for middle and low-income groups

Focus on Tier-2 and Tier-3 cities

Women empowerment through an emphasis on home ownership

Gender diversity through employment

RESPONSIBLE BUSINESS

Corporate governance

At Aavas, we are committed to SDG 16 comprising provisions for peace, justice and strong institutions. Our governance approach is aligned with SDG Target 16.5 that is focused on a substantially reducing corruption and bribery in all forms, and with SDG Target 16.6 that develops effective, accountable and transparent institutions.

The company embraced ethical, transparent and accountable conduct including Code of Conduct for Employees, Prevention of Insider Trading Policy, Whistleblower Policy, Policy on KYC, Fair Disclosure Practices Code etc, creating a culture where the Directors and employees have been empowered to bring any wrongful conduct to notice.

The Company implemented a Customer Grievance Policy for the redressal of

customer grievances. The Company employed zero tolerance towards sexual harassment at the workplace; it put in place the Vishakha Policy, keeping in mind the safety of its women employees.

Risk management framework

The company values prudent lending practices and has created a robust framework through the use of technology and analytics for risk mitigation (verification of credit history from credit information bureaus, personal verification of customer's business place or residence, in-house technical and legal verification and conservative loan to value parameters and property insurance cover). The company has set up a Risk Management Committee and a Risk Management Policy to identify, assess and mitigate material risks.

CSR governance

As a socially responsible corporate, the company has put in place a Board-approved CSR Policy to pursue sustained value creation for society. To take CSR programs ahead in a collaborative manner, the company established 'Aavas Foundation'.

Customer care

At Aavas, customer dignity is anchored in our culture. The company set up a Customer Grievance Redressal Mechanism to address customer complaints. It adopted a Customer First approach and Fair Practice Code in true spirit to engage with customers. It maintains security and privacy of customer data with the help of robust database management and data protection system.

EMPLOYEE WELL-BEING

Covid response

The COVID-19 outbreak resulted in fear and insecurity. Aavas prioritized employee safety, financial security and wellbeing. The company did not retrench any employee during the pandemic. It incorporated social distancing across branches and allowed employees to work from home. It engaged with a number of doctors, who were available on call for employees seeking medical advice. The Company has assisted through various tie-ups in cases where any employee or family member tested positive for Covid, including oxygen concentrators, treatment at home, hospitalization, plasma arrangement and medicines.

The company engaged with employees to inquire about their wellbeing through HR Connect. Under its Covid Support Policy, the company widened the umbrella of emergencies to on-roll and off-roll employees by facilitating interest-free loans for medical treatment, reimbursements for pre-Covid and post-Covid testing.

Work culture

The company supported SDG 8, focused on providing a decent workplace and career growth. Our employee approach is aligned with SDG Target 8.5 to provide a decent work for all, including the young, those with disabilities and equal pay for equal work. The company engendered inclusion and mutual respect at all levels.

The company supported SDG 5 on gender equality and aligned its gender approach with SDG Target 5.c that adopted policies that promoted equality for women. The company professed zero tolerance towards sexual harassment and incorporated stringent Vishakha Guidelines in this respect.

Training and personality development

The Company organized weekly virtual employee learning sessions (Gurukul) through an in-office training studio.

Prevention on Sexual Harassment (POSH) training sessions were held round the year. The Company launched SEVA (Socially Engaged Volunteers at Aavas), a volunteering program that engaged employees in CSR activities.

Recreational activities

The company organized virtual activities round the year for employees to keep them engaged and connected through various activities to motivate them to stay fit and healthy.

During the COVID-19 period, we motivated employees through virtual employee engagements like motivational seminars, yoga and meditation sessions, Online Masala Bhangra, Virtual Marathon, Aavas Kitchen Championship and drawing competition.

ENVIRONMENTAL SUSTAINABILITY

At Aavas, we address multiple targets under SDG 12 on Responsible Production and Consumption, SDG 13 on Climate Action and SDG 15 on Life on Land.

Although the business does not warrant an intensive consumption of environmental resources, the company remains vigilant towards energy conservation and environment protection.

In alignment with SDG Target 11.3 on sustainable human settlement planning, the company partnered with International Finance Corporation (IFC), a member of the World Bank Group, to pave way for 'green mortgages' in the Indian housing finance market. The program aims to reduce adverse construction impacts on the environment.

In pursuance of SDG Target 11.6 of reducing per capita environmental impact of cities and SDG Target 12.2 of sustainable managing natural resources, the company is preparing for internationally acclaimed green building certifications for its corporate headquarter in Jaipur. A Building Sustainability Assessment Audit of the office building has already been completed with regards to this initiative.

Environment-friendly way of life

Employees motivated to use stairs instead of elevators in office

Smoking is prohibited in the office premises

Employees participate in tree plantation drives

Reduced paperwork

Optimal Energy Efficiency

Switching off major systems at 7 pm

LED lights are installed all over the office building

Master AC system installed

High-end copier machines were installed

Waste Management & Pest Control

Non-chemical pest control

Water-efficient plumbing fixtures

Environment friendly e-waste disposal

COMMUNITY WELFARE THROUGH CSR

Quick COVID-19 response

SDG Target 3.3 speaks of ending epidemics of communicable diseases. Our team prepared itself overnight for response to the COVID-19 pandemic and effectively played its part in mitigating hardships during the nationwide public health emergency. Covid awareness campaigns were conducted in Gujarat, Rajasthan and Madhya Pradesh with the help of a van

and local artists, who travelled across 300+ villages performing puppetry to educate the community about Covid precautions. Covid awareness posters were installed on 400 local transport vehicles to sensitize and educate rural communities. Livelihood was provided to 70+ rural women by placing orders for masks during the financial crises that followed Covid.

1,20,000

People provided with food support

80,000

Masks distributed

Aavas Foundation

| | |
|----------------------------|--|
| 3 States | Education & Holistic Development 1,00,000+ children |
| 50+ Villages | Employability & Entrepreneurship 50 women from 50 villages |
| 10,00,000+ Lives | Welfare of construction workers 500+ safety kits distributed |
| | Secure & sustainable environment 6,300 trees planted on more than 10 acres |

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. The Foundation's activities address 16 of 17 SDGs of the United Nations.

SDG Mapping of CSR Activities



Under Programme Vishwakarma, we support construction workers, a vulnerable social segment. Under Gram Siddhi, we address women in remote villages who need alternative livelihoods.



We provide fresh food to patients and their families outside government hospitals. During March 2020 lockdown, we provided food to people in night shelters and slum areas.



Under Programme Vishwakarma, we provide basic safety equipment and awareness about preventive measures to minimize construction site accidents. We developed Aavas Khel Stadium for holistic child development in Phagi tehsil.



Aao Ghar Mein Seekhein programme addressed Whatsapp-based virtual learning facilities for children in villages when schools were closed due to COVID-19. Program Cheer supports the holistic education of HIV +ve children by setting up a computer lab, library and beauty parlour training lab.



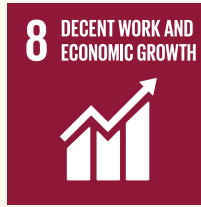
Program Gram Siddhi provided training to 50 women from vulnerable communities in contributing to family incomes, women empowerment through emphasis on home ownership and gender diversity through employment.



Installed water coolers at 90 public places in Rajasthan, including bus stations, parks, hospitals and police stations.



Developing a business case for 'green loans' in partnership with IFC, incentivizing home construction that reduces water and electricity consumption.



Programme Vishwakarma provides a safe working environment for construction workers. The Silai School model prepares women to become entrepreneurs. Employable training for HIV+ve children is likely to help them secure a livelihood.



Built resilient infrastructure in the form of a Whatsapp-based learning model under Aao Ghar Mein Seekho program, skill training laboratories (Program Cheer) and Silai schools cum production-centers (Gram Siddhi).



Programme Vishwakarma addresses awareness and knowledge gaps. Gram Siddhi boosts the confidence of women, making them financially aware and preparing them for entrepreneurship.



We plan to transform cities by bringing a revolution in the way urban homes are constructed or renovated (partnership with IFC). We are developing resilient, affordable and durable sports facilities. Our skill-training labs (Programme Cheer) provide sustainable infrastructure.



We intend to transform the supply and demand sides of the housing construction industry by advocating home construction that moderates water, electricity and material consumption



Our mass plantation (6,300 trees) is offsetting carbon emissions



We plant trees in bulk, developing forest gardens. Such forest ecosystems also open doors for fresh air, keeping in mind the wellbeing of people dwellings or working urban areas.



Road accidents resulting in deaths are a social threat; we spread awareness of traffic rules and precautions. HIV is a social taboo; affected children are victims of abandonment and alienation from society. We connect, interact and empathize with these children; we provide skill training for their integration into mainstream society.



We entered into strategic partnerships with IFC, ConveGenius, Usha International and Faith Sansthaan.

Glimpses of Corporate Social Responsibility, 2020-21

