BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (BRSR)

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

Sr. No.	Particulars	FY 2024-2025
1	Corporate Identity Number (CIN) of the Listed Entity	L65191TN1979PLC007874
2	Name of the Listed Entity	Shriram Finance Limited (SFL)
3	Year of incorporation	30-06-1979
4	Registered office address	Sri Towers, Plot No. 14A, South Phase, Industrial Estate, Guindy, Chennai, Tamil Nadu- 600 032
5	Corporate address	Wockhardt Towers, Level-3, West Wing, C-2, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai, Maharashtra - 400 051
6	E-mail	secretarial@shriramfinance.in
7	Telephone	022 4095 9595
8	Website	www.shriramfinance.in
9	Financial year for which reporting is being done	2024-25
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange of India Limited
11	Paid-up Capital	Rs. 376,07,67,760
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. U. Balasundararao Company Secretary and Compliance Officer Contact: 022 4095 9595 Email: balasundar@shriramfinance.in
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	Standalone Basis
14	Name of assurance provider	Vinay and Keshava LLP
15	Type of assurance obtained	Reasonable Assurance on BRSR Core Indicators

II. Products/services

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

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Financial Services	The Company focuses on providing financial support across a wide range of sectors, including commercial and passenger vehicles, construction and farm equipment, as well as loans for micro, small, and medium enterprises. It also offers financing options for two-wheelers, gold loans, and personal loans.	93.29%

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

Sr. No.	Product/Service	NIC Code	% of total Turnover Contributed
1	Financial Services	64920*	93.29%

* Other Credit Granting

III. Operations

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

Location	Number of plants	Number of offices	Total
National	0	3,220	3,220
International	0	0	0

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	31*
International (No. of Countries)	0

*(25 States + 6 Union Territories)

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

*The Company does not export any products or services.

c. A brief on types of customers	As one of the country's leading financial institutions, the Company takes pride in supporting the financial needs of the most vulnerable and underserved communities. Its core mission is to provide dependable and affordable financial solutions to Small Road Transport Operators (SRTOs) and First-Time Buyers (FTBs) of commercial vehicles, many of whom come from economically weaker backgrounds. Beyond vehicle financing, the Company also offer loans for equipment and business expansion, helping individuals and small businesses grow. The Company's services extend further to include financial support for small and medium enterprises, as well as a wide range of loans, from two-wheelers and three-wheelers to gold and personal loans.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
			EMPLOYEES			
1	Permanent (D)	79,872	69,258	86.71%	10,614	13.29%
2	Other than Permanent (E)*	0	0	0%	0	0%
3	**Total employees (D + E)**	79,872	69,258	86.71%	10,614	13.29%
			WORKERS**			
4	Permanent (F)	0	0	0%	0	0%
5	Other than Permanent (G)	0	0	0%	0	0%
6	**Total workers (F + G)**	0	0	0%	0	0%

*The Company does not have any employees in the 'Other than permanent' category.

** The Company does not have any staff in the 'Workers' category.

b. Differently abled Employees and workers:

Sr. No.	Particulars	Total (A)	Male No. (B)	Male % (B / A)	Female No. (C)	Female % (C / A)
	DIFFERENTLY ABLED EMPLOYEES					
1	Permanent (D)	60	50	83.33%	10	16.67%
2	Other than Permanent (E)*	0	0	0%	0	0%
3	**Total differently abled employees (D + E)**	60	50	83.33%	10	16.67%
	DIFFERENTLY ABLED WORKERS**					
4	Permanent (F)	0	0	0%	0	0%
5	Other than Permanent (E)	0	0	0%	0	0%
6	**Total differently abled workers (F + G)**	0	0	0%	0	0%

*The Company does not have any differently abled employees in the 'Other than permanent' category.
** The Company does not have any staff in the 'Workers' category.

21. Participation/Inclusion/Representation of women

Particular	Total (A)	No. and percentage of Females No. (B)	% (B / A)
Board of Directors (BoD)*	10	1	10%
Key Management Personnel (KMP)*	7	0	0%

*3 KMP (Mr. Umesh Revankar, Executive Vice Chairman; Mr. Y. S. Chakravarti, Managing Director and CEO; Mr. Parag Sharma, Managing Director and CFO) are covered under BoD and KMP both.

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

Particular	FY 2024-25 (Turnover rate in current FY)			FY 2023-24* (Turnover rate in previous FY)			FY 2022-23* (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	30.35%	34.33%	30.86%	29.71%	33.07%	30.09%	30.23%	35.26%	30.74%
Permanent Workers**	0%	0%	0%	0%	0%	0%	0%	0%	0%

*During FY 2023-24 and FY 2022-23, the high turnover was on account of employees leaving the Company in less than one year from their date of joining. Calculation methodology is as per BRSR guidelines.

** The Company does not have any staff in the 'Workers' category.

*/** As per the Company's internal guidelines, the Turnover rate is as follows:

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

Particular	FY 2024-25 (Turnover rate in current FY)			FY 2023-24 (Turnover rate in previous FY)			FY 2022-23 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	22.81%	24.16%	22.99%	21.77%	22.40%	21.85%	21.81%	23.52%	21.99%
Permanent Workers	NA	NA	NA	NA	NA	NA	NA	NA	NA

Turnover rate as per Company's internal guidelines = (Total number of relieved employees during the FY/ (Opening count of employees for the FY + Total count of employees added during FY)) *100.

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

23. (a) Names of holding / subsidiary / associate companies / joint ventures

Sr. 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	Shriram Automall India Limited	Associate	44.56%	No

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)	Yes
a. Turnover (in Rs.)	418,594,699,973.24
b. Net worth (in Rs.)	567,085,274,474.56

VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) **	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	0	0	NA	0	0	NA
Investors (other than shareholders)*	Yes	3	1	The pending complaint was duly resolved as on the date of the report.	3	0	NA
Shareholders	Yes	18	0	NA	11	1	The pending complaint was duly resolved as on the date of the report.
Employees and workers	Yes	44	0	NA	6	0	NA
Customers	Yes	51,271	92	One complaint was pending as on date of the report.	16,553	462	The pending complaints were duly resolved as on the date of the report.
Value Chain Partners	Yes	0	0	NA	0	0	NA
Other (please specify)	NA	0	0	NA	0	0	NA

*Here 'Investors (other than shareholders)' refer to debenture holders of the Company.

**** Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)**

Stakeholder group from whom complaint is received	Web Link for Grievance Policy
Communities	https://cdn.shriramfinance.in/sfl-kalam/files/2025-04/Business-Responsibility-Policy.pdf https://cdn.shriramfinance.in/sfl-kalam/files/2025-04/Whistle-Blower-Vigil-Mechanism-Policy-2025_0.pdf
Investors (other than shareholders)	
Shareholders	
Employees and workers	
Customers	
Value Chain Partners	
Other (please specify)	

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

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

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	GHG Emissions	Risk	The Company uses electricity in its offices and fuel for employee commutes and business travel, both of which contribute to direct and indirect greenhouse gas (GHG) emissions, such as carbon dioxide and methane. If not properly managed, these emissions and other pollutants from operations and related activities can pose significant legal and environmental risks for the Company.	The Company places a strong emphasis on sustainability and recognizes the importance of cutting down greenhouse gas emissions. The Company is committed to adopting eco-friendly policies, enhancing energy efficiency, and engaging in carbon offset programs as part of its ongoing sustainability efforts. These efforts are aimed at reducing its environmental footprint and contribute to building a more sustainable future.	Negative
2	Climate Change	Risk	Climate change poses various risks to business operations, ranging from physical threats like floods and wildfires to transitional challenges such as shifts in renewable energy policies and the introduction of carbon taxes. However, these challenges offer an opportunity to assess its vulnerabilities and take proactive steps to reduce potential risks.	To address the risks posed by climate change, the Company has developed a strategy focused on reducing its environmental footprint, supporting renewable energy investments, encouraging energy-saving practices, and promoting sustainable finance to strengthen climate resilience.	Negative

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
				As a part of this approach, the Company has also updated its lending policy to avoid financing older vehicles that are more likely to contribute to carbon emissions. This year, the Company has taken meaningful steps toward these goals, including: 1. Measuring and reporting the Scope 3 emissions, and 2. Introducing a Vendor Code of Conduct that includes key ESG (Environmental, Social, and Governance) criteria.	
3	Customer Support and Satisfaction	Risk	In the Non-Banking Financial Company (NBFC) sector, customer satisfaction plays a vital role. While a poor customer experience can put business continuity at risk, a positive experience can boost profitability and enhance the Company's brand image.	To minimise customer dissatisfaction, the Company focuses on clear communication, personalised services, prompt issue resolution, and continuous feedback collection. It also invests in robust complaint management systems, regular staff training, and strict compliance with regulatory standards, all to ensure customer satisfaction and maintain their trust.	Negative
4	Financial Inclusion	Opportunity	Financial inclusion is a key priority for the Company, as it plays a vital role in reducing economic inequality, improving quality of life, and increasing access to credit, ultimately driving economic growth. By focusing on financial inclusion, the Company is able to reach new customer segments, grow its client base, and promote financial literacy and stability within communities.		Positive
5	Responsible Financing	Opportunity	Responsible financing is a core value for the Company, as it ensures financial stability, protects borrower rights, and strengthens the Company's reputation. It also helps build trust in the financial system, reduces the risk of loan defaults, and supports long-term growth for the NBFC. In addition, ethical lending practices can attract more investment and contribute to the country's overall economic development.	The Company's approach to responsible financing involves thoroughly assessing borrowers and their collateral, strictly following regulatory guidelines, and maintaining strong internal governance. It also includes using effective risk assessment frameworks, promoting financial literacy, and fostering transparency and accountability in all financial transactions.	Positive

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6	Data Security and Privacy	Risk	The Company recognises the critical importance of data security and privacy, especially in the NBFC sector where large volumes of sensitive information are handled. Protecting customer data remains one of the highest priorities.	To protect against data security and privacy threats, the Company has put robust measures in place, including strict access controls, encryption of sensitive information, regular security assessments, and employee training programs focused on responsible data handling practices.	Negative
7	Employee Wellbeing	Risk	Prioritising employee well-being boosts morale and has a positive impact on overall performance. It also helps reduce recruitment-related costs by improving retention and job satisfaction.	The Company is dedicated to supporting employee well-being and enhancing productivity. The Company conducts regular health check-ups, promote a healthy work-life balance, provide access to mental health resources, offer stress management training, and ensure a secure and welcoming work environment for all.	Negative
8	Diversity and Inclusion	Opportunity	A strong culture of diversity and inclusion reflects a workplace where employees feel valued, respected, and a true sense of belonging. By actively supporting underrepresented groups, the Company not only fosters equity but also builds a positive, community-focused brand image.		Positive
9	Corporate Governance	Risk	Companies are assessed based on how they manage key governance issues like ownership structure, executive compensation, financial transparency, ethical behavior, and tax disclosure. These factors reflect the Company's overall governance standards and their impact on shareholders and the wider investment community.	To address corporate governance challenges, the Company puts strong internal policies in place, conducts regular audits, ensures strict compliance with legal standards, and fosters a culture of transparency and accountability. It also prioritizes effective risk management to safeguard stakeholder interests.	Negative
10	Business Ethics	Risk	Upholding business ethics involves effectively managing and addressing issues such as fraud, executive misconduct, corruption, money laundering, and violations of competition laws. Failing to maintain ethical standards can lead to legal action, hefty fines, settlement costs, and serious damage to the Company's reputation.	The Company maintains high ethical standards through a comprehensive risk mitigation strategy. This includes regular training to promote ethical behavior among employees, strict regulatory compliance, strong internal governance, and thorough client due diligence. These efforts are essential to preserving the Company's integrity and building stakeholder trust.	Negative

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
11	Regulatory Compliance	Risk	Regulatory compliance is crucial for companies to ensure their operations align with legal requirements and industry standards. Failing to comply can result in serious consequences, including financial penalties, legal action, and damage to the Company's reputation and consumer trust.	The Company ensures compliance with applicable legal and regulatory standards by maintaining accurate records, conducting regular internal audits, providing ongoing employee training, and engaging with regulatory authorities to stay updated on evolving requirements.	Negative
12	Fraud Risk Management	Risk	As a NBFC, managing fraud risk is a top priority. Fraudulent activities can lead to significant financial losses and damage the Company's reputation, ultimately undermining customer trust and confidence.	The Company takes a comprehensive approach to minimising fraud risks. This includes regular internal audits, strengthening governance practices, leveraging anti-fraud technologies, promoting a culture of integrity, and providing ongoing training to employees, all aimed at protecting stakeholders and maintaining trust.	Negative
13	Innovation	Opportunity	For a NBFC, embracing digital and business innovation is essential. It enhances operational efficiency, reduces costs, improves customer service, and expands market reach. Adopting digital solutions is also crucial to staying competitive and meeting the evolving expectations of consumers in today's fast-paced, technology-driven financial landscape.		Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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

Sr. No	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Policy and management processes									
1. a	Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b	Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Sr. No	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
c	Web Link of the Policies, if available	**P1 to P9:** https://cdn.shriramfinance.in/sfl-kalam/files/2025-04/Business-Responsibility-Policy.pdf **P1:** 1. https://cdn.shriramfinance.in/sfl-kalam/files/2024-05/Code-of-Conduct-for-Board-of-Directors-and-Senior-Management-Personnel.pdf?VersionId=2ABENRnbZZ29CJaAf1l9nf4WCQ5p6Cef 2. https://cdn.shriramfinance.in/sfl-kalam/files/2025-04/Whistle-Blower-Vigil-Mechanism-Policy-2025.pdf 3. https://cdn.shriramfinance.in/sfl-kalam/files/2023-08/10.Policy%20on%20Board%20Diversity%20_0.pdf **P3:** 1. https://cdn.shriramfinance.in/sfl-kalam/files/2023-08/Equal-Opportunity-Policy_0.pdf 2. https://cdn.shriramfinance.in/sfl-kalam/files/2024-06/Remuneratio-Policy-2024.pdf?VersionId=ajNXMI9isO0.DB.6TJdQ9JpeH8Ydh6Ua **P4 to P8:** https://cdn.shriramfinance.in/sfl-kalam/files/2023-08/4.Corporate%20Social%20Responsibility%20Policy%20_0.pdf								
2	Whether the entity has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
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.	-	-	-	-	-	-	-	-	ISO/ IEC 27001: 2022
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	As part of its ongoing sustainability journey, the Company has placed a strong emphasis on enhancing its ESG performance year after year. The Company is committed to strengthening its ESG reporting by focusing on key areas such as carbon neutrality, sustainable finance, financial inclusion, digital innovation, diversity and inclusion, and robust governance practices. The Company is actively working on the development of a robust Decarbonization and Net Zero Roadmap to reduce Scope 1 and Scope 2 emissions, supporting our long-term sustainability objectives and commitment to climate action.								

Sr. No	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The Company has made significant progress in its sustainability efforts during the current financial year. The Company has expanded the scope of its greenhouse gas (GHG) emissions tracking to cover five categories of Scope 3 emissions across all 3,220 branches and offices. These include: Category 1: Purchased Goods and Services Category 2: Capital Goods Category 3: Fuel and Energy-related Activities Category 5: Waste Generated in Operations Category 6: Business Travel Category 7: Employee Commute Additionally, the Company has taken steps to bring its value chain partners under its ESG framework. This year, it introduced a Value Chain Code of Conduct that outlines the ESG-related roles and responsibilities of these partners, fostering greater transparency and accountability across operations. To further strengthen its ESG reporting, the Company has enhanced its internal systems for collecting and monitoring BRSR (Business Responsibility and Sustainability Reporting) data. These improvements aim to reduce errors and improve the transparency, accuracy, and traceability of the information reported.								
	Governance, leadership and oversight									
7	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure).									
	Dear Stakeholders, I am pleased to present the BRSR for Shriram Finance Limited (SFL), a leading retail NBFC committed to driving positive change in our society and environment. Our range of credit solutions includes commercial vehicles, two-wheeler loans, car loans, gold loans, personal loans, and small business loans. We recognise that we have the dual responsibility of ensuring sustainable finance and protect the environment in our day-to- day activities. To that end, as a corporate entity, we are committed to extend financial assistance for vehicles that are run on alternate fuels and have also implemented stringent policies that discourage financing older vehicles with higher emissions. Additionally, we have transitioned to digital processes to reduce paper wastage and embraced energy-efficient lighting fixtures and gadgets to conserve energy. Water-saving measures such as sensor-based taps and water harvesting have also been adopted to minimise water wastage. At SFL, we understand the significance of social responsibility and the impact of communities on our shared future. To this end, we have undertaken initiatives to support education, healthcare, and skill development for underprivileged sections of society. We are proud to announce that we have provided scholarships to more than 3,80,000 underprivileged children from various regions in the country. Furthermore, our preventive healthcare program for truckers has established mobile medical units across 15 locations in 11 states, benefiting over 14,00,000 trucking community at large. In addition, we have trained and upskilled more than 1,00,000 truck drivers and also 5,512 youth from disadvantage background were trained in the field of Automotive Two Wheeler repair & services. Our Corporate governance is of utmost importance to us, and we are dedicated to achieving transparency and governance goals. We adhere to established policies and frameworks that guide ethical decision-making in all our engagements. Our commitment to employee welfare is unwavering, as we provide comprehensive benefits including life, health, and accidental insurance. We also conduct skill development workshops to encourage the professional growth of our employees.									

Sr. No	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Looking ahead, SFL is steadfast in its dedication to promote Environmental, Social and Governance (ESG) practices. By incorporating ESG principles into our operations, we firmly believe that we can create a sustainable future for all. Thank you for your continued support and partnership. Sincerely, Mr. Y. S. Chakravarti Managing Director and CEO Shriram Finance Limited									
8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies). Mr. Y. S. Chakravarti, Managing Director & CEO is responsible for the implementation and oversight of the Business Responsibility policy. Mr. S. Sunder, Joint Managing Director is Business Responsibility Head of the Company.									
9	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes/No).	Yes								
	If Yes please provide details The primary role of Environmental, Social and Governance Committee ("ESG Committee") is to assist the Board in fulfilling its oversight role regarding ESG matters crucial to the Company's operations. This involves identifying key ESG matters, aiding the Board on the relevant ESG issues, as well as exercising oversight in shaping the Company's Sustainability and ESG strategy. Following is the composition of the ESG Committee:									

Name of the Committee member	DIN	Designation of the Committee member
Mr. Jugal Kishore Mohapatra	03190289	Chairman, Independent Director
Mr. S. Ravindran	09778966	Member, Independent Director
Ms. M. V. Bhanumathi	10172983	Member, Independent Director
Mr. Umesh G. Revankar	00141189	Member, Executive Vice Chairman
Mr. Y. S. Chakravarti	00052308	Member, Managing Director & CEO
Mr. Parag Sharma	02916744	Member, Managing Director & CFO
Mr. S. Sunder		Member, Joint Managing Director

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								
		P1	P2	P3	P4	P5	P6	P7	P8	P9
a.	Performance against above policies and follow up action	ESG Committee								
b.	Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	Managing Director and CEO								

	Subject for Review	Frequency (Annually / Half yearly /Quarterly/ Any other-please specify)								
		P1	P2	P3	P4	P5	P6	P7	P8	P9
a.	Performance against above policies and follow up action	Annually								
b.	Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	Quarterly								
11	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/ No).	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	If yes, provide name of the agency.	Vinod Kothari Consultants Private Limited								

12	If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:	P1	P2	P3	P4	P5	P6	P7	P8	P9
	The entity does not consider the Principles material to its business (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
	The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
	The entity does not have the financial or/ human and technical resources available for the task (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
	It is planned to be done in the next financial year (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
	Any other reason (please specify)	NA	NA	NA	NA	NA	NA	NA	NA	NA

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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

(This principle focuses on the importance of ethical conduct and transparency in business operations. Companies should follow ethical business practices and adhere to high standards of integrity. They should also be transparent about their activities, operations, and financial reporting, as well as be accountable for their actions)

Essential Indicators

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

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors (BoD)	10	1. Detailed presentation which includes micro and macroeconomic factors impacting the industry in general 2. Discussion on Global economy, foreign bankers view on Indian economy, banking industry, financial environment, anticipation of future borrowing/lending rates. 3. Significant changes in regulatory environment. 4. Functioning of various Committees of the Board and business and operations of the Company, risk management, IT strategies, internal control system etc. 5. Redressal of customers and investors complaints, risk management framework, quarterly and financial results through the Board/Committee meetings 6. Updates on BRSR Reporting 7. Matters related to ESG and Sustainability Report 8. Discussion on various Employee benefit plans, operational procedures, regulatory requirements and impact on the Company's financials	100%

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Key Managerial Personnel (KMP)	12	1. Detailed presentation which includes micro and macroeconomic factors impacting the industry in general 2. Discussion on Global economy, foreign bankers view on Indian economy, banking industry, financial environment, anticipation of future borrowing/lending rates. 3. Significant changes in regulatory environment. 4. Functioning of various Committees of the Board and business and operations of the Company, risk management, IT strategies and internal control system etc. 5. Redressal of customers and investors complaints, risk management framework, quarterly and financial results through the Board/Committee meetings 6. Updates on BRSR Reporting 7. Matters related to ESG and Sustainability Report 8. Discussion on various Employee benefit plans, operational procedures, regulatory requirements and impact on the Company's financials 9. Discussion on Social Finance Framework 10. Training on compliances under the Company's Prohibition of Insider Trading Code 11. Discussion on new avenues for raising funds 12. Updates on CSR Reporting	100%
Employees other than BOD and KMPs	3,078	1. Induction Training Programme for Employees 2. Branch Managers Training 3. Branch Team Leaders Training 4. Leadership Training program 5. Gold Appraiser Training 6. Digital Application Training 7. SME Training Institutional 8. Refresher or Product Training 9. MyCoach Online Training	100%
Workers	NA	NA	NA

2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

Monetary					
Particular	**NGRBC Principle**	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Amount (in Rs.) (For Monetary Cases only)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Penalty/ Fine	P1	RBI	5,80,000	During the period under review, the Company has received a Show Cause Notice from RBI dated June 05, 2024 for non- compliance of certain RBI directions observed during the statutory	No

Monetary					
Particular	**NGRBC Principle**	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Amount (in Rs.) (For Monetary Cases only)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
				inspections with reference to financial position of the Company as on March 31, 2023. The Company has submitted its response to the said Show Cause Notice on June 26, 2024. In this regard, RBI had levied a penalty of Rs. 5.80 lakhs on the Company which was paid by the Company on February 25, 2025. This penalty has no material impact on financial, operations or other activities of the Company.	
Settlement	NA	NA	NA	NA	NA
Compounding fee	NA	NA	NA	NA	NA

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

*There were no cases where appeal/revision was preferred in the reporting period.

4. **Does the entity have anti-corruption or anti-bribery policy? (Yes/ No)**

Yes.

If Yes, provide details in brief

The Company is committed to upholding the highest standards of integrity and fairness in all its business dealings. The Company strictly prohibits any form of abusive, corrupt, or anti-competitive practices, ensuring the operations promote a healthy, ethical, and competitive business environment. This commitment is integral to its corporate values and is enforced through the Business Responsibility Policy.

The Company places immense emphasis on Integrity and Ethical conduct in all its business affairs and conduct of its employees across all the levels. Accordingly, employees are expected to strictly comply with and adhere to the Company's Code of Conduct Policy. The Company is committed to comply with all relevant anticorruption legislations such as Prevention of Corruption Act, 1988 and Prevention of Money Laundering Act, 2002, as amended from time to time.

If Yes, Provide a web link to the policy, if available -Web link anti-corruption or anti bribery policy is place

https://cdn.shriramfinance.in/sfl-kalam/files/2025-04/Whistle-Blower-Vigil-Mechanism-Policy-2025.pdf

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

Particular	FY 2024-25	FY 2023-24
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

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

Case Details	FY 2024-25		FY 2023-24	
	Number	Remark	Number	Remark
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	NA	0	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	NA	0	NA

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

*There were no such cases in the reporting period.

8. Number of days of accounts payables in the following format:

Particular	FY 2024-25*	FY 2023-24#
Number of days of accounts payables	35	32

*For the purpose of this calculation:

- Accounts Payable includes trade payables (Note no. 21(I)) and Other payables (Note no. 21(II) from Audited Standalone Financial Statement (FS) for the financial year ended March 31, 2025).
- Cost of Goods/Services procured includes other expenses (Note no. 42 from FS), Fees and commission expenses (Note no. 38 from FS) and gross capex additions (Note no. 17 and 18(III) from FS), while excluding derecognition of goodwill.
- The methodology for calculating accounts payable has been revised in FY 2025 due to updated guidelines for calculating "Purchases" as per the Industry Standards.

Link to the Industry Standards: https://nsearchives.nseindia.com/web/sites/default/files/inline-files/Industry%20Standards%20Note%20on%20BRSR%20with%20Annexure.pdf

#The Company has revised its calculation methodology to better align with best practices, including the guidelines set forth in SEBI's circular dated December 20, 2024, which outlines Industry Standards Forum guidance for BRSR Core, resulting in an updated figure for the previous financial year.

9. Open-ness of business

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

Parameter	Metrics	FY 2024-25	FY 2023-24#
Concentration of Purchases*	a. Purchases from trading houses as % of total purchases	0	0
	b. Number of trading houses where purchases are made from	0	0
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	0	0

Parameter	Metrics		FY 2024-25	FY 2023-24#
Concentration of Sales	a.	Sales to dealers / distributors as % of total sales	0	0
	b.	Number of dealers / distributors to whom sales are made	0	0
	c.	Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	0	0
Share of RPTs in	a.	Purchases (Purchases with related parties / Total Purchases)	26.44%	30.44%
	b.	Sales (Sales to related parties / Total Sales)	0.71%	1.15%
	c.	Loans & advances (Loans & advances given to related parties / Total loans & advances)	0	0
	d.	Investments (Investments in related parties / Total Investments made)	0.15%	14.77%

*Due to the nature of the Company's business, there are no purchases from trading houses.

#The Company has revised its calculation methodology to better align with best practices, including the guidelines set forth in SEBI's circular dated December 20, 2024, which outlines Industry Standards Forum guidance for BRSR Core, resulting in an updated figure for the previous financial year.

Leadership Indicators

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

Total number of awareness programmes held	Topics / principles covered under the training	Percentage of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	- Create value in a responsible manner - Ethical practices for procurement - Environment and Social Governance - Green energy - Community engagement	10%

2.	**Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No)**	Yes
	If Yes, provide details of the same.	
	The Company obtains an annual declaration from its Directors and Senior Management Personnel, affirming their compliance with the Code of Conduct applicable to both the Board and senior leadership. In addition, the Company conducts regular internal audits to ensure continued adherence to the Code and to reinforce a culture of accountability and integrity.	

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

(This principle highlights the importance of sustainable and safe production practices. Companies should strive to minimise the environmental impact of their activities and ensure that their products and services are safe for consumers and the environment.)

Essential Indicator

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.

Sr. No.	Particular	FY 2024-25	FY 2023-24	Details of improvements in environmental and social impacts
1	R&D	0	0	NA*
2	Capex	0	0	NA*

*The Company has not invested in R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts.

2.	a.	**Does the entity have procedures in place for sustainable sourcing? (Yes/No)**	No
	b.	**If yes, what percentage of inputs were sourced sustainably?**	0%

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)	NA*
(b)	E-waste	NA*
(c)	Hazardous waste	NA*
(d)	other waste	NA*

* This is not applicable to SFL as the Company is primarily engaged in the business of financing and does not manufacture any physical products.

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

* This is not applicable to SFL as the Company is primarily engaged in the business of financing and does not manufacture any physical products.

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)?**

   NA*

   If yes, provide details in the following format?

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

*Life Cycle Perspective / Assessments (LCA) does not apply to the Company's operations, as it is a financial services entity and not a manufacturing business.

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.**

Sr. No.	Name of Product/Service	Description of the risk/concern	Action Taken
NA*			

*This is not applicable to the Company as it is primarily engaged in the business of financing and does not manufacture any physical products.

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).**

Sr. No.	Indicate input material	Recycled or re-used input material to total material (In % to Total Material considering the Value)	
		FY 2024-25	FY 2023-24
NA*			

*This is not applicable to the Company as it is primarily engaged in the business of financing and does not manufacture any physical products.

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

Sr. No.	Particular	FY 2024-2025			FY 2023-2024		
		Re-Used (In MT)	Recycled (In MT)	Safely Disposed (In MT)	Re-Used (In MT)	Recycled (In MT)	Safely Disposed (In MT)
1	Plastics (including packaging)	NA*	NA*	NA*	NA*	NA*	NA*
2	E waste	NA*	NA*	NA*	NA*	NA*	NA*
3	Hazardous waste	NA*	NA*	NA*	NA*	NA*	NA*
4	Other waste	NA*	NA*	NA*	NA*	NA*	NA*

*Not applicable as the Company is a financial services entity and the same is not significant.

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

Sr. No.	Indicate product category	Reclaimed products and their packaging materials (as % of total products sold in respective category)
	NA*	

*The Company is a Non-Banking Financial company and does not manufacture or sell physical products or packaging materials that require reclamation.

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

(This principle emphasises the importance of employee well-being. Companies should provide safe and healthy working conditions, fair wages, and opportunities for career development to all employees in their value chains, including suppliers, contractors, and temporary workers.)

Essential Indicators

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

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	69,258	69,258	100%	69,258	100%	0	0%	0	0%	0	0%
Female	10,614	10,614	100%	10,614	100%	10,614	100%	0	0%	0	0%
Total	79,872	79,872	100%	79,872	100%	10,614*	100%	0	0%	0	0%
Other than permanent employees**											
Male	0	0	0%	0	0%	0	0%	0	0%	0	0%
Female	0	0	0%	0	0%	0	0%	0	0%	0	0%
Total	0	0	0%	0	0%	0	0%	0	0%	0	0%

*Maternity leave benefit has been extended to all female employees of the Company.

**There are no employees in the 'other than permanent' category

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

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

* The Company does not have any staff in the 'Workers' category.

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

	FY 2024-25*	FY 2023-24
Cost incurred on well- being measures as a % of total revenue of the Company	0.22%	0.20%

*The methodology for calculating cost on well-being measures has been revised in FY 2024-25 due to updated guidelines as per the Industry Standards.

Link to the Industry Standards: https://nsearchives.nseindia.com/web/sites/default/files/inline-files/Industry%20Standards%20Note%20on%20BRSR%20with%20Annexure.pdf

2. **Details of retirement benefits, for Current FY and Previous Financial Year.**

Benefits	FY 2024-25			FY 2023-24		
	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/NA)	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/NA)
PF	100%	NA	Yes	100%	NA	Yes
Gratuity	100%	NA	Yes	100%	NA	Yes
ESI*	57%	NA	Yes	62%	NA	Yes
Others – please specify	0	0	0	0	0	0

*ESI is given to 100% of eligible personnel.

**The Company does not have any staff in the 'Workers' category.

3. **Accessibility of workplaces**

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes. The Company is fully committed to supporting its differently abled employees. The Company ensures that all its premises and offices are accessible and inclusive, providing a supportive environment wherever such employees are engaged.

If not, whether any steps are being taken by the entity in this regard : NA

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016?

Yes

If so, provide a web-link to the policy.

https://cdn.shriramfinance.in/uploads/investor/pdf/Equal-Opportunity-Policy.pdf

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

Gender	Permanent Employees		Permanent Workers*	
	Return to work rate	Retention Rate	Return to work rate	Retention Rate
Male	0%	0%	NA	NA
Female	92.79%	75.00%	NA	NA
Total	92.79%	75.00%	NA	NA

*The Company does not have any staff in the 'Workers' category.

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

Category	Yes/No	If Yes, then give details of the mechanism in brief
Permanent Workers	NA*	
Other than Permanent Workers	NA*	
Permanent Employees	Yes	The Human Resources Management System (HRMS) Portal is accessible to all employees for submitting their concerns or grievances. It is monitored by the Company's HR Head, who ensures strict confidentiality in handling each case. The HR Head remains committed to addressing and resolving all issues in a timely and effective manner.
Other than Permanent Employees	NA**	

* The Company does not have any staff in the 'Workers' category.

** The Company has no staff in the 'Other than Permanent Employees'.

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

Category	FY 2024-25			FY 2023-24		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent employees	79,872	0	0%	74,645	0	0%
Male	69,258	0	0%	65,560	0	0%
Female	10,614	0	0%	9,085	0	0%
Total Permanent Workers*	NA					
Male						
Female						

*The Company does not have any staff in the 'Workers' category.

8. Details of training given to employees and workers:

Category	FY 2024-25					FY 2023-24				
	Total (A)	On Health and Safety Measures		On Skill Upgradation		Total (D)	On Health and Safety Measures		On Skill Upgradation	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
Employees										
Male	69,258	67,158	96.97%	67,158	96.97%	65,560	62,193	94.86%	62,193	94.86%
Female	10,614	10,340	97.42%	10,340	97.42%	9,085	8,425	92.74%	8,425	92.74%
Total	79,872	77,498	97.03%	77,498	97.03%	74,645	70,618	94.61%	70,618	94.61%
Workers*										
Male	NA									
Female										
Total										

*The Company does not have any staff in the 'Workers' category.

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

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. (B)	% (B/A)	Total (D)	No. (E)	% (E/D)
Employees						
Male	69,258	58,142	83.95%	65,560	52,593	80.22%
Female	10,614	8,402	79.16%	9,085	6,669	73.41%
Total	79,872	66,544	83.31%	74,645	59,262	79.39%
Workers*						
Male	NA					
Female						
Total						

*The Company does not have any staff in the 'Workers' category.

10. Health and safety management system

a.	**Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No)**	Yes
	If Yes, the Coverage such systems?	
	The Company acknowledges that its business operations are not associated with occupational health and safety hazards. Nevertheless, the well-being of its employees remains a top priority. To support this, first aid kits are made available at all offices. Additionally, the Company promotes road safety by encouraging the use of helmets through regular awareness and training programs.	
b.	**What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**	
	The Company has instituted a structured employee review process to identify and address any workforce concerns, including work-related hazards. Any identified risks are promptly communicated to the management, and appropriate corrective actions are taken. Furthermore, all Company business locations are equipped with fire extinguishers, and regular fire drills are conducted to ensure preparedness and safety.	
c.	**Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks? (Yes/ No)**	NA*
d.	**Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**	Yes

*The Company does not have any staff in the 'Workers' category.

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

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

*Including in the contract workforce.

**The Company does not have any staff in the 'Workers' category.

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

The Company places high importance on the health and safety of its employees and their family members. SFL provides comprehensive health insurance (including coverage for family members), term life insurance, and personal accident insurance to all employees.

Field staff are regularly reminded to prioritise road safety through periodic SMS and email communications. Additionally, all branches and offices are equipped with fire extinguishers, and fire safety drills are conducted at regular intervals to ensure preparedness.

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

Particulars	FY 2024-25			FY 2023-24		
	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	1	0	NA	0	0	NA
Health & Safety	0	0	NA	0	0	NA

14. Assessment for the year:

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)*
Health and safety practices	100%
Working Conditions	100%

*Each branch is regularly visited by senior officials and internal auditors of the Company. As part of the visit, the working conditions and health and safety practices are observed and checked.

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.

NA*

*There were no incidents during the reporting period.

Leadership Indicators

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

(A) Employees (Y/N)	Yes
(B) Workers (Y/N)	NA*

*The Company does not have any staff in the 'Workers' category.

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 diligently ensures that all statutory payment challans from the previous month are attached to the current month's invoices for regular vendors. This practice reflects the Company's commitment to transparent, accountable, and compliant financial transactions.

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/ are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

Particular	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24
Employees	0	0	0	0
Workers*	NA	NA	NA	NA

*The Company does not have any staff in the 'Workers' category.

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

   Yes

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

Particulars	% of value chain partners (by value of business done with such partners) that were assessed*
Health and safety practices	0%
Working Conditions	0%

*The Company is in the process of developing a due diligence process for its value chain partners, which will help in checking and ensuring compliances on health & safety practices and working conditions. As a part of its existing compliance efforts, it is mandatory for all the suppliers to sign the suppliers code of conduct stating that their business is in compliance with all human rights aspects including 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.**

   NA*

   *No significant risks or concerns were identified during the reporting period with respect to the health and safety practices or working conditions of value chain partners; hence, no corrective actions were required.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders.

(This principle highlights the importance of stakeholder engagement. Companies should consider the interests and perspectives of all stakeholders, including shareholders, employees, customers, suppliers, and the communities in which they operate. They should also be responsive to stakeholder concerns and feedback.)

Essential Indicators

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

   The Company views stakeholder identification as a key component of its operational success. This process begins with a thorough analysis of the Company's activities to accurately identify primary stakeholders, including employees, customers, investors, shareholders, suppliers, vendors, government bodies, and regulatory authorities. Additionally, SFL acknowledges the importance of the local communities in which it operates, considering them essential stakeholders in its engagement efforts. By understanding the expectations and concerns of these diverse groups, the Company proactively addresses risks, fosters trust, and builds long-term, sustainable relationships. SFL's commitment to ongoing stakeholder engagement ensures it remains informed, agile, and responsive to evolving needs.

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 & Marginalised Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other- Please Specify)	Frequency of engagement (Annually, Half-yearly, Quarterly, others- Please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	Email, SMS, Newspaper, Website	Quarterly	To share updates of the Company and to call for meetings
Investors	No	Email, Newspaper, Website, Investor meetings and presentations	Monthly	To share updates of the Company like business strategy and performance, market outlook, etc.
Vulnerable Customers	Yes	Email, SMS, Newspaper, Website, Whatsapp, Shriram One Super App	As required	To share new offerings, intimate about interest rate changes, redressal of complaints and CSR activities.
Other Customers	No	Email, SMS, Newspaper, Website, Whatsapp, Shriram One Super App	As required	To share new offerings, intimate about interest rate changes and redressal of complaints
Employees	No	Email, Website and engagement events	As required	To share updates of the Company, health and safety related-information, learning and development, employee benefits and work-related updates
Government and Regulators	No	Email, Documents	As required	To update on various compliances, financial performance and to seek approvals
Value Chain Partners	No	Email	As required	To further strengthen the business relationship and update about the Company
CSR Community	Yes	In-person, Community meetings	During and after the project implementation	To gather feedback and understand needs and engage them in the projects

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   The Company is committed to fostering transparent communication by keeping stakeholders informed about decisions that impact them, while also protecting sensitive business information and strategic data. At SFL, stakeholder engagement is a continuous process, actively driven by the senior management team. The ESG Committee is kept regularly informed on the outcomes of these engagements, enabling it to provide guidance and feedback on relevant matters.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No).** Yes.

   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.

   Continuous stakeholder engagement is essential for aligning with their expectations and strengthening the Company's ability to serve them effectively. Regular interaction ensures responsiveness to stakeholder needs and enables the Company to address concerns in a timely and constructive manner.

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

Through its Corporate Social Responsibility (CSR) policy, the Company has initiated various programs to support marginalised, vulnerable, and underprivileged communities. A key initiative includes an upskilling program for truck drivers, aimed at enhancing their professional capabilities and improving their earning potential. Upon completion, participants undertake an online assessment and are awarded a Level 4 certificate by the Logistics Sector Skill Council (LSC), accredited by Skill India.

Additionally, the Company has conducted comprehensive CSR impact assessments for its major programs, including the Commercial Vehicle Drivers' Upskilling Program, the STFC India Meritorious Scholarship Program, and research and teaching initiatives at the Chennai Mathematical Institute (CMI) focused on mathematics, physics, computer sciences, and basic sciences (erstwhile SCUF).

A) Commercial Vehicle Drivers' Upskilling Program

Impact: The program trained over 16,700 commercial truck drivers across 8 states, addressing crucial areas such as road safety, digital and financial literacy, health awareness, and certification. Significant improvements were observed in knowledge (97% increase in road safety awareness, 59% in digital/financial literacy) and income (22% of participants reported income increases). Health camps reached 64% of drivers, with 91% finding them useful.

Sustainability: The program's sustainability is evident from the continued support provided to 74 participants post-training, ensuring long-term benefits in terms of skill retention and livelihoods. The certification facilitated license renewal, despite delays. Majority of participants did not require further job assistance, showcasing the program's effectiveness in empowering drivers for the long term.

B) Meritorious Scholarship Program

Impact : The Meritorious Student Scholarship Program by the Company is aimed at supporting the undergraduate education of academically bright students from low-income families, especially those dependent on commercial trucking as their primary livelihood. The scholarship program has had a significant impact, with 86.9% of beneficiaries completing college without any dropouts, of whom 33.4% secured employment and 49.1% enrolled in higher education.

Sustainability : The program has led to improved household economic conditions, with 43.8% of employed beneficiaries now earning over Rs. 3 lakhs annually, significantly boosting their families' income.

C) Chennai Mathematical Institute (CMI)

Impact : As regards employment opportunity CMI has already creating impressive impact in terms of contributing faculty to leading academic institutions and abroad. Research scholars, Post-Doctoral Fellows, faculty and adjunct faculties have provided.

Sustainability: Conducive environment with regular interaction, participating in seminars, workshops, help in building further knowledge and enhancing the retention of quality human resources in the field of basic science. The portal takes the best teaching learning resources to all, including the most disadvantaged.

PRINCIPLE 5: Businesses should respect and promote human rights.

(This principle focuses on the importance of human rights. Companies should respect and promote human rights, including the rights to freedom of expression, association, and privacy. They should also prevent and address human rights violations in their operations and value chains.)

Essential Indicators

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

Benefits	FY 2024-25			FY 2023-24		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	79,872	77,498	97.03%	74,645	70,618	94.60%
Other than permanent	0	0	0	0	0	0%
Total Employees	79,872	77,498	97.03%	74,645	70,618	94.60%
Workers*						
Permanent	NA					
Other than permanent						
Total Workers						

* The Company does not have any staff in the 'Workers' category.

2. **Details of minimum wages paid to employees and workers**

Category	FY 2024-25					FY 2023-24				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (BA)	No. (C)	% (C /A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	69,258	4,085	5.90%	65,173	94.10%	65,560	3,218	4.91%	62,342	95.09%
Female	10,614	1,806	17.02%	8,808	82.98%	9,085	1,243	13.68%	7,842	86.32%
Total	79,872	5,891	7.38%	73,981	92.62%	74,645	4,461	5.98%	70,184	94.02%
Other than Permanent*										
Male	NA									
Female										
Total										
Workers**										
Permanent										
Male	NA									
Female										
Total										
Other than Permanent										
Male	NA									
Female										
Total										

*The Company does not have any employees in the 'Other than permanent' category.

**The Company does not have any staff in the 'Workers' category.

3. Details of remuneration/salary/wages

a. Median remuneration / wages:

Particular	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (Rs.)	Number	Median remuneration/ salary/ wages of respective category (Rs.)
Board of Directors (BOD)*	10	36,57,500	2	29,97,500
Key Managerial Personnel**	4	1,24,36,425	0	0
Employees other than BOD and KMP	69,251	3,08,487	10,614	2,29,790
Workers***	NA	NA	NA	NA

Note:

i. *The remuneration of Board of Directors includes the remuneration paid to Executive Directors. For Independent Directors, it includes the sitting fees paid and the commission to be paid for attending Board and Committee meetings.

ii. *Includes data pertaining to two Independent Directors of the Company who ceased to be on the Board, namely Mr. Srinivasan Sridhar (ceased w.e.f. October 20, 2024) and Mrs. Maya Swaminathan Sinha (ceased w.e.f. December 04, 2024).

iii. **Excluding 3 KMPs already covered under Board of Directors.

iv. ***The Company does not have any staff in the 'Workers' category.

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

Particulars	FY 2024-25*	FY 2023-24#
Gross wages paid to females as % of total wages	9.48%	8.11%

*The disclosed percentage represents the proportion of gross wages paid to female employees against total wages, based on employee-wise cost allocation and gender data from the HR master.

#The Company has revised its calculation methodology to better align with best practices, including the guidelines set forth in SEBI's circular dated December 20, 2024, which outlines Industry Standards Forum guidance for BRSR Core, resulting in an updated figure for the previous financial year.

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

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

The Company has constituted state-wise Internal Complaints Committees (ICC) in compliance with Section 4(1) of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Each ICC includes a presiding officer, three internal members, and one external member. Employees can submit complaints via email to the presiding officer. The ICC is dedicated to ensuring timely and appropriate redressal, with all grievances resolved within 30 days of receipt.

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

Particulars	FY 2024-25			FY 2023-24		
	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	4	0	NA	6	2	NA
Discrimination at workplace	0	0	NA	0	0	NA
Child Labour	0	0	NA	0	0	NA

Particulars	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Forced Labour / Involuntary Labour	0	0	NA	0	0	NA
Wages	0	0	NA	0	0	NA
Other human rights related issues	0	0	NA	0	0	NA

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

Particulars	FY 2024-25	FY 2023-24
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	4	6
Complaints on POSH as a % of female employees / workers	0.04%	0.07%
Complaints on POSH upheld	1	1

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

   The Company has set up state-specific Internal Complaints Committees (ICCs) to address matters under the Prevention of Sexual Harassment (POSH) Act. All other employee grievances are managed through the dedicated employee portal, which is overseen by the Company's Head of HR. Confidentiality of the complainant's identity is strictly maintained throughout the resolution process.

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

   Yes

10. **Assessments for the year:**

Name of the Assessment	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	0%

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

    NA*

    *There were no such cases.

Leadership Indicators

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

   Though the number of human rights complaints is not significant to the total employee base, the Company has prioritised POSH (Prevention of Sexual Harassment) training. It has made POSH awareness a mandatory component of all employee training programs to prevent recurrence of such incidents. Ensuring the safety and well-being of all staff members remains a top priority for the Company.

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

   The Company has a mechanism to track human rights related queries and grievances raised by the employees via Human Resources Management System (HRMS) Portal which is accessible to all employees. This system facilitates the submission of grievances, ensuring that all complaints are recorded, monitored, and addressed promptly for effective resolution.

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

   Yes

   The Company are committed to fully adhering to the Persons with Disabilities Act, 2016 by continuously upgrading its facilities to ensure they are accessible to everyone, including individuals with disabilities.

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

Name of the Assessment	% of value chain partners (by value of business done with such partners) that were assessed*
Sexual harassment	0%
Discrimination at workplace	0%
Child Labour	0%
Forced Labour/Involuntary Labour	0%
Wages	0%
Others – please specify	0%

*The Company is in the process of developing a due diligence process for its value chain partners, which will help in checking and ensuring compliances on aspects of human rights and regulations. As a part of its existing compliance efforts, it is mandatory for all the suppliers to sign the suppliers code of conduct stating that their business is in compliance with all human rights and other laws mandated by legal body.

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

   The Company did not identify any significant risks or concerns in the areas mentioned above during the year under review; therefore, no corrective actions were required.

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

(This principle emphasises the importance of environmental stewardship. Companies should minimise their impact on the environment, conserve natural resources, and promote environmental sustainability. They should also take steps to restore and rehabilitate degraded ecosystems.)

Essential Indicators

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

Parameter	FY 2024-25 (in Giga Joules)	FY 2023-24 (in Giga Joules)
From renewable sources		
Total electricity consumption (A)	0	0
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	0	0
From non-renewable sources		
Total electricity consumption (D)	1,22,127.84	1,01,662.56
Total fuel consumption (E)	61,735.77	64,202.49
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	**1,83,863.61**	**1,65,865.05**
Total energy consumed (A+B+C+D+E+F)*	**1,83,863.61**	**1,65,865.05**

Parameter	FY 2024-25 (in Giga Joules)	FY 2023-24 (in Giga Joules)
Energy intensity per rupee of turnover [Total energy consumed (in GJ) / Revenue from operations (in rupees)]	0.0000004392	0.0000004739
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)** [Total energy consumed (in GJ)/ Revenue from operations in rupees adjusted for PPP]	0.0000090747	0.0000097915
Energy intensity in terms of physical output [Total energy consumed (in GJ) / Full Time Equivalent] ***	2.3019782903	2.2220517114
Energy intensity (optional metrics)	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?	Yes
If yes, name of the external agency.	Vinay and Keshava LLP

*Energy consumption has been calculated using spend-based method for locations where electricity units were not monitored.

**The revenue from operations has been adjusted for Purchasing Power Parity (PPP) using the latest PPP conversion factor of 20.66, as published by the International Monetary Fund (IMF) for India for the financial years 2024–25 and 2023–24.

***As per the Industry Standards Forum, Full-Time Equivalent (FTE) has been considered as the input measure for physical output.

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? (Yes/No)	NA*

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.

*The PAT Scheme is not applicable to the Company considering the nature of its business operations.

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

Parameter	FY 2024-25*	FY 2023-24
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	0	0
(iii) Third party water	11,21,402.88	8,62,426.21
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	11,21,402.88	8,62,426.21
Total volume of water consumption (in kilolitres)	**11,21,402.88**	**8,62,426.21**
Water intensity per rupee of turnover [Total water consumption (in KL) / Revenue from operations (in rupees)]	0.0000026790	0.0000024642
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) [Total water consumption (in KL) / Revenue from operations in rupees adjusted for PPP]**	0.0000553475	0.0000509113
Water intensity in terms of physical output [Total water consumption (in KL) / Full Time Equivalent]***	14.0400000000	11.5537036640
Water intensity (optional metrics)	NA	NA

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

*As per CGWA guidelines, the estimated water consumption for all offices is based on an assumption of 45 litres per person, per day (312 days) and is included in third party water.

**The revenue from operations has been adjusted for Purchasing Power Parity (PPP) using the latest PPP conversion factor of 20.66, as published by the International Monetary Fund (IMF) for India for the financial years 2024–25 and 2023–24.

***As per the Industry Standards Forum, Full-Time Equivalent (FTE) has been considered as the input measure for physical output.

4. Provide the following details related to water discharged:

Parameter		FY 2024-25	FY 2023-24
Water discharge by destination and level of treatment (in kilolitres)			
(i)	**To Surface water**		
	No treatment	0	0
	With treatment – please specify level of treatment	0	0
(ii)	**To Groundwater**		
	No treatment	0	0
	With treatment – please specify level of treatment	0	0
(iii)	**To Seawater**		
	No treatment	0	0
	With treatment – please specify level of treatment	0	0
(iv)	**Sent to third-parties**		
	No treatment	11,21,402.88	8,62,426.21
	With treatment – please specify level of treatment	0	0
(v)	**Others**	0	0
	No treatment	0	0
	With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)*		**11,21,402.88**	**8,62,426.21**

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

*The total value for water consumed reported in Question 3 above has been taken as water discharged, assuming 100% water consumed as water discharged.

5. Has the entity implemented a mechanism for Zero Liquid Discharge?

No

If yes, provide details of its coverage and implementation.

NA*

*Zero Liquid Discharge is not applicable to the Company given the nature of its operations as a Non-Banking Financial Company, where water usage is limited primarily to domestic and office purposes. However, the Company ensures responsible water usage across its facilities.

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

Parameter	Please specify unit	FY 2024-25	FY 2023-24
NOx	NA*	0	0
SOx		0	0
Particulate matter (PM)		0	0
Persistent organic pollutants (POP)		0	0
Volatile organic compounds (VOC)		0	0
Hazardous air pollutants (HAP)		0	0
Others – please specify		0	0

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

*The nature of the Company's business activities is such that there are no air emissions.

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

Parameter*	Unit	FY 2024-25	FY 2023-24
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)**	Metric tonnes of CO_2 equivalent	4,236.19	3,963.44
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	24,663.04	20,219.56
Total Scope 1 and Scope 2 emissions per rupee of turnover	Total Scope 1 and Scope 2 GHG emissions (in $MTCO_2e$)/Revenue from operations (in rupees)	0.0000000690	0.0000000691
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* **	Total Scope 1 and Scope 2 GHG emissions (in $MTCO_2e$)/Revenue from operations in rupees adjusted for PPP	0.0000014263	0.0000014276
Total Scope 1 and Scope 2 emission intensity in terms of physical output******	Total Scope 1 and Scope 2 emissions/ Full Time Equivalent (FTE)	0.3618192859	0.3239734744
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity per employee		NA	NA

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

*Source of emission factors used - EPA's GHG Emission Factors Hub, CEA's CDM - CO_2 Baseline Database User Guide Version 20 has been used for the purpose of GHG Emissions calculations.

**Refill gas consumption in air conditioners are excluded from Scope 1 calculations due to active Annual Maintenance Contracts (AMC) with vendors.

***The revenue from operations has been adjusted for Purchasing Power Parity (PPP) using the latest PPP conversion factor of 20.66, as published by the International Monetary Fund (IMF) for India for the financial years 2024–25 and 2023–24.

****As per the Industry Standards Forum, Full-Time Equivalent (FTE) has been considered as the input measure for physical output.

8. **Does the entity have any project related to reducing Green House Gas emission?**

   Yes

   If Yes, then provide details.

   The Company has undertaken multiple initiatives to implement meaningful and system-driven changes aimed at reducing Green House Gas (GHG) emission intensity. The key steps include:

   1. The Company is actively transitioning to a paperless environment by implementing digital workflows, electronic documentation, and e-signature solutions to reduce paper consumption across all departments.

2. The Company has improved energy efficiency by replacing conventional tube lights with LED lighting systems throughout its premises.
3. The Company has increased the use of digital agreements and contracts, significantly reducing dependence on physical documentation and contributing to environmental conservation.
4. The Company is using eco-friendly, biodegradable flex banners for branding and promotional activities, thereby reducing waste and promoting sustainable communication practices.
5. The Company has installed high-efficiency air conditioning systems to lower energy consumption and reduce the carbon footprint of its office operations.
6. The Company has adopted inverter-based power backup systems in place of traditional diesel generators, providing a cleaner and more energy-efficient alternatives.
7. The Company has launched a new business vertical named Shriram Green Finance, which is dedicated to supporting sustainable development by providing financial solutions for electric vehicles (EVs), EV charging stations, renewable energy technologies, and energy-efficient machinery.

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

Parameter	FY 2024-25	FY 2023-24
Total Waste generated (in metric tonnes)		
Plastic waste (A)	0.42	0.67
E-waste (B)*	255	18.78
Bio-medical waste (C)	0	0.00
Construction and demolition waste (D)	0	0.00
Battery waste (E)	28.63	48.04
Radioactive waste (F)	0	0.00
Other Hazardous waste. Please specify, if any. (G)	0	0.00
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	330.06	434.78
(H.1) Paper**	311.79	340.65
(H.2) Cardboard	17.54	92.65
(H.3) Metal	0.73	1.48
Total (A+B + C + D + E + F + G + H)* **	**614.11**	**502.27**
Waste intensity per rupee of turnover [Total waste generated (in MT) / Revenue from operations (in rupees)]	0.0000000015	0.0000000014
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)****** Total waste generated (in MT) / Revenue from operations in rupees adjusted for PPP	0.0000000303	0.0000000297
Waste intensity in terms of physical output***** Total waste generated (in MT) / Full Time Equivalent	0.0076886769	0.0067287829
Waste intensity (optional) – the relevant metric may be selected by the entity	NA	NA

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category of waste	FY 2024-25	FY 2023-24
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations	614.11	502.27
Total	**614.11**	**502.27**

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Category of waste	FY 2024-25	FY 2023-24
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
Total	**0**	**0**

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

*The scrapping of outdated desktop and server operating systems has resulted in an increase in E-waste for the current financial year.

**The paper shredding activity is undertaken based on the availability of the old records for disposal based on the Company's policy. The Company undertakes shredding if the records or scrap is available for disposal.

***Apart from e-waste and battery waste, the reported waste here includes scrap generated from 10 doc cells and the data specifically accounts for the waste produced by these doc cells alone.

****The revenue from operations has been adjusted for Purchasing Power Parity (PPP) using the latest PPP conversion factor of 20.66, as published by the International Monetary Fund (IMF) for India for the financial years 2024–25 and 2023–24.

*****As per the Industry Standards Forum, Full-Time Equivalent (FTE) has been considered as the input measure for physical output.

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

    Given the nature of the Company's business operations, it does not generate any hazardous or toxic substances. The Company's processes are designed to be environmentally responsible, ensuring that no harmful materials are produced that could pose risks to human health or the environment.

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

Sr. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval/ clearance are being complied with? (Y/N)	If no, the reasons thereof and corrective action taken, if any.
NA*				

*The Company has no operations/offices in/around ecologically sensitive areas.

12. **Details of Environmental Impact Assessments (EIA) of projects undertaken by the entity based on applicable laws, in the current financial year:**

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
NA*					

*The Company has not conducted EIA during the reporting period.

13. **Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N).**

Yes

If not, provide details of all such non-compliances, in the following format:

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
The Company is in compliance with all applicable laws.			

Leadership Indicators

1. **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:

(i) **Name of the Area**

NA*

(ii) **Nature of Operations**

NA*

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

Parameter	FY 2024-25	FY 2023-24
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) To Surface water		
No treatment	NA*	
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)	NA*	

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

If yes, name of the external agency.

*The offices are generally not situated in any water stress regions, and hence, the question is Not Applicable.

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

Parameter	Unit	FY 2024-25*	FY 2023-24
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	TCO_2e	3,11,499.57	66,430.81
Total Scope 3 emissions per rupee of turnover	Total Scope 3 emissions (in $MTCo_2e$)/ Revenue from operations (in rupees)	0.0000007442	0.0000001898
Total Scope 3 emission intensity (optional)		NA	NA

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

*The Company has expanded its coverage across the categories for FY 2024-25 and has reported emissions for categories 1, 2, 3, 5, 6 and 7 this year, with category 3 being reported for the first time. Hence, figures of FY 2023-24 are not comparable with FY 2024-25.

*Employee commute emission includes emission calculation of 79,872 employees. The Company collected daily employee data for 35,612 employees on an actual basis and extrapolated for the entire workforce.

*EPA's GHG Emission Factors Hub, DEFRA conversion factors, CEA's CDM - CO_2 Baseline Database User Guide Version 20 has been used for the purpose of GHG Emissions calculations.

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

NA*

*The Company does not have any operations in ecologically sensitive areas and hence has not identified any significant direct or indirect impact on biodiversity. Accordingly, no specific prevention or remediation activities have been undertaken in this regard.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative	Corrective action taken, if any
The Company has adopted several environmentally responsible practices and initiatives aimed at creating a positive impact on the environment. For further details, please refer to response provided at Principle 6, Q.8 of the "Essential Indicators" as above.				

5. Does the entity have a business continuity and disaster management plan? (Yes/No)

Yes

Give details in 100 words/ web link.

The Company has established a comprehensive Business Continuity Plan (BCP) to ensure the uninterrupted delivery of critical services. During the reporting year, there were no instances of service disruption. The Company remains fully prepared to activate the BCP whenever potential disruptive events are identified, taking into account their likelihood and possible impact on operations.

6. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

   No significant adverse environmental impacts have been identified from the Company's value chain during the reporting period. The Company encourages its value chain partners to comply with applicable environmental regulations and adopt sustainable practices wherever possible.

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

   The Company does not formally assess the environmental impacts of its value chain partners. However, it encourages its partners to adopt environmentally responsible practices and aims to explore opportunities for integrating sustainability considerations into its value chain engagement in the future.

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

   a. **By the listed entity**

      NA*

      *There were no Green Credits generated or procured during the year.

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

      NA

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

(This principle highlights the importance of responsible advocacy. Companies should engage in policy advocacy in a responsible and transparent manner, and avoid engaging in activities that could undermine the public interest or the democratic process.)

Essential Indicators

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

      10

   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.**

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National/ International)
1	Finance Industry Development Council (FIDC)	National
2	Federation of Indian Chambers of Commerce & Industry (FICCI)	National
3	Federation of Indian Hire Purchase Associations (FIHPA)	National
4	Confederation of Indian Industry (CII)	National
5	Indian Chamber of Commerce (ICC)	National
6	Indian Construction Equipment Manufacturers' Association (ICEMA)	National
7	Society of Indian Automobile Manufacturers (SIAM)	National
8	Associated Chambers of Commerce and Industry of India (ASSOCHAM)	National
9	All India Transporters Welfare Association (AITWA)	National
10	All India Motor Transport Congress (AIMTC)	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.**

Name of authority	Brief of the case	Corrective action taken
NA*		

*There were no cases of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

Leadership Indicators

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

Sr. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half Yearly/ Quarterly/ Others- Please specify)	Web Link, if available
NA*					

*The Company has not undertaken any direct public policy advocacy during the reporting period. However, it remains engaged with relevant industry forums and regulatory bodies through standard channels as required, and continues to monitor developments in the policy and regulatory landscape relevant to its operations.

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development.

(This principle emphasises the importance of promoting inclusive and equitable economic development. Companies should create economic opportunities for all, including disadvantaged and marginalised groups. They should also contribute to the development of local communities and support social and economic empowerment.)

Essential Indicators

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

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Expanding Research and Teaching in Mathematics, Physics, Computer Sciences	NA	NA	Yes	Yes	https://www.shriramfinance.in/corporate-social-responsibility
Research and Teaching in Basic Sciences	NA	NA	Yes	Yes	https://www.shriramfinance.in/corporate-social-responsibility
Commercial Vehicle Drivers' Upskilling Program	NA	NA	Yes	Yes	https://www.shriramfinance.in/corporate-social-responsibility
STFC India Meritorious Scholarship Program	NA	NA	Yes	Yes	https://www.shriramfinance.in/corporate-social-responsibility

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

Sr. 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 Rs.)
NA*						

*No such projects were undertaken by the Company.

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

The Company has a two-step approach to address CSR grievances from the community.

Step 1: Implementing partners attend to beneficiaries' grievances at their operational level as a primary course of action.

Step 2: If grievances remain unresolved, beneficiaries are advised to escalate the matter to the Corporate Social Responsibility (CSR) department within the organisation, or to visit the nearest branch of the Company.

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

Particular	FY 2024-25	FY 2023-24#
Directly sourced from MSMEs/ small producers*	4.72%	5.53%
Directly from within India	82.37%	94.10%

*The Company has taken into consideration MSME vendors of IT, Non-IT, Administration, Infrastructure, Central Procurement, as well as Pre-printed Stationery.

#The Company has revised its calculation methodology to better align with best practices, including the guidelines set forth in SEBI's circular dated December 20, 2024, which outlines Industry Standards Forum guidance for BRSR Core, resulting in an updated figure for the previous financial year.

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

Particular	FY 2024-25*	FY 2023-24*#
Rural	8.63%	8.46%
Semi-urban	38.52%	39.35%
Urban	40.34%	40.96%
Metropolitan	12.52%	11.23%

*The Company has categorised the places based on RBI's classification system - rural/semi-urban/urban/metropolitan.

#The Company has revised its calculation methodology to better align with best practices, including the guidelines set forth in SEBI's circular dated December 20, 2024, which outlines Industry Standards Forum guidance for BRSR Core, resulting in an updated figure for the previous financial year.

Leadership Indicators

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

Details of negative social impact identified	Corrective action taken
The Company primarily provides financial services. Social Impact Assessments are conducted for CSR initiatives, which have shown positive outcomes. No negative social impacts were identified requiring corrective action.	

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

Sr. No.	State	Aspirational District	Amount spent (In Rs.)
1	Chhattisgarh	Korba	2,34,40,766
2	Jharkhand	Ranchi	45,71,956

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

   No

   b) **From which marginalised /vulnerable groups do you procure?**

   NA

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

   NA

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:**

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

*There were no such intellectual properties owned or acquired during the year.

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

Name of authority	Brief of the Case	Corrective action taken
No corrective actions pertaining to above mentioned parameters were necessitated by the Company during the year under review.		

6. **Details of beneficiaries of CSR Projects:**

Sr. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
1	Mobile Medical Unit (MMU)	2,07,790	60.21%
2	Shriram Matriculation School	574	100%
3	Shriram High School	416	100%
4	P.S. Hr. Sec. School	7	0%
5	Project Gift a Smile	3,470	100%
6	Primary & Secondary Education Scholarship	81,706	100%
7	Upskilling Driver Training Program	41,153	75.72%
8	Women's LMV Driver Training Program	662	85.04%
9	HMV Driver Training Program	321	84.73%
10	2Wheeler Mechanic Training Program	1,472	90.42%
11	Preservation of Arts & Culture	50	0%
12	Promotion of Olympic Sports	132	0%

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner.

(This principle highlights the importance of responsible consumer engagement. Companies should provide safe, high-quality products and services, and ensure that they are marketed and sold ethically and responsibly. They should also be transparent about their products and services, and provide consumers with the information they need to make informed choices.)

Essential Indicators

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

   General nature of complaints:

   Complaints/requests from customers are generally in the nature of:

   1) Non –Receipt of Deposit/Debenture Certificate 2) Interest amount not credited in Bank account 3) Investor name not properly printed in the Certificate 4) Change of address not incorporated in the Certificate 5) Dividend amount not received 6) Maturity amount not received 7) Statement of Account not received, 8) NOC not received 9) Complaints of any other nature.

   Complaints received from customers with regard to their grievances/concerns against the agents/intermediaries appointed by the Company for outsourcing of its financial services, shall also be addressed under the Grievances Redressal Mechanism as enumerated below. The Company shall have an oversight on the services provided by the Direct Selling Agent (DSA) / Revenue Sharing Party /(RSP) relating to redressal of customer grievances.

   Customer Service Management System (CSMS)

   CSMS addresses the complaints and requests raised by the customers through various channels. The Call centre/Branch/ Head Office/Website/Shriram SuperApp captures all the issues raised by the customers in CSMS for further action.

   The complaints can be raised through the following modes:

   1. Customers can raise complaints/requests by calling to the Call Centre/Branch/Head office/ Registered Office
   2. Customers can raise complaints/requests by sending e-mail to the designated Customer Care/ Grievance mail IDs
   3. Customers can raise complaints/requests through the Company's official website/Super App.

   Process review:

   All the issues/requests raised by customers through various modes such as Call centre/Branch/Company's website/mails/ letters etc., are first entered into CSMS and addressed and resolved by the respective regions and consequently closed in the CSMS. In case of delay in redressal of complaint by the region, the following escalation matrix shall be followed:

   Escalation Matrix:

Level of Escalation	Escalation to
Level 1	Regional Team Leader
Level 2	Zonal Team Leader
Level 3	Head Geographical Units - Commercial

   The contact details of the Grievance Redressal Officer (GRO) of the Company are given below: -

   The Grievance Redressal Officer
   Shriram Finance Limited
   12, Ramasamy Street, T Nagar,
   Chennai 600 017
   Tamil Nadu, India
   Contact no. 044-24642733
   Email: grievance@shriramfinance.in

   The Company shall be responding to the customer within a maximum period of 30 days from the date of receipt of the complaint. If the customer has not received any response within 30 days or if the customer is not satisfied with the response, then he/she may raise a complaint with the Reserve Bank of India either through RBI CMS Portal or RBI Contact Centre as given below:-

RBI CMS Portal: https://cms.rbi.org.in
RBI Contact Centre Contact no.:14448
RBI Postal Address: Reserve Bank of India
Centralised Receipt and Processing Centre,
4th Floor, Sector 17,
Chandigarh – 160017

The complaints received from RBI and other authorities are sent to the Nodal Officers for resolution and providing response to RBI. The Principal Nodal Officer shall submit the report on the status of the complaints on quarterly basis to the Board of Directors.

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

Particular	As a percentage to total turnover
Environmental and social parameters relevant to the product	NA*
Safe and responsible usage	NA*
Recycling and/or safe disposal	NA*

*This is not relevant to SFL's operations as the Company is primarily engaged in the business of financing and does not manufacture any products.

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

Particular	FY 2024-25		Remark	FY 2023-24		Remark
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	NA	0	0	NA
Advertising	0	0	NA	0	0	NA
Cyber-security	0	0	NA	0	0	NA
Delivery of essential services	0	0	NA	0	0	NA
Restrictive Trade Practices	0	0	NA	0	0	NA
Unfair Trade Practices	0	0	NA	0	0	NA
Other	51,271	92	One complaint was pending as on date of the report.	16,553	462	The pending complaints were duly resolved as on the date of the report.

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

Particular	Number	Reason for recall
Voluntary recalls	0	NA*
Forced recalls	0	NA*

*This is not relevant to SFL operations as the Company is primarily engaged in the business of financing and does not manufacture any products.

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No)**

Yes

If available, provide a web link of the policy

https://www.shriramfinance.in/privacy-policy

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

   NA*

*There were no corrective actions required to be 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.

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

a.	Number of instances of data breaches along-with impact	0
b.	Percentage of data breaches involving personally identifiable information of customers	0
c.	Impact, if any, of the data breaches	NA*

*There were no cases of data breaches.

Leadership Indicator

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

   https://www.shriramfinance.in/fixed-deposit

   https://www.shriramfinance.in/fixed-investment-plan

   https://www.shriramfinance.in/commercial-vehicle-loan

   https://www.shriramfinance.in/two-wheeler-loan

   https://www.shriramfinance.in/gold-loan

   https://www.shriramfinance.in/personal-loan

   https://www.shriramfinance.in/working-capital-loan

   https://www.shriramfinance.in/business-loan

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

   All product-related information is readily available on the Company's website. Customers can make enquiries through call centres/email to customersupport@shriramfinance.in. Additionally, they have the convenience of investing in fixed deposits and making loan repayments online. The Company's Fair Practice Code, duly approved by the Board, is published on the website and prominently displayed at all branches. Furthermore, SFL offers multiple digital channels—such as social media platforms and web portals—to facilitate customer communication and grievance redressal.

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

   Yes, the Company has established communication mechanisms to inform customers about any potential service disruptions through SMS, Email, WhatsApp, and phone calls, ensuring timely updates and minimal inconvenience.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/NA)**

   Yes

a. **If yes, provide details in brief.**

   The Company displays its services information over and above what is mandated as per local laws. Product related information is displayed/available at all the branches as well as on the website. The Customers can also access loan-related information via "Shriram One" (the Super App) software.

b. **Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/ services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

   Yes, the Company conducts periodic customer satisfaction surveys to assess service quality and enhance customer experience.

INDEPENDENT PRACTITIONER'S REASONABLE ASSURANCE REPORT ON IDENTIFIED SUSTAINABILITY INFORMATION IN SHRIRAM FINANCE LIMITED's BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025.

To the Board of Directors of Shriram Finance Limited,

1. We have undertaken to perform Reasonable Assurance engagement, for Shriram Finance Limited (the "Company" or "SFL") vide our engagement letter dated March 17, 2025 in respect of the agreed Sustainability Information listed below (the "Identified Sustainability Information" or "BRSR Core indicators") in accordance with the Criteria stated in paragraph 3 below. This Sustainability Information is included in the Business Responsibility and Sustainability Report ("BRSR") of the Company for the financial year ended March 31, 2025. This engagement was conducted by our multidisciplinary team including assurance practitioners, environmental engineers and specialists.

2. **Identified Sustainability Information**

   Our scope of Reasonable Assurance consists of the BRSR Core indicators listed in the Appendix I to our report. The reporting boundary of the BRSR is as disclosed in Question 13 of Section A: General Disclosures of the BRSR with exceptions disclosed by way of note under respective questions of the BRSR, where applicable.

   Our Reasonable Assurance engagement was with respect to the year ended March 31, 2025 information only and we have not performed any procedures with respect to earlier periods, and any elements thereto, and, therefore, do not express any opinion thereon.

3. **Criteria**

   The Criteria used by the Company to prepare the Identified Sustainability Information is as under:

   The criteria used is the "BRSR Core", which is a subset of the BRSR, consisting of a set of Key Performance Indicators ("KPIs")/ metrics under nine Environmental, Social and Governance ("ESG") attributes, as per the format of BRSR Core specified in Annexure 17A, read with the format of BRSR and the Guidance Note given in Annexure 16 and 17, respectively, of the SEBI Master Circular for 'compliance with the provisions of the SEBI LODR Regulations, 2025 by Listed Entities' dated November 11, 2024, and the SEBI Circular on the 'Industry Standards on Reporting of BRSR Core' dated December 20, 2024 (collectively referred to as the "SEBI Circulars").

4. **Management's Responsibility**

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

   The Management and the Board of Directors of the Company are also responsible for overseeing the Company's compliance with the requirements of LODR Regulations and the SEBI Circular in relation to the BRSR Core.

5. **Inherent limitations**

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

   Measurement of certain amounts and BRSR Core metrics, some of which are estimates, is subject to inherent measurement uncertainty, for example, GHG emissions, water footprint, energy footprint and waste. Obtaining sufficient appropriate evidence to support our opinion does not reduce the uncertainty in the amounts and metrics.

6. **Our Independence and Quality Control**

   We have maintained our independence and confirm that we have met the requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India (the "ICAI") and the SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023, and its clarifications thereto and have the required competencies and experience to conduct this assurance engagement.

We apply Standard on Quality Control (the "SQC") 1, "Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements", and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

7. **Our Responsibility**

Our responsibility is to express a Reasonable Assurance opinion on the Identified Sustainability Information listed in Appendix I based on the procedures we have performed and evidence we have obtained.

We conducted our engagement in accordance with the Standard on Sustainability Assurance Engagements (SSAE) 3000, "Assurance Engagements on Sustainability Information", and Standard on Assurance Engagements (SAE) 3410 "Assurance Engagements on Greenhouse Gas Statements" (together the "Standards"), both issued by the Sustainability Reporting Standards Board (the "SRSB") of the ICAI.

These Standards require that we plan and perform our engagement to obtain Reasonable Assurance about whether the Identified Sustainability Information listed in Appendix I and included in the Report are prepared, in all material respects, in accordance with the Criteria.

As part of Reasonable Assurance engagement in accordance with the Standards, we exercise professional judgment and maintain professional skepticism throughout the engagement.

8. **Reasonable Assurance**

A Reasonable Assurance engagement involves identifying and assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above, we:

- Obtained an understanding of the Identified Sustainability Information and related disclosures.
- Obtained an understanding of the assessment criteria and their suitability for the evaluation and/or measurements of the Identified Sustainability Information.
- Made inquiries of Company's management, including secretarial team, finance team, human resource team amongst others and those with the responsibility for preparation of the BRSR.
- Obtained an understanding and performed an evaluation of the design of the key systems, processes and controls for recording, processing and reporting on the Identified Sustainability Information at the corporate office and at other locations/offices on a sample basis under the reporting boundary. This included evaluating the design of those controls relevant to the engagement and determining whether they have been implemented by performing procedures in addition to inquiry of the personnel responsible for the Identified Sustainability Information.
- Based on the above understanding and the risks that the Identified Sustainability Information may be materially misstated, determined the nature, timing and extent of further procedures.
- Where applicable, for the Identified Sustainability Information in the BRSR, we have relied on the information in the audited standalone financial statements of the Company for the year ended March 31, 2025 and the underlying trial balance.
- Evaluated the reasonableness and appropriateness of significant estimates and judgements made by the management in the preparation of the Identified Sustainability Information.
- Tested the Company's process for collating the sustainability information through agreeing or reconciling the Identified Sustainability Information with the underlying records on a sample basis.
- Tested the consolidation working of the corporate office and other locations/offices on a sample basis under the reporting boundary for ensuring the completeness of data being reported; and
- Obtained representations from the Company's management.

We also performed such other procedures as we considered necessary in the circumstances.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our reasonable assurance opinion.

9. Exclusions

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

- Operations of the Company other than the Identified Sustainability Information in Appendix I;
- Aspects of the BRSR and the data/information (qualitative or quantitative) included in the BRSR other than the Identified Sustainability Information; and Data and information outside the defined reporting period i.e., April 1, 2024 – March 31, 2025;
- The statements that describe expression of opinion, belief, aspiration, expectation, aim, or future intentions provided by the Company.

10. Other information

The Company's management is responsible for the other information. The other information comprises the information included within the BRSR other than Identified Sustainability Information and our independent assurance report dated June 23, 2025 thereon.

Our opinion on the Identified Sustainability Information does not cover the other information and we do not express any form of assurance thereon.

In connection with our assurance engagement of the Identified Sustainability Information, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Identified Sustainability Information or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

11. Reasonable Assurance Opinion

Based on the procedures we have performed and the evidence we have obtained, the Company's Identified Sustainability Information listed in Appendix I for the year ended March 31, 2025 (as stated under "Identified Sustainability Information") are prepared in all material respects, in accordance with the criteria (as stated under "Criteria").

12. Restriction on use

Our Reasonable Assurance report has been prepared and addressed to the Board of Directors of the Company at the request of the Company solely, to assist the Company in reporting on Company's sustainability performance and activities.

Accordingly, we accept no liability to anyone, other than the Company. Our Reasonable Assurance report should not be used for any other purpose or by any person other than the addressees of our report. We neither accept nor assume any duty of care or liability for any other purpose or to any other party to whom our report is shown or into whose hands it may come without our prior consent in writing.

For Vinay and Keshava LLP
Chartered Accountants,
Firm Reg No.: 005586S/S-200008

CA Prasanna K S
Partner
Membership No: 232959
UDIN: 25232959BMNTCD1516

Place: Bengaluru
Date: June 23, 2025
Encl: Appendix I

Appendix I

Identified Sustainability Information subject to Reasonable Assurance

Sr. No.	Principle / Indicator Reference	Attribute	Parameters (KPIs) Assured
Section C: Principle [P] Wise Performance Disclosures- Essential Indicators [E]			
1	Principle 6 – E7	Green-house gas (GHG) footprint	1. Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available) 2. Total Scope 2 emissions (Break-up of the GHG (CO_2e) into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available) 3. GHG Emission Intensity (Scope 1 +2) a) Total Scope 1 and Scope 2 emissions (MT) / Total Revenue from Operations adjusted for Purchasing Power Parity (PPP) b) Total Scope 1 and Scope 2 emissions (MT) / Total Output of Product or Services
2	Principle 6 – E3 Principle 6 – E4	Water footprint	1. Total water consumption 2. Water consumption intensity a) Water Intensity per rupee of turnover adjusted for PPP b) Water Intensity in terms of physical output 3. Water Discharge by destination and levels of treatment
3	Principle 6 – E1	Energy Footprint	1. Total Energy Consumed 2. % of energy consumed from renewable sources 3. Energy intensity a) Energy Intensity per rupee of turnover adjusted for PPP b) Energy Intensity in terms of physical output
4	Principle 6 – E9	Embracing circularity details related to waste management by the entity	1. Plastic waste (A) 2. E-waste (B) 3. Bio-medical waste (C) 4. Construction and demolition waste (D) 5. Battery waste (E) 6. Radioactive waste (F) 7. Other Hazardous waste (G) 8. Other Non-hazardous waste generated (H) 9. Total waste generated ((A+B + C + D + E + F + G + H) 10. Waste intensity a) Waste Intensity per rupee of turnover adjusted for PPP b) Waste Intensity in terms of physical output 11. For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations 12. For each category of waste generated, total waste disposed by nature of disposal method
5	Principle 3 – E1 (c) Principle 3 – E11	Enhancing employee wellbeing and Safety	1. Spending on measures towards well-being of employees and workers- cost incurred as a % of total revenue of the Company. 2. Details of safety related incidents for employees and workers (including contract-workforce) a) Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) b) No. of fatalities
6	Principle 5 – E3 (b) Principle 5 – E7	Enabling Gender Diversity in Business	1. Gross wages paid to females as a % of wages paid 2. Complaints on POSH a) Total Complaints on Sexual Harassment (POSH) reported. b) Complaints on POSH as a % of female employees / workers c) Complaints on POSH upheld

Sr. No.	Principle / Indicator Reference	Attribute	Parameters (KPIs) Assured
Section C: Principle [P] Wise Performance Disclosures- Essential Indicators [E]			
7	Principle 8 – E4 Principle 8 – E5	Enabling Inclusive Development	1. Input material sourced from following sources as % of total purchases –Directly sourced from MSMEs/ small producers and from within India. 2. Job creation in smaller towns- wages paid to people employed in smaller towns (permanent or non-permanent/on contract) as % of total wage cost
8	Principle 9 – E7 Principle 1 – E8	Fairness in Engaging with Customers and Suppliers	1. Instances involving loss/ breach of data of customers as a percentage of total data breaches or cyber security events. 2. Number of days of accounts payable
9	Principle 1 – E9	Open-ness of Business	1. Concentration of purchases & sales done with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties a) Purchases from trading houses as % of total purchases b) Number of trading houses where purchases are made from c) Purchases from top 10 trading houses as % of total purchases from trading houses d) Sales to dealers / distributors as % of total sales e) Number of dealers / distributors to whom sales are made f) Sales to top 10 dealers / distributors as % of total sales to dealers / distributors 2. Share of RPTs (as respective %age) in a) Purchases b) Sales c) Loans & advances d) Investments