

25<sup>th</sup> June 2026

To,

**BSE Limited (Scrip Code: 532720)**

Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai - 400 001.

**National Stock Exchange of India Ltd. (Symbol: M&MFIN)**

Exchange Plaza, 5<sup>th</sup> Floor, Plot No. C/1, "G" Block,  
Bandra - Kurla Complex, Bandra (East),  
Mumbai - 400 051.

Dear Sir/ Madam,

**Sub: Business Responsibility and Sustainability Report for FY 2025-26 pursuant to Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")**

In compliance with Regulation 34(2)(f) of the Listing Regulations, please find enclosed the Business Responsibility and Sustainability Report ("BRSR") for FY 2025-26 which forms part of the Integrated Annual Report of the Company for the FY 2025-26.

The Company has obtained reasonable assurance on BRSR Core and limited assurance on BRSR non-Core parameters including essential and leadership indicators and all disclosures made thereunder, from an independent assurance provider, in accordance with "International Standard on Assurance Engagements (ISAE) 3000 (Revised) and ISAE 3410, which forms part of the report. The BRSR report is also being filed in XBRL mode as required.

We request you to take the same on record.

Thanking you,

**For Mahindra & Mahindra Financial Services Limited**

**Brijbala Batwal**

Company Secretary

FCS No.: 5220

*Enclosure: as above*

# Business Responsibility & Sustainability Report

## Section A: GENERAL DISCLOSURES

### I Details of the listed entity

<b>1</b>	Corporate Identity Number (CIN) of the Listed Entity	L65921MH1991PLC059642								
<b>2</b>	Name of the Listed Entity	Mahindra & Mahindra Financial Services Limited (MMFSL)								
<b>3</b>	Year of incorporation	1991								
<b>4</b>	Registered office address	Gateway Building, Apollo Bunder, Mumbai, 400-001 India								
<b>5</b>	Corporate address	Mahindra Towers, 3 <sup>rd</sup> Floor, Dr. G. M. Bhosale Marg, Worli, Mumbai 400-018 India								
<b>6</b>	E-mail	<a href="mailto:sustainability@mahindrafinance.com">sustainability@mahindrafinance.com</a> (for matters related to BRSR)								
<b>7</b>	Telephone	+91 22 66526000/+9122 66523500								
<b>8</b>	Website	<a href="http://www.mahindrafinance.com">www.mahindrafinance.com</a>								
<b>9</b>	Financial year for which reporting is being done	FY2026								
<b>10</b>	Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange of India Limited								
<b>11</b>	Paid-up Capital	277.91 INR Cr.								
<b>12</b>	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	<table border="1"> <thead> <tr> <th>Particulars</th> <th>Details</th> </tr> </thead> <tbody> <tr> <td>Name</td> <td>Mr. Anupreet Anand</td> </tr> <tr> <td>Designation</td> <td>Head of Sustainability</td> </tr> <tr> <td>In case of any BRSR query</td> <td><a href="mailto:sustainability@mahindrafinance.com">sustainability@mahindrafinance.com</a></td> </tr> </tbody> </table>	Particulars	Details	Name	Mr. Anupreet Anand	Designation	Head of Sustainability	In case of any BRSR query	<a href="mailto:sustainability@mahindrafinance.com">sustainability@mahindrafinance.com</a>
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Name	Mr. Anupreet Anand									
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In case of any BRSR query	<a href="mailto:sustainability@mahindrafinance.com">sustainability@mahindrafinance.com</a>									
<b>13</b>	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)	Report disclosures made on a standalone basis i.e. 1348 office of MMFSL across India								
<b>14</b>	Name of assessment or assurance provider	SGS India Private Limited								
<b>15</b>	Type of assessment or assurance obtained	<ul style="list-style-type: none"> <li>Non-Core Indicators - Limited Assurance</li> <li>Core Indicators - Reasonable Assurance*</li> </ul>								

**Note (\*):** In accordance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations 2025, the requirement for assurance was replaced with "assessment or assurance of the specified parameter". For the BRSR FY2026 report, Mahindra Finance has continued with the original SEBI obligation of Reasonable Assurance for core indicators and a Limited Assurance for non-core indicators, going beyond the regulatory mandate.

## II Products/Services

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Financial and insurance Service	Financial and Credit leasing activities	91.24%
2	Financial and insurance Service	Other financial activities	8.76%

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

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Financial Service	64920	91.24%

## III Operations

**18** a. No. of locations where plants and/or operations/offices of the entity are situated:

Location	No. of plants	No. of offices
National	NA	1,348 locations as on 31 <sup>st</sup> March 2026
International	NA	The Company operates through its Joint Venture (JV) Company Mahindra Finance USA LLC, in United States and through its subsidiary company Mahindra Ideal Finance Limited, in Sri Lanka.  Note: The above companies are not within the purview of this BRSR.

**19** Markets served by the entity

a. No. of Locations

Location	Number
National (No. of States)	27
Union Territories	7
International (No. of Countries)	NA

Note: MMFSL has two facilities in Sri Lanka and USA but the same are not within the boundary conditions defined for BRSR

b. What is the contribution of exports as a percentage of the total turnover of the entity? There were no exports during FY2026; hence the contribution of exports to total turnover is zero.

c. A brief on types of customers Mahindra Finance serves a broad and diverse customer base, primarily located across rural and semi-urban India. The Company offers a comprehensive range of financing and investment solutions designed to meet the specific needs of individuals, entrepreneurs, and businesses in these regions.

## IV Employees

**20** Details as at the end of Financial Year:

**a** Employees and workers (Excluding differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<b>Employees</b>						
	Permanent (D)	22,637	21,301	94.10%	1,336	5.90%
	Other than Permanent (E)	4,480	4,044	90.27%	436	9.73%
	<b>Total employees (D + E)</b>	<b>27,117</b>	<b>25,345</b>	<b>93.47%</b>	<b>1,772</b>	<b>6.54%</b>
<b>Workers</b>						
	Permanent (F)					
	Other than Permanent (G)			NA		
	<b>Total workers (F + G)</b>					

**b** Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<b>Differently-abled Employees</b>						
	Permanent (D)	33	29	87.88%	4	12.12%
	Other than Permanent (E)	0	0	-	0	-
	<b>Total employees (D + E)</b>	<b>33</b>	<b>29</b>	<b>87.88%</b>	<b>4</b>	<b>12.12%</b>
<b>Differently-abled Workers</b>						
	Permanent (F)					
	Other than Permanent (F)			NA		
	<b>Total employees (F + G)</b>					

**Note:** As a service-sector entity, Mahindra Finance does not hire any “workers” as defined under the BRSR framework.

**21** Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	10	2	20.00%
Key Management Personnel	3	1	33.33%

**Note:** Managing Director & CEO has been included in both the “Board of Directors” and Key Management Person (KMP) categorisation in table above.

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

Category	FY (2025-26) (Turnover rate in current FY)			FY (2024-25) (Turnover rate in previous FY)			FY (2023-24) (Turnover rate in the year prior previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	25.50%	26.28%	25.55%	31.92%	26.21%	30.97%	26.78%	19.62%	26.45%
Permanent Workers	NA								

**V Holding, Subsidiary and Associate Companies (including joint ventures)**
**23** Names of holding/subsidiary/associate companies/joint ventures

S. No.	Name of the holding/subsidiary/associate companies/joint ventures (A)	Indicate whether holding/Subsidiary/Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Mahindra & Mahindra Limited (M&M)	Holding	52.49	Yes*
2	Mahindra Insurance Brokers Limited (MIBL)	Subsidiary	100	No
3	Mahindra Rural Housing Finance Limited (MRHFL)	Subsidiary	98.43	No
4	Mahindra Manulife Investment Management Private Limited (MMIPL)	Subsidiary	51	No
5	Mahindra Manulife Trustee Private Limited (MMTPL)	Subsidiary	51	No
6	Mahindra Finance CSR Foundation	Subsidiary	100	No
7	Mahindra Ideal Finance Limited (Sri Lanka)	Subsidiary	58.20	No
8	Mahindra Finance USA LLC	Joint Venture	49	No

**Note:**

(\*) Mahindra & Mahindra Limited has established policies and procedures across Business Responsibility initiatives that apply to its group companies. Mahindra finance has developed policies and procedures covering the 9 principles of NGRBC including (eg. Human Rights, Corporate governance and Sustainability) in alignment with Mahindra & Mahindra limited established framework.

**VI CSR Details**
**24**

a	Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)	Yes
b	Turnover (in ₹)	18,445.59 INR Cr.
c	Net worth (in ₹)	24,758.70 INR Cr.

## 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/NA) (If yes, then provide web-link for grievance redress policy)	FY (2025-26) (Current Financial Year)			FY (2024-25) (Previous Financial Year)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	0	0	-	0	0	-
Investors (other than shareholders)	Yes	3	0	-	0	0	-
Shareholders	Yes	3	0	-	1	0	-
Employees & Workers	Yes	0	0	-	1	0	-
Customers	Yes	52,574	911	-	43,174	3,555	-
Value Chain Partners	Yes	0	0	-	0	0	-
Others [Please specify]	-	-	-	-	-	-	-

All relevant policies can be accessed via below links:

<https://www.mahindrafinance.com/about-us/policies>

<https://www.mahindrafinance.com/investor-relations/policy-and-shareholder-information#mmfsl-policies>

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

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

S. No.	Material issue identified	Indicate whether risk 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	Emissions and Climate Change	Risk & Opportunity	<p><b>Risks</b></p> <ul style="list-style-type: none"> <li>Climate Change poses significant operational, reputational and financial risks especially for financial institutions with deep rural and infrastructure linkages.</li> <li>Increased probability of climate hazards can directly affect the Company operations through damage to pan-India offices and increased chances of defaults/non-performing assets in the portfolio.</li> </ul>	<ul style="list-style-type: none"> <li>Declared scope emission reductions targets with Science Based Targets Initiative (SBTi) in FY2023 and implemented energy efficiency technology (BLDC fans, 5* rated air conditioners, L.E.D. lights) and green tariff programs to reduce Scope 2 emissions.</li> <li>Development of specific actions related to Scope 1 reduction including decarbonization targets at high-emitting sites, transition towards electric vehicles for company-provided vehicles and move towards environmentally friendly refrigerants.</li> </ul>	Negative and Positive

S. 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)
			<ul style="list-style-type: none"> <li>Climate change has an indirect effect on the finances of the business through increased energy demand and investment into climate resilient infrastructure.</li> </ul> <p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>Increased availability of cheaper and safer technology for energy efficiency in response to climate change trends reduces the financial burden on companies for heating and cooling solutions.</li> <li>Changing consumer demands for financial services and government concessions for green technologies, open the market for alternative technologies and diversified financial solutions.</li> </ul>	<ul style="list-style-type: none"> <li>Sustainable operations initiatives including EV integration in Vehicle Policy, transition to CPCB II/IV-compliant DG sets, DG set usage monitoring, and gradual adoption of UPS battery systems.</li> <li>Progressive increase of green energy consumption where feasible.</li> <li>Focus on reduction of emissions in the value chain through 100% recycling of waste streams and switch towards recycled paper in Company offices.</li> <li>Increased focus on afforestation programs in CSR and pro-bono initiatives to contribute towards green cover and ecosystem restoration.</li> </ul>	
2	Human Capital	Risk & Opportunity	<p><b>Risks</b></p> <ul style="list-style-type: none"> <li>A lack of skilled talent or high attrition rate can hinder the Company's ability to execute the business strategy effectively.</li> <li>Inadequate training, limited career growth opportunities or disengagement can reduce productivity and employee morale that impacts service quality and operational efficiency.</li> </ul> <p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>Investing in human capital development through upskilling, continuous learning and leadership pipelines ensures that employees possess the right capabilities to support the Company's growth.</li> <li>Diverse and skilled workforce promotes innovation and creativity in the workplace that makes the Company more resilient and dynamic to changing trends in the industry.</li> <li>A thriving, safe and inclusive work environment enhances employee satisfaction and retention.</li> </ul>	<ul style="list-style-type: none"> <li>Skill-building across teams (e.g., Crisis Management, Emotional Intelligence, Advanced Excel, Digital Onboarding).</li> <li>Two-day induction with mandatory policy modules.</li> <li>Partnership with ALYVE Health for mental wellbeing (EAP, check-ups, consultations).</li> <li>Inclusive workplace practices strengthened through flexible work options, parental support benefits, maternity and paternity coverage, menstrual wellness initiatives, and childcare support mechanisms.</li> </ul>	Negative and Positive



S. 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)
3	Diversity, Equity & Inclusion	Opportunity	<p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>Fostering equity and belonging improves workplace culture and strengthens the Company's social reputation.</li> <li>Diverse backgrounds promote innovation and better understanding of customer needs that overall contributes to Company's resilience and dynamism to changing trends in the industry.</li> <li>Localized knowledge of communities can improve the customer interaction and operational efficiency.</li> </ul>	<ul style="list-style-type: none"> <li>"PRARAMBH" Train-and-Employ programme implemented to strengthen women hiring through targeted training and placement support.</li> <li>Second-career hiring initiatives introduced to support women re-entering the workforce.</li> <li>Employee wellbeing supported through flexible work policies, parental and maternity benefits, menstrual wellness initiatives, and childcare support.</li> <li>Inclusion strengthened through employee resource groups, awareness programmes, and sensitisation sessions on unconscious bias and psychological safety.</li> <li>The women employee representation has increased from 3.7% in FY2023 to 5.9% in FY2026.</li> </ul>	Positive
4	Customer Well-being	Risk & Opportunity	<p><b>Risks</b></p> <ul style="list-style-type: none"> <li>Poor customer experience can negatively affect operations and reputation of the Company.</li> </ul> <p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>Good customer service keeps the channels open to customer feedback and continuous improvement of operational efficiency and service delivery.</li> </ul>	<ul style="list-style-type: none"> <li>365-day customer call centre (except national holidays), operating from 8 AM to 10 PM in 10 languages.</li> <li>Centralised resolution team for credit bureau-related concerns.</li> <li>Customer experience monitored through Customer Satisfaction Scores (CSAT) and Net Promoter Score (NPS) frameworks.</li> <li>CSAT insights analysed across geographies, gender, and products to drive service improvements.</li> <li>Query Request Complaints &amp; Feedback (QRCF) framework established to manage customer queries, requests, complaints, and feedback across the customer lifecycle.</li> <li>Behavioural training for staff to strengthen customer interaction and query resolution.</li> </ul>	Negative and Positive

S. 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)
5	Business Ethics	Risk & Opportunity	<p><b>Risks</b></p> <ul style="list-style-type: none"> <li>Poor Board governance can result in low standardisation of procedures and lack of accountability that could increase the chances of ethical and regulatory issues.</li> </ul> <p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>Strong Business ethics practices foster stakeholder trust and drives responsible growth.</li> </ul>	<ul style="list-style-type: none"> <li>Defined Board-approved policies for anti-fraud, antibribery, anti-corruption, conflict of interest, whistleblowers and anti-money laundering that are communicated regularly including through mandatory annual training modules for all employees.</li> <li>Structured Board Committees on key topics including risk, audits and stakeholder relationships.</li> <li>98% of the employees received training covering all 9 NGRBC principles, including ethics and transparency</li> <li>Establishment of fraud control units, for proactive fraud detection and prevention.</li> <li>90+% employees have provided an undertaking/annual compliance to Code of Conduct to showcase their alignment with the Mahindra Finance principles on Business Ethics in reporting period</li> </ul>	Negative
6	Board Governance	Risk & Opportunity	<p><b>Risks</b></p> <ul style="list-style-type: none"> <li>Poor Board governance can result in low standardisation of procedures and lack of accountability that could increase the chances of ethical and regulatory issues.</li> </ul> <p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>Robust and transparent governance practices foster stakeholder trust, ensure regulatory compliance and drives responsible growth.</li> <li>Well-governed organizations are better equipped to navigate risks, capitalize on opportunities and align their actions with broader societal and environmental expectations.</li> </ul>	<ul style="list-style-type: none"> <li>Board subcommittees on key areas such as risk management, stakeholder relationship, remuneration, strategic investments, CSR and audits.</li> <li>Board-approved policies with clear definition of responsibilities and accountability. The policies are reviewed annually to ensure appropriate updation and continuous improvement.</li> <li>The use of townhalls and other fora to ensure communication between CXOs and the larger workforce on key topics that are material to day-to-day operations.</li> </ul>	Negative and Positive



S. 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)
7	Risk & Control System	Risk	<p><b>Risks</b></p> <ul style="list-style-type: none"> <li>Inability of the Company to identify or manage key risks that can affect the business and stakeholders.</li> <li>Updation of the Company's systems and processes to manage emerging risks</li> <li>Inability to manage cash flows and resources due to unexpected events such as, climate hazards, cybersecurity breaches, and global events (e.g. wars/pandemics).</li> </ul>	<ul style="list-style-type: none"> <li>Risk management strategies related to credit risk, liquidity risk, interest rate risk, business risk, operational risk, compliance risk, information technology risk, human capital risk, market risk and climate risk have been developed.</li> <li>Business Continuity Plan covering a wide variety of unexpected events and actions that can be undertaken to reduce the impact from such events.</li> <li>Internal Capacity Adequacy and Assessment Process (ICAAP) for evaluation of 18 key risk parameters on a quarterly basis and to determine efficacy of risk management processes.</li> <li>Climate vulnerability assessments conducted for select geographies</li> <li>Audit, risk management and steering Board sub-committees evaluates and discusses key risks and their preventive controls on a sub annual basis.</li> </ul>	Negative
8	Responsible Products and Services	Opportunity	<p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>Mahindra Finance aims to contribute to India's growth in the rural and semi-urban sector.</li> <li>The financial products of Mahindra Finance are aligned to India's development indices including access to transportation, access to housing, farming and agriculture and financial options for micro, small and medium enterprises.</li> <li>The Mahindra Finance subsidiary - Mahindra Rural Housing Finance Limited (MRHFL) caters to an affordable housing customer base.</li> <li>Mahindra Finance has ventured into Electric Vehicle (EV) financing and is collaborating with Mahindra Group on the Electric wheeler financing.</li> </ul>	<ul style="list-style-type: none"> <li>Progress towards offering structured products aligned towards financial inclusion and resilience building of the markets served by the Company.</li> </ul>	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

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

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9	
<b>Policy and management processes</b>										
<b>1</b>	a.	Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No/NA)	Yes, MMFSL has policies covering all the 9 principles and the core elements of the NGRBCs.  The alignment with the 9 principles can be found in the Fair Practice Code, Customer Grievance Redressal Policy, Aadhaar Privacy Policy, Investor Grievance Redressal Framework, Gift and Entertainment Policy, Remuneration Policy, POSH Policy, Internal Guidelines on Corporate Governance, Anti-Bribery and Anti-Corruption Policy, Code for Independent Directors, Code of Conduct for Board of Directors, Whistle Blower Policy and Corporate Social Responsibility policy.							
	b.	Has the policy been approved by the Board? (Yes/No/NA)	Yes							
	c.	Web Link of the Policies, if available	The policies that cover the 9 principles can be found here <a href="https://www.mahindrafinance.com/investor-relations/policy-and-shareholder-information">https://www.mahindrafinance.com/investor-relations/policy-and-shareholder-information</a>							
<b>2</b>		Whether the entity has translated the policy into procedures. (Yes/No/NA)	Yes							
<b>3</b>		Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes, key aspects of the policies are defined within the terms and conditions of the purchase order for vendor services and compliance to the same are reviewed during vendor onboarding and periodic assessment.							
<b>4</b>		Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	<p><b>The Company adheres to globally recognized standards and frameworks, including:</b></p> <ul style="list-style-type: none"> <li>• UN Guiding Principles on Business and Human Rights (UNGPs)</li> <li>• UN Sustainable Development Goals (SDGs)</li> <li>• Core Conventions of the International Labour Organization (ILO)</li> <li>• OECD Guidelines for Multinational Enterprises</li> <li>• UN Global Compact (UNGC)</li> </ul> <p><b>ESG performance is reported in alignment with:</b></p> <ul style="list-style-type: none"> <li>• Global Reporting Initiative (GRI) Standards</li> <li>• Integrated Reporting &lt;IR&gt; Framework</li> <li>• Sustainability Accounting Standards Board (SASB)</li> </ul>							
<b>5</b>		Specific commitments, goals and targets set by the entity with defined timelines, if any.	MMFSL has developed a sustainability roadmap across parameters. The declared goals and targets have been summarized below:							

6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Specific commitment, goal and target	Progress against the commitment, goal and target
	<p>Scope 1 and Scope 2 emission reduction of 50.4% declared with Science Based Targets Initiative (SBTi) to be met by FY2032 compared to baseline values determined in FY2023.</p> <p>Note: The above targets are for Mahindra Finance and its two subsidiaries - MRHFL and MIBL.</p>	<p><b>Scope 1 Emissions</b></p> <ul style="list-style-type: none"> <li>• Scope 1 emissions for Mahindra Finance as defined for the FY2023 baseline is 2008.19 tCO<sub>2</sub>e.</li> <li>• In FY2026, the scope 1 emission numbers for Mahindra Finance using the same criteria defined in FY2023 is 3,679.35 tCO<sub>2</sub>e.</li> <li>• The scope 1 emissions have therefore increased by 83% since FY2023 but there has been a negligible change in Scope 1 between FY2025 and FY2026.</li> <li>• The increase is driven by higher employee uptake of car reimbursements over the past three years and an updated FY2025 Scope 1 methodology that includes additional data points versus the FY2023 baseline. While Mahindra Finance shows a year-on-year rise in Scope 1 emissions, overall emissions across all three entities declined due to a 60%+ reduction in MRHFL emissions from employee-availed vehicles.</li> </ul> <p><b>Scope 2 Emissions</b></p> <ul style="list-style-type: none"> <li>• Scope 2 emissions for Mahindra Finance as defined for the FY2023 baseline is 16,038 tCO<sub>2</sub>e.</li> <li>• In FY2026, the scope 2 emission number for Mahindra Finance is 11,545.23 tCO<sub>2</sub>e.</li> <li>• The scope 2 emissions have therefore reduced by 18% since FY2023 and 12% between FY2025 and FY2026.</li> </ul>	
	<p>Scope 3 emission reduction of 58.1% per employee declared with SBTi to be met by FY2032 compared to baseline values determine in FY2023.</p> <p>Note: The above targets are for Mahindra Finance and its two subsidiaries - MRHFL and MIBL.</p>	<ul style="list-style-type: none"> <li>• Scope 3 emissions for Mahindra Finance were defined in FY2023 baseline as 0.558 (tCO<sub>2</sub>e per capita) consisting of Category 1 ("Purchased Goods and Services"), Category 5 ("Waste Generated in Operations") and Category 6 ("Business Travel").</li> <li>• In FY2026, scope 3 emissions for Mahindra Finance for the same Scope 3 categories is 0.318 (tCO<sub>2</sub>e per capita).</li> <li>• The scope 3 emissions has therefore reduced by 43% compared to baseline values</li> </ul>	
	<p>100% recycling of waste streams declared in FY2024 Integrated Report (IR) in compliance with various waste rules released by the Central Pollution Control Board (CPCB)</p>	<ul style="list-style-type: none"> <li>• Target was met in FY2025 and FY2026.</li> </ul>	

**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)

Mahindra Finance has adopted a process-driven framework by integrating Environment, Social and Governance (ESG) principles into the business in FY2026. The E&S governance structures have been strengthened through 18 ESG and Climate risk parameters integrated in the Internal Capacity Adequacy Assessment Process (ICAAP), modification of the terms of reference for the CSR board sub-committee to review ESG culture of the organisation and professional membership to the UN Global Compact (UNGC). The materiality assessment was undertaken at the end of FY2025 that identifies 8 material topics and aligns it with ESG pillars:

- **Environment Pillar:** Emissions and Climate Change and Responsible Products and Services
- **Social Pillar:** Human Capital, Diversity, Equity & Inclusion and Customer Well-being
- **Governance Pillar:** Corporate Governance, Business Ethics and Risk & Control Systems.

The key E&S achievements for FY2026 have been summarised below:

- **Scope Emission Targets:** A reduction of 4% in absolute scope emissions (Scope 1-3) was observed year-on-year with a significant reduction in Scope 2 (10%) and Scope 3 (13%) emissions.
- **Electricity Consumption:** Reduction of 10% grid-based electricity consumed compared to the previous financial year supported by ~684 GJ of energy saved through implementation of energy-efficient equipment and 3,700+ GJ increase in renewable energy procured.
- **Diversity & Inclusion:** Concerted diversity efforts to improve gender representation and creating a more inclusive culture.

As the ESG disclosure, ratings, and regulatory landscape matures in India, the Company reaffirms its commitment to its sustainability vision and implementation of sustainability initiatives.

**8** Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).

Mr. Raul Rebello (Managing Director & Chief Executive Officer, MMFSL) is the highest authority responsible for oversight on business responsibility across the Company.

**9** Does the entity have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes/No/NA). If yes, provide details.

The Corporate Social Responsibility (CSR) Board Sub-Committee oversees governance and strategic alignment with the Company's sustainability objectives and comprises four directors, including three independent directors and managing director.

The specific responsibilities of the CSR committee under its Terms of Reference ("ToR") includes:

- Approval of formulated policies and procedures related to ESG performance and BRSR.
- Discuss the overall general strategy with respect to ESG matters and ensure compliance with sustainability regulatory requirements.
- Align with the Risk Management Committee (RMC) on ESG risks pertaining to the Company.

**10** Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee									Frequency (Annually/Half yearly/Quarterly/Any other - please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Performance against above policies and follow up action	Relevant policies of the Company are reviewed annually by the Board/designated Board level committees.																
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company ensures compliance with all applicable statutory requirements. Various board-level and management-level committees have been constituted, which meet periodically to monitor compliance objectives and review performance.																	

	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>11</b> Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	No								

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

Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)					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				
The entity does not have the financial or/human and technical resources available for the task (Yes/No)					NA				
It is planned to be done in the next financial year (Yes/No)					NA				
Any other reason (please specify)					NA				

**Section C: PRINCIPLE WISE PERFORMANCE DISCLOSURE**

**P1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable**

**ESSENTIAL INDICATORS**

- 1 Percentage coverage by training and awareness 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	% of persons in respective category covered by the awareness programmes
Board of Directors	3	Director Familiarisation*, Awareness on Cyber Security and SEBI (Prohibition of Insider Trading) Regulations.	100%
Key Managerial Personnel	10	Code of Conduct, Anti Bribery Anti-Corruption, Prevention of Sexual Harassment, Fair Practice Code, Operational Risk Management, AML-KYC, Cyber Security, Business Responsibility & Sustainability Reporting, Business Continuity Planning, Annual Compliance	33.33%
Employees other than BoD and KMPs	10		98.24%
Workers	NA	NA	NA

**Note (\*)** The Director familiarisation includes briefing to the Board on overview of the 9 NGRBC Principles including Internal Controls, Related Party Transactions and Risk Management, details of which can be accessed on <https://www.mahindrafinance.com/investor-relations/policy-and-shareholder-information#familiarization-program>

- 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**

Category	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine*	NGRBC 1	The Reserve Bank of India (“RBI”)	₹ 71.30 Lakhs	Penalty levied for non-adherence to certain provisions in relation to the Fair Practice Code (“FPC”) and KYC norms [Order dated 25 April 2025]	No
	NGRBC 1, 3	RBI	₹ 11.50 Lakhs	Penalty levied for non-adherence of certain provisions under ‘FPC and ‘Internal Ombudsman’ [Order dated 27 Feb 2026]	No
Settlement				Nil	
Compounding fee				Nil	

**Note\*:** The Company has implemented corrective actions including strengthening of grievance redressal processes and controls to ensure compliances.

Details of penalties levied by other regulators can be accessed on the website of stock exchanges, in the integrated corporate governance report filed by the Company and on the Company’s website at <https://www.mahindrafinance.com/investor-relations/regulatory-filings>.

**Non-Monetary**

Category	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment				Nil	
Punishment				Nil	

**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

The Company has filed appeals, where necessary and expects favourable outcome at the appellate level. The Company does not reasonably expect the said Orders to have any material financial impact on the operations of the Company.

**4** Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes. MMFSL practices a zero-tolerance approach to bribery and corruption and is committed to conducting all business dealings and relationships in a professional and fair manner. The Company is dedicated to implementing and enforcing effective systems to counter bribery and corruption in any form.

ABAC Policy: <https://www.mahindrafinance.com/about-us/policies>

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

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

**6** Details of complaints with regard to conflict of interest

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

- 7** Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest. Not Applicable; as there are nil cases of corruption and conflicts of interest during the reporting period.

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

	FY (2025-26) (Current Financial Year)	FY (2024-25) (Previous Financial Year)
Number of days of Accounts payables	57	49

- 9** Open-ness of business

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

Parameter	Metrics	FY (2025-26) (Current Financial Year)	FY (2024-25) (Previous Financial Year)
Concentration of Purchases	a) Purchases from trading houses as % of total purchases	NA	NA
	b) Number of trading houses where purchases are made	NA	NA
	c) Purchases from top 10 trading houses as % of total purchases from trading houses	NA	NA
Concentration of Sales	a) Sales to dealer/distributors as % of total sales	NA	NA
	b) Number of dealers/distributors to whom sales are made	NA	NA
	c) Sales to top 10 dealers/distributors as % of total sales to dealer/distributors	NA	NA
Share of RPTs in	a) Purchases (Purchases with related parties as % of Total Purchases)	39.00%	37.51%
	b) Sales (Sales to related parties as % of Total Sales)	4.00%	0.45%
	c) Loans & advances given to related parties as % of Total loans & advances	0	0
	d) Investments in related parties as % of Total Investments made	22.00%	14.42%

**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	% of value chain partners covered (by value of business done with such partners) under the awareness programmes
20	<ul style="list-style-type: none"> <li>Principle 1 (Code of Conduct-Ethics, Transparency, and Accountability)</li> <li>Principal 2 (Safe and Sustainable Goods and Services)</li> <li>Principal 3 (Well-being)</li> <li>Principal 5 (Human Rights)</li> <li>Principle 6 (Protect and Restore the Environment)</li> </ul>	27% of major value chain partners

**Note:** Major value chain partners have been defined for the purpose of the BRSR as vendors who provide a material goods and services to the Company (i.e. defined by a minimum threshold in terms of goods/services sold), criticality of the business (where the vendor’s services are critical and irreplaceable in the context of MMFSL operations) and/or operational disruption (where the vendor’s services can result in a temporary disruption in the MMFSL operations).

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

Mahindra Finance has defined a code for independent directors that is aligned with section 149 (8) of the Companies Act 2013. The code includes specific clauses on ethical standards of integrity and probity and acting objectively and constructively while exercising duties.

**P2 Businesses should provide goods and services in a manner that is sustainable and safe**

**ESSENTIAL INDICATORS**

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

Category	FY (2025-26) (Current Financial Year)	FY (2024-25) (Previous Financial Year)	Details of improvements in environmental and social impacts
R&D	-	-	
Capex	9%	4%	<ul style="list-style-type: none"> <li>Replacement of old air-conditioners with 5-star BEE rated machine</li> <li>Implementation of recycled materials in Modular Furniture</li> <li>Implementation of Brushless DC motor (BLDC) fans to improve energy efficiency</li> </ul>

**Note:** The capex investment made by the Entity for the purpose of this question includes Company-owned vehicles, employee-availed vehicles, office furniture, furnishings and equipment.

<p><b>2</b> a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)</p>	<p>Sustainable sourcing at MMFSL is achieved through two key mechanisms:</p> <p><b>1) Working with Responsible Suppliers</b></p> <p>Working with suppliers who are providing responsible and/or sustainable products and services to Mahindra Finance:</p> <ul style="list-style-type: none"> <li>Alternative energy technologies have been implemented across offices, with HVAC systems transitioning to lower global warming potential (GWP) and ozone depleting substance (ODS) alternatives like R32 gas.</li> <li>Wheat-based paper was introduced at the corporate office in FY2024 for operational use and has continued in successive years.</li> </ul> <p><b>2) Sustainable Supply Chain Management</b></p> <ul style="list-style-type: none"> <li>All new vendors are assessed for reputational risk and legal compliance, with Environmental &amp; Social (E&amp;S) requirements embedded in onboarding documentation and purchase orders.</li> <li>Vendor assessment including self-certification is completed every year. The most recent evaluation of select major vendors was completed in FY2026 on a prioritization basis. The vendor evaluation is undertaken with respect to alignment to MMFSL's safety criteria, legal compliance and labour practices.</li> <li>As part of MMFSL's UN Global Compact membership, a Human Rights Due Diligence (HRDD) exercise was carried out in FY2025, assessing supply chain alignment with Indian labour laws and international standards, including OECD Guidelines, ILO Declaration, and international human rights covenants.</li> </ul>
<p>b. If yes, what percentage of inputs were sourced sustainably?</p>	<p>In FY2026, 27% of major vendors provided sustainable products as defined in S.No. 1 above. The remaining vendors have E&amp;S clauses that are defined in the Product Order (PO) and/or Service-level Agreement (SLA).</p>
<p><b>3</b> Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for:</p>	
<p>a. Plastics (including packaging)</p>	
<p>b. E-waste</p>	<p>As a service-sector organization engaged in financial services, Mahindra Finance does not manufacture physical products or engage in large-scale packaging.</p>
<p>c. Hazardous waste</p>	
<p>d. Other waste</p>	
<p><b>4</b> Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.</p> <p style="text-align: right;">NA</p>	

**Note:** As a responsible business, MMFSL has evaluated the end-of-life process for its loan portfolio and primarily the management of battery and tyre waste. In the case of MMFSL loans, the automobile financing business does repossess vehicles that are collateral for non-performing assets. The repossessed vehicles are auctioned and therefore no end-of-life components are stored or disposed/recycled by the Company.



**LEADERSHIP INDICATORS**

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

S. No.	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.
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Limited Applicability

As a financial services provider, Mahindra Finance does not manufacture or distribute physical products. As part of embedding a Life Cycle Perspective into its lending operations, the following ESG considerations have been incorporated into the credit risk assessment process:

- An **exclusion list** for high-risk sectors and activities.
- Ongoing **monitoring of operational portfolio risks** to identify and manage any potential environmental and social (E&S) impacts arising from financed activities.

**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.

Name of Product/Service	Description of the risk/concern	Action Taken
NA		

**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)

Indicate input material	Recycled or re-used input material to total material	
	FY (2025-26) (Current Financial Year)	FY (2024-25) (Previous Financial Year)
NA	NA	NA

**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:

Category	FY (2025-26) (Current Financial Year)			FY (2024-25) (Previous Financial Year)		
	Reused	Recycled	Safely Disposed	Reused	Recycled	Safely Disposed
Plastics (including packaging)	Not applicable as MMFSL is a financial services company hence it does not manufacture any products.			Not applicable as MMFSL is a financial services company hence it does not manufacture any products.		
E-waste						
Hazardous waste						
Other waste						

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

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Nil	Nil

**P3 Businesses should respect and promote the well-being of all employees, including those in their value chains**

**ESSENTIAL INDICATORS**

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

Category	Total (A)	% of employees covered by									
		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)
<b>Permanent Employees</b>											
Male	21,339	21,339	100%	21,339	100%	NA	NA	21,339	100%	18,619	87%
Female	1,331	1,331	100%	1,331	100%	1,331	100%	NA	NA	1,245	94%
Other						NA					
<b>Total</b>	<b>22,670</b>	<b>22,670</b>	<b>100%</b>	<b>22,670</b>	<b>100%</b>	<b>1,331</b>	<b>100%</b>	<b>21,339</b>	<b>100%</b>	<b>19,864</b>	<b>88%</b>
<b>Other than Permanent Employees</b>											
Male	4,044	4,044	100%	3,310	82%	NA	NA				
Female	436	436	100%	89	20%	436	100%				
Other				NA				NA		NA	
<b>Total</b>	<b>4,480</b>	<b>4,480</b>	<b>100%</b>	<b>3,399</b>	<b>76%</b>	<b>436</b>	<b>100%</b>				

**Note:** The details of well-being coverage among “Permanent” and “Other than Permanent Employees” differs from the employee numbers provided in Section A, Question No. 20 [“Employees and Workers” at the end of Financial Year] because this section covers all employees that were eligible for the well-being measures, including those employees that have separated from the Company prior to the end of the financial year.

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

Category	Total (A)	% of workers covered by									
		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)
<b>Permanent Workers</b>											
Male											
Female											
Other						NA					
<b>Total</b>											
<b>Other than Permanent Workers</b>											
Male											
Female											
Other						NA					
<b>Total</b>											

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

Indicate input material	Recycled or re-used input material to total material	
	FY (2025-26) (Current Financial Year)	FY (2024-25) (Previous Financial Year)
Cost incurred on wellbeing measures as a % of total revenue of the company	0.22%	0.35%

**Note:**

- (1) The spending towards well-being of employees in FY2025 includes spend on insurance, daycare facilities, mental health workshops, long service recognition, festivals, event celebrations, sports leagues and employee surveys.
- (2) In accordance with the National Stock Exchange (NSE) Circular Reference No. NSE/CML/2025/25, the cost incurred for well-being should be restricted to 5 initiatives namely, health insurance, accident insurance, maternity benefits, paternity benefits and day care facilities. As this circular has been released in between the formal disclosure of Mahindra Finance's BRSR for FY2025 and BRSR for FY2026, the requirements of the circular has only been included in the FY2026 column above. The same will result in a discrepancy in calculation methodologies year-on-year.

2 Details of retirement benefits, for Current and Previous FY

Benefits	FY (2025-26) (Current Financial Year)			FY (2024-25) (Previous Financial Year)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total worker	Deducted and deposited with the authority (Y/N/N.A.)
PF	100.00%	NA	Y	100.00%	NA	Y
Gratuity	100.00%	NA	Y	79.77%	NA	Y
ESI	17.83%	NA	Y	17.31%	NA	Y
Others - please specify	-	-	-	-	-	-

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? If not, whether any steps are being taken by the entity in this regard.

Yes, to the extent possible and wherever feasible, Mahindra Finance offices are being made accessible to differently abled employees in alignment with the Rights of Persons with Disabilities Act, 2016.

The following considerations are incorporated, particularly when opening or relocating branches, with a view to being future-ready and inclusive:

- Preference for selecting ground floor locations.
- Assessment of feasibility for installing ramps and railings at ground floor branches.
- Provision of Public Works Department-friendly washrooms, along with accessibility features such as adequate lighting, ventilation, and ergonomic infrastructure.
- Design of branch layouts to enable easy access and passage for persons with disabilities, wherever feasible.

- 4** Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.
- Yes. Mahindra Finance is an Equal Opportunity Employer and is committed to upholding the rights of differently abled individuals in accordance with the Rights of Persons with Disabilities Act, 2016. The Company actively works toward identifying suitable roles and creating specific employment opportunities for persons with disabilities, in both letter and spirit of the Act.
- The Company's approach to equal opportunity and inclusion is detailed in its publicly disclosed Human Rights Policy, available at: <https://www.mahindrafinance.com/about-us/policies>

**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	99.83%	72.54%	NA	NA
Female	38.30%	74.07%	NA	NA
<b>Total</b>	<b>95.24%</b>	<b>72.67%</b>	<b>NA</b>	<b>NA</b>

**Note:** The return to work rate and retention rate has been calculated in accordance with the SEBI guidance and the methodology used is as follows:

- Return to Work Rate: (Total number of employees that did return to work after parental leave x 100)/ Total number of employees due to return to work after taking parental leave.
- Retention Rate: (Total number of employees retained in the end of the FY2026 after returning to work following a period of parental leave in FY2025 x 100)/Total number of employees returning from parental leave in FY2025.

**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 Employees	Yes; explained below
Other than Permanent Employees	Yes; explained below
Permanent Workers	NA
Other than Permanent Workers	

Mahindra Finance has a formal grievance redressal policy for all employees, with a structured three-tier escalation process: concerns are first raised with the Reporting Manager, then escalated to the Reviewing Manager, and finally referred to the Grievance Committee at the Circle or Head Office level. The Head Office Grievance Committee's decision is final.

Additionally, a dedicated Ethics Portal, managed by a third party, allows employees to report concerns anonymously via a 24/7 toll-free number. Each grievance is assigned a unique case number for tracking purposes.

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

Category	FY (2025-26) (Current Financial Year)			FY (2024-25) (Previous Financial Year)		
	Total employees/workers in respective category (A)	No. of employees/workers in respective category, who are part of association(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)
<b>Total Permanent Employees</b>						
Male	NA			NA		
Female						
Other						
Male						
Female						
Other						

The Company does not have any employee associations. The Company fosters a culture of open communication and equal opportunity by enabling employees to directly raise queries with senior management through webcasts, which are actively addressed. Additionally, grievance redressal portals are in place to ensure timely and confidential resolution of employee concerns.

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

Category	FY (2025-26) (Current Financial Year)					FY (2024-25) (Previous Financial Year)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Male	21,499	21,200	98.61%	21,311	99.13	23,895	15,837	66.28	22,345	93.51
Female	1,430	472	33.01%	1,401	97.97	1,366	456	33.38	1,189	87.04
<b>Total</b>	<b>22,929</b>	<b>21,672</b>	<b>94.52%</b>	<b>22,712</b>	<b>99.05</b>	<b>25,261</b>	<b>16,293</b>	<b>64.50</b>	<b>23,534</b>	<b>93.16</b>
<b>Workers</b>										
Male	NA					NA				
Female										
<b>Total</b>										

**Note:** The details of training coverage among "Male" and "Female" employees differs from the employee numbers provided in Section A, Question No. 20 ["Employees and Workers" at the end of Financial Year]. The training modules on health and safety and skill upgradation are undertaken across the year and will therefore include those employees that have separated from the Company prior to the end of the financial year.

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

Category	FY (2025-26) (Current Financial Year)			FY (2024-25) (Previous Financial Year)		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Total Permanent Employees</b>						
Male	21,301	17,110	80.32%	23,895	19,673	82.33%
Female	1,336	1,116	83.53%	1,366	932	68.23%
<b>Total</b>	<b>22,637</b>	<b>18,226</b>	<b>80.51%</b>	<b>25,261</b>	<b>20,605</b>	<b>81.57%</b>
<b>Total Permanent Workers</b>						
Male						
Female		NA			NA	
<b>Total</b>						

**Note:** The details of career development reviews for employees differs from the employee numbers provided in Section A, Question No. 20 [“Employees and Workers” at the end of Financial Year]. Only employees who have completed 6 months in the Company as of March 31, 2026 are eligible for a formal career development review process. Employees who do not complete a formal career development review are still required to have informal discussions with their immediate manager but the same is not captured in the system as a “career development review”.

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

- a Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage such system? Mahindra Finance has an approved Health & Safety Policy. A few established procedures and initiatives conducted in FY2026 include:
- Structured Standard Operating Procedures (SOPs) to ensure the health and safety of employees at their workplaces.
  - Implemented a Train-the-Trainer programme along with dedicated safety training to build awareness on emergency procedures, fire safety, and workplace safety.
  - Emergency response preparedness including dedicated Emergency Response Team (ERT) members, established fire safety infrastructure.
  - Conducted safety audits across 1,189 offices in FY2026.
  - External audits and assessments, including ISO 27001, NIST Maturity Audit and CMS Audit.
  - 24x7 alert-based Command Centre to provide emergency support across all locations.
  - Work Permit System for critical work activities to ensure zero harm at office locations.
- 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 implemented a proactive approach to identify risk through a structured Hazard Identification and Risk Assessment (HIRA) process for work-related hazards across both routine and non-routine activities.

c	Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)	Yes; the Company has established a structured incident reporting and corrective action mechanism, enabling employees to promptly report workplace hazards and incidents for timely resolution.
d	Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/No)	Yes; the head office of Mahindra Finance has an occupational health and safety centre (OHC). Additionally, circle and branch offices have identified nearby medical facilities that can be availed by employees and other than permanent workers. Emergency response contact numbers is displayed on the notice boards in 1300+ office locations.

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

Safety Incident/Number	Category	FY (2025-26) (Current Financial Year)	FY (2024-25) (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	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

**Note (\*):** As defined by Occupational Safety, Health & Working Condition Code, 2025

<b>12</b>	Describe the measures taken by the entity to ensure a safe and healthy workplace.	<p>Mahindra Finance has implemented several initiatives to foster a safe, healthy, and inclusive workplace, such as:</p> <ul style="list-style-type: none"> <li>• Deployment of fire and electrical safety infrastructure across offices.</li> <li>• Workplace safety programs conducted periodically for employees and 95.7 % adherence of employees.</li> <li>• Periodic Internal and external safety audits, to evaluate and strengthen safety.</li> <li>• A Women Safety Ambassador Program with self-defence training to promote safety awareness among female employees.</li> </ul>
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**13 Number of Complaints on the following made by employees and workers:**

Category	FY (2025-26) (Current Financial Year)			FY (2024-25) (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	0	0	0	0
Health & Safety	0	0	0	0	0	0

**14 Assessments for the year:**

Category	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health & Safety Practices	90% of offices assessed
Working Conditions	

**Note:** Regional and branch office supervisors hold additional responsibility for overseeing workplace safety processes and procedures. These professionals periodically assess the safety performance of their respective offices and report key findings to the Environmental Health & Safety (EHS) head.

- 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.
- As of FY2026, no significant risks or safety-related incidents have been identified across MMFSL operations. Accordingly, no corrective actions have been required or undertaken.

**LEADERSHIP INDICATORS**

- 1** Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).
- A. Yes, the Company provides its employees with the Group Term Life Insurance, Personal Accident cover, Employee Deposit Link Insurance (EDLI) and gratuity life cover benefit.
- B. Not Applicable

- 2** Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners
- As outlined under Sustainable Sourcing (Q2 - Essential Indicators, Principle 2), regulatory compliance obligations are embedded within the Purchase Orders (POs) issued to all vendors.

- 3** Provide the number of employees/workers having suffered high consequence work-related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Category	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY (2025-26) (Current Financial Year)	FY (2024-25) (Previous Financial Year)	FY (2025-26) (Current Financial Year)	FY (2024-25) (Previous Financial Year)
Employees	0	0	0	0
Workers	NA	NA	NA	NA

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

Yes;

- The Company provides continued Medclaim coverage for employees at Manager grade and above, along with their spouses, up to the age of 75 years, post-retirement.
  - o Retirement benefits include gratuity (for employees with five or more years of service), leave encashment, settlement of pending salary dues, and extended medical care as applicable.
- While no retrenchment has occurred to date, the Company is committed to responsible separation practices in the event such a step becomes necessary due to unforeseen or unavoidable circumstances.
  - o In such cases, MMFSL will take measures to ensure fair treatment and transitional support for affected employees

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

Category	% of value chain partners (by value of business done with such partners) that were assessed
Health & Safety Practices	50% of the major value chain providers have been assessed in FY2026.
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.

There has been no concern or significant risk arising from health & safety practices and working conditions at the Company, hence, corrective action is not applicable.

**P4 Businesses should respect the interests of and be responsive to all its stakeholders**

**ESSENTIAL INDICATORS**

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

Mahindra Finance interacts with diverse stakeholders on an annual basis through formal and informal channels including communities, employees, customers, regulators, shareholders, investors, lenders and vendors.

Any new stakeholders that are identified in the financial year, are determined through:

- Resolution of customer feedback received through query, requests, complaints and feedback (QRCF) framework.
- Ongoing interactions with communities as part of corporate social responsibility initiatives and third party impact assessment to determine success of these initiatives.
- Annual internal strategy workshop that is undertaken to determine the overall focus for the financial year with respect to market demand trends, strategic intervention areas, new products/sub-products and sustainable growth initiatives.

Based on the above mechanisms, additional stakeholders may be identified and consulted on an annual basis.

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

<b>S. No.</b>	<b>Stakeholder Group</b>	<b>Whether identified as Vulnerable &amp; Marginalized Group (Yes/No)</b>	<b>Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other</b>	<b>Frequency of engagement (Annually/ Half yearly/ Quarterly/ others - please specify)</b>	<b>Purpose and scope of engagement including key topics and concerns raised during such engagement</b>
1	Community	Yes	Website, emails, SMS and community engagement initiatives social media	Ongoing & Need based	Feedback from local communities, gathered through direct engagement and third-party impact assessment.
2	Employees	No	Employee engagement activities, trainings, email notifications, website, employee portals, talent management and growth opportunities platforms.	Ongoing & Need based	In the reporting year, engagement focused on embedding core organizational principles through capability-building and participation initiatives, alongside sustained focus on employee well-being and inclusion
3	Customers	No	Customer meets, dealer/ OEM events, website, social media, campaign, call center, email.	Ongoing, weekly, monthly	Customers are engaged through the query, request, complaints and feedback (QRCF) framework.
4	Regulators	No	Periodic/Annual compliance reports, continued engagement and representations	Need based	Continuous engagement with regulators to ensure compliance, interpretation of regulations and uninterrupted operations.
5	Shareholders/ Investors	No	Newspaper, notices, letters, e-mails, press releases, website, investor conferences, quarterly earnings calls, stock exchange announcements, Annual General Meetings (AGM), integrated annual report.	Quarter & Need based	Frequent updates provided to shareholders / Investors to showcase our growth and expansion plans
6	Dealers/ OEMs	No	Dealer portal formal mechanism and events	Ongoing	Frequent discussions to align operational processes and after sales service.
7	Lenders	No	Meetings and emails	Ongoing	To ensure adequate funding and liquidity while maintaining transparent communication on financial performance, asset quality, and regulatory compliance, with key lender concerns centered around liquidity position, portfolio quality, capital adequacy, profitability, and growth strategy.
8	Vendors/ Suppliers	No	Emails, meeting, SMS, calls and vendor site assessments.	Ongoing	Discussions on vendor onboarding requirements, scope of work discussions, safety expectations and progress meetings to discuss work completion.

**LEADERSHIP INDICATORS**

<p><b>1</b> 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.</p>	<p>The Stakeholder Relationship Committee of the Board is responsible for overseeing stakeholder (including shareholders, debenture holders, fixed deposit holders, customers) engagement and grievance redressal mechanisms. It ensures that stakeholder priorities are aligned with the Company's strategic direction and ESG commitments.</p>
<p><b>2</b> Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity</p>	<p>Yes. Stakeholder feedback is actively incorporated into Mahindra Finance's policies, strategic planning, and ESG roadmap.</p> <p>Engagements with both internal and external stakeholders—through surveys, workshops, impact assessments, and consultations—help identify and prioritize key environmental and social topics.</p> <p>These insights feed directly into the development of the Company's sustainability roadmap, which guides both compliance and forward-looking initiatives. The resulting reports also serve as critical inputs for material issue identification and programmatic decision-making</p>
<p><b>3</b> Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.</p>	<p>Feedback from local communities, gathered through direct engagement and third-party impact assessments, plays a key role in shaping the Company's CSR initiatives. This feedback ensures that interventions are context-sensitive and aligned with the evolving needs and expectations of vulnerable and marginalised communities, thereby maximizing long-term social impact. Beyond the mandate of CSR, we have identified skill training needs among vulnerable stakeholder groups and designed programmes to address these needs, contributing towards better integration of these groups into the workforce and society.</p>

**P5 Businesses should respect and promote human rights**

**ESSENTIAL INDICATORS**

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

Category	FY(2025-26) (Current Financial Year)			FY(2024-25) (Previous Financial Year)		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	22,929	22,668	98.86%	25,261	24,781	98.10%
Other than permanent	4,480	-	-	3,438	-	-
<b>Total</b>	<b>27,420</b>	<b>22,668</b>	<b>82.67%</b>	<b>28,699</b>	<b>24,781</b>	<b>86.35%</b>
<b>Workers</b>						
Permanent						
Other than permanent		NA			NA	
<b>Total</b>						

**Note:** The details of training coverage among "Permanent" employees differs from the employee numbers provided in Section A, Question No. 20 ["Employees and Workers" at the end of Financial Year]. The training modules on human rights issues and policies are undertaken across the year and will therefore include those employees that have separated from the Company prior to the end of the financial year.

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

Category	FY (2025-26) (Current Financial Year)				FY (2024-25) (Previous Financial Year)					
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
<b>Permanent</b>										
Male	21,301			21,301	100	23,895			23,895	100
Female	1,336		NA	1,336	100	1,366		NA	1,366	100
<b>Other than Permanent</b>										
Male	4,044			4,044	100	2,996			2,996	100
Female	436		NA	436	100	442		NA	442	100
<b>Workers</b>										
<b>Permanent</b>										
Male										
Female										
<b>Other than Permanent</b>										
Male										
Female										

**3 a Details of remuneration/salary/wages, in the following format:**
**Remuneration/wages**

Category	Male		Female	
	Number	Median remuneration/ salary/wages of respective category (INR)	Number	Median remuneration/ salary/wages of respective category (INR)
Board of Directors (BoD)*	4	0.64 Cr	2	0.39 Cr
Key Managerial Personnel	2	5.67 Cr	1	1.30 Cr
Employees other than BoD and KMP	21319	0.05 Cr	1347	0.05 Cr
Workers	NA			

**Note:**

\*The median calculation has been made considering the remuneration for FY2026 of the Directors, who receive remuneration from the Company and associated with the Company as on 31<sup>st</sup> March 2026, excluding Managing Director and CEO (covered under KMP).

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

	FY (2025-26) (Current Financial Year)	FY (2024-25) (Previous Financial Year)
Gross wages paid to females as % of total wages	7.48%	6.57%

- 4** Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? **(Yes/No)** Yes, The Corporate ombudsman is the focal point responsible for addressing human rights. Contact details for the same are available in our Human Right's Policy.
- 5** Describe the internal mechanisms in place to redress grievances related to human rights issues. Mahindra Finance is committed to respecting human rights and maintaining ethical business and employment practices, with zero tolerance for child labour, forced labour, slavery, or any form of abuse. This commitment is embedded through dedicated committees and formal policies accessible to all employees.
- A structured grievance redress mechanism escalates concerns from the Reporting Manager to the Reviewing Manager, and finally to the Grievance Committee at the Regional, Circle, or Head Office level, whose decision is final. Stakeholders may also report human rights violations or ethical misconduct directly to the Corporate Ombudsman, ensuring an independent channel for raising concerns.
- The grievance process is formally governed by the Human Rights Policy and Whistle Blower Policy, both publicly disclosed, reflecting the Company's commitment to transparency and accountability.

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

Category	FY (2025-26) (Current Financial Year)			FY (2024-25) (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	4	0	All reported complaints have been addressed and closed in FY2026.	3	0	All reported complaints have been addressed and closed in FY2025.
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced Labour/ Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-

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

	FY (2025-26) (Current Financial Year)	FY (2024-25) (Previous Financial Year)
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	4	3
Complaints on POSH as a % of female employees/workers	0.23%	0.17%
Complaints on POSH upheld	0	0

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

Mahindra Finance has instituted a formal grievance mechanism allowing employees to raise concerns confidentially and anonymously, without fear of retaliation. This is supported by the Human Rights Statement, Whistle Blower Policy, Vigil Mechanism, and oversight from the Disciplinary Action Committee.

The Company maintains strict policies prohibiting discrimination, harassment, and retaliation against employees who report grievances in good faith.

Additionally, a 24/7 Ethics Portal with a toll-free helpline enables employees to report serious concerns at any time. Each submission generates a unique case number for tracking, which also serves as the sole identifier for anonymous complaints.

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

Mahindra Finance incorporates human rights safeguards into its business relationships through various formal mechanisms:

- A Code of Conduct and Exclusion List are applicable to all value chain partners. These explicitly state that Mahindra Finance will not engage in any financing or business activities that involve or result in human rights violations.
- The Supplier Code of Conduct mandates all suppliers to submit a self-declaration affirming that their operations do not involve any form of human rights or environmental violations.

These requirements are embedded in vendor agreements and are part of the Company's broader sustainability and ethical sourcing framework.



**10 Assessments for the year:**

Category	% 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	NA

Note: The assessment for the purpose of this question has been defined based on the following four actions:

- Trainings provided to employees on 'Code of Conduct' and related implementation.
- Compliance to labour laws (including child and forced labour laws defined by the Government of India) are defined in the Purchase Order (PO) and vendor representatives are checked for photo identification to verify age at the start of work.
- Wage/remuneration reviews are undertaken by the HR compliance team on a sub-annual basis to determine alignment with prevalent and latest regulations on wages.
- Signage is displayed at office locations related to child labour, forced labour and discrimination at the workplace.

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

NA

**LEADERSHIP INDICATORS**

<b>1</b>	Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.	During the financial year, no human rights-related complaints were reported. Hence, new business processes have not been modified/introduced in the Company.
<b>2</b>	Details of the scope and coverage of any Human rights due-diligence conducted	<p>In FY2025, MMFSL undertook a third-party Human Rights Due Diligence (HRDD) exercise covering both its internal operations and major value chain partners. The assessment aligned with the OECD Due Diligence Guidance for Responsible Business Conduct.</p> <p>The due diligence covered the Head Office, three Regional Offices, and two vendors, evaluating compliance with 12 human rights parameters, including:</p> <ul style="list-style-type: none"> <li>• Prohibition of child and forced labour</li> <li>• Non-discrimination and equal opportunity</li> <li>• Freedom of association and collective bargaining</li> <li>• Equal remuneration and fair wages</li> <li>• Safe working conditions, social security, and data privacy</li> <li>• Mental health support and career growth opportunities</li> </ul> <p>In FY2026, the value addition recommendations from the HRDD are being implemented.</p>

- 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, additionally, the Company is proactively making accessibility improvements while opening or relocating branches, including:
- Preference for ground-floor locations
  - Feasibility assessment for installing ramps and railings
  - Persons with Disabilities (PWD) accessible washrooms.
  - Branch layouts designed for unobstructed access and movement wherever feasible

4	Details on assessment of value chain partners:	% of value chain partners (by value of business done with such partners) that were assessed
	Sexual Harassment	Mahindra Finance is a service sector entity, and the value chain partners are largely service providers identified in a competitive market environment. The requirement for a value chain assessment is therefore limited because the Company operates on an asset-light model and does not have exposure to long-term partnerships with any vendors/service providers.
	Discrimination at workplace	
	Child Labour	
	Forced Labour/Involuntary Labour	
	Wages	
	Others - please specify	

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

**P6 Businesses should respect and make efforts to protect and restore the environment**

**ESSENTIAL INDICATORS**

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

Parameter	FY (2025-26) (Current Financial Year)	FY (2024-25) (Previous Financial Year)
<b>From renewable sources</b>		
Total electricity consumption (A)	4347.77	645.30
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
<b>Total energy consumed from renewable sources (A+B+C)</b>	4347.77	645.30
<b>From non-renewable sources</b>		
Total electricity consumption (D)	58,539.18	65,279.90
Total fuel consumption (E)	49,402.78	48,039.16
Energy consumption through other sources (F)	-	-
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	1,07,941.96	1,13,319.06
<b>Total energy consumed (A+B+C+D+E+F)</b>	1,12,289.73	1,13,964.36

Parameter	FY (2025-26) (Current Financial Year)	FY (2024-25) (Previous Financial Year)
<b>Energy intensity per rupee of turnover</b> (Total energy consumed/Revenue from operations)	6.07	7.08
<b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total energy consumed/Revenue from operations adjusted for PPP)	123.46*	146.49*
<b>Energy intensity in terms of physical output</b>		
Energy intensity (optional) - the relevant metric may be selected by the entity (GJ per employee)	4.14	3.97
Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.	SGS India	

**Note:**

#The total energy consumption was calculated based on the Company's operations and the conversion factors were referred from Department of Energy Security & Net Zero (DESNZ) 2025.

\*As per the International Monetary Fund (IMF) and industry guidance notes on BRSR by FICCI and CII, the implied Purchasing Power Parity (PPP) conversion rate for India in 2026 was applied to adjust Indian revenue in USD (PPP-adjusted).

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

Not Applicable.

However current legislations related to energy efficiency are followed across all branches for potential energy saving through measures like installation/replacement of energy efficient electrical fittings like LED's, 5 star rated AC's and BLDC motor fans.

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

S. No.	Parameter	FY (2025-26) (Current Financial Year)	FY (2024-25) (Previous Financial Year)
<b>Water withdrawal by source (in kilolitres)</b>			
i	Surface water	NA <sup>#</sup>	NA <sup>#</sup>
ii	Groundwater	NA <sup>#</sup>	NA <sup>#</sup>
iii	Third party water	8,339.87 <sup>@</sup>	8,301.80 <sup>@</sup>
iv	Seawater/desalinated water	NA <sup>#</sup>	NA <sup>#</sup>
v	Other	NA	NA
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>		8,339.87	8,301.80
<b>Total volume of water consumption (in kilolitres)</b>		8,339.87	8,301.80

S. No.	Parameter	FY (2025-26) (Current Financial Year)	FY (2024-25) (Previous Financial Year)
	Water intensity per rupee of turnover (Water consumed/revenue from operations) (KL/₹)	0.45 per Cr. Of turnover	0.52 per Cr. Of turnover
	<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total water consumption/Revenue from operations adjusted for PPP)	9.17* KL per million USD	10.67* KL per million USD
<b>Water intensity in terms of physical output</b>			
	<b>Water intensity (optional)</b> - the relevant metric may be selected by the entity (KL per employee)	0.31	0.29
	Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? <b>(Y/N)</b> If yes, name of the external agency.	SGS India	
<b>Note:</b>			
#Mahindra Finance does not directly withdraw any water from ground, surface or sea water sources. The water that is sourced from the market for drinking purposes has been disclosed above.			
@Water sourced through third party has been obtained from Municipality or equivalent for office use (non drinking).			
*As per the International Monetary Fund (IMF) and industry guidance notes on BRSR by FICCI and CII, the implied Purchasing Power Parity (PPP) conversion rate for India in 2026 was applied to adjust Indian revenue in USD (PPP-adjusted).			

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

Parameter		FY (2025-26) (Current Financial Year)	FY (2024-25) (Previous Financial Year)
<b>Water discharge by destination and level of treatment (in kilolitres)</b>			
To Surface water	No treatment	-	-
	With treatment - please specify level of treatment	-	-
To Groundwater	No treatment	-	-
	With treatment - please specify level of treatment	-	-
To Seawater	No treatment	-	-
	With treatment - please specify level of treatment	-	-
Sent to third-parties	No treatment	-	-
	With treatment - please specify level of treatment	-	-
Others	No treatment	1,43,720.10	1,52,104.70
	With treatment - please specify level of treatment	-	-

Parameter	FY (2025-26) (Current Financial Year)	FY (2024-25) (Previous Financial Year)
<b>Total water discharged (in kilolitres)</b>	<b>1,43,720.10</b>	<b>1,52,104.70</b>

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

SGS India

**Note:**

- Water discharged is limited to wash water used solely for flushing purposes. No harmful chemicals are used, ensuring the discharged water does not pose environmental or health risks.
- Water is discharged to “other” destination as shown in the table above. The definition of “other” used for the purpose of the BRSR is through sewer infrastructure provided by the municipality or equivalent.
- The water discharge figures are higher than the water consumption because discharge has been estimated based on flushing-related wastewater generation using the NBC guidelines. Water consumption reflects only third-party procured drinking water (bottled water). Accordingly, the discharge estimate is based on the total employee count and NBC-based assumptions, resulting in a higher discharge value relative to the reported consumption.

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

No

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

Parameter	Please specify unit	FY (2025-26) (Current Financial Year)	FY (2024-25) (Previous Financial Year)
NOx	g/kW-hr	-	0.49
SOx	-	-	-
Particulate Matter (PM)	g/kW-hr	-	0.13
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
SO <sub>2</sub>	g/kW-hr	-	0.20
Non-Methane Hydrocarbon	g/kW-hr	-	-
Carbon Monoxide	g/kW-hr	-	0.53
Others - please specify	MT	-	-

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

SGS India

**Note:** Mahindra Finance has undertaken stack monitoring at ~32% of the diesel generator sets operated by the Company in FY2024 and FY2025. The stack monitoring results have indicated that all air emission parameters fall within the prescribed standards by Central Pollution Control Board (CPCB). The Company has also phased out the use of Diesel Generators and replaced the same with Uninterrupted Power Supply (UPS) batteries. The DG sets are therefore retained at the branch and regional offices for only back-up purposes and are not actively used. The requirement for DG set air emission testing has therefore been changed from annual to once in three years to reflect actual usage of the equipment. No air emission testing has been undertaken in FY2026.

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

Parameter	unit	FY (2025-26) (Current Financial Year)	FY (2024-25) (Previous Financial Year)
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	4,578.75	4,022.02
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	11,545.23	13,182.91
<b>Total Scope 1 and Scope 2 emissions per rupee of turnover</b> (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations)	Metric tonnes/turnover	0.87 tonnes per Cr of turnover	1.07 tonnes per Cr of turnover
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations adjusted for PPP)	Metric tonnes/million USD	17.73# tonnes per million USD	22.11# tonnes per million USD
<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>			
Total Scope 1 and Scope 2 emission intensity (optional) - per ton of production	Tones CO <sub>2</sub> e/Employee	0.59 tonnes/employee	0.60 tonnes/employee
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 core parameters have been subjected to reasonable assurance, while non-core parameters have undergone limited assurance. Both levels of assurance have been conducted by SGS India Private Limited, an independent third-party assurance provider.		

**Note:**

- Emissions from diesel and petrol (mobile combustion) were calculated using methodologies aligned with the GHG Protocol and DESNZ emission factors.
- For Scope 2, a pan-India assessment boundary was considered, and location-based emissions were reported as total Scope 2 emissions.

#As per the International Monetary Fund (IMF) and industry guidance notes on BRSR by FICCI and CII, the implied Purchasing Power Parity (PPP) conversion rate for India in 2026 was applied to adjust Indian revenue in USD (PPP-adjusted).

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

Yes, Mahindra Finance has deployed some technological solutions which helps it reduce the energy consumption and therefore Scope 2 emissions. Some of the solutions have been described below:

- The installation of higher efficiency Air Conditioners i.e., previously owned 3-star fixed speed ACs are now replaced with 5-star inverter ACs at branches.
- All the new procurement of ACs is 5-star inverter ACs.
- Replacing the conventional fans with BLDC fans.
- Green tariff was procured for the head office in Kurla, Mumbai and wind power in the regional office in Chennai in FY2026.

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

Parameter	FY (2025-26) (Current Financial Year)	FY (2024-25) (Previous Financial Year)
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	0.04	0.02
E-waste (B)	12.23*	2.97
Bio-medical waste (C)	NA	NA
Construction and demolition waste (D)	NA	NA
Battery waste (E)	NA	NA
Radioactive waste (F)	NA	NA
Other Hazardous waste. Please specify, if any. (G)	NA	NA
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	1.24	2.33
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>13.51</b>	<b>5.32</b>
<b>Waste intensity per rupee of Turnover</b> (Total waste generated/ Revenue from operations)	0.00 per Cr of turnover	0.00 per Cr of turnover
<b>Waste intensity per rupee of turnover adjusted Purchasing for Power Parity (PPP)</b> (Total Revenue waste from generated/ operations adjusted for PPP)	0.02 tonnes per million USD <sup>#</sup>	0.01 tonnes per million USD <sup>#</sup>
<b>Waste intensity in terms of physical output</b>	-	-
Waste intensity (optional) - the relevant metric may be selected by the entity	-	-

**Note:**

\*As per the International Monetary Fund (IMF) and industry guidance notes on BRSR by FICCI and CII, the implied Purchasing Power Parity (PPP) conversion rate for India in 2026 was applied to adjust Indian revenue in USD (PPP-adjusted).

<sup>#</sup>The increase in e-waste generation during FY26 was primarily attributable to the phased replacement and disposal of desktop systems as part of the Company's technology upgradation initiative.

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

Category of waste		
I Recycled	13.51	5.32
II Reused	-	-
III Other recovery operations	-	-
<b>Total</b>	<b>13.51</b>	<b>5.32</b>

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

Category of waste		
I Incineration		
II Landfill	0	0
III Other disposal methods		
<b>Total</b>		

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

SGS India

**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.

Mahindra Finance operates in the financial services sector and does not generate any hazardous and toxic chemicals waste.

**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:

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

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

S. No.	Name and brief details of roject	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
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Not Applicable; as the Company is a financial services company and does not manufacture any products

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

Yes, the Company is in compliance with all applicable environmental laws, regulations, and guidelines in India. Air emissions from DG sets are monitored as per the Air (Prevention and Control of Pollution) Act requirements.

The wastewater is also disposed of through authorised municipal channels. A legal compliance register is maintained and reviewed on a quarterly basis to ensure ongoing adherence to environmental regulations.

S. No.	Specify the law/regulation/guidelines which was not complied with	Provide details of the non-compliance	Any fines/penalties/action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
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NA

**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 -
- (ii) Nature of operations -
- (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY (2025-26) (Current Financial Year)	FY (2024-25) (Previous Financial Year)
<b>Water withdrawal by source (in kilolitres)</b>		
To Surface water		
To Groundwater		
To Seawater		
Sent to third-parties		
Others		
<b>Total volume of water withdrawal (in kilolitres)</b>		
<b>Total volume of water consumption (in kilolitres)</b>		
Water intensity per rupee of turnover (Water consumed/turnover)		
Water intensity (optional) - the relevant metric may be selected by the entity		
<b>Water discharge by destination and level of treatment (in kilolitres)</b>	NA	NA
To Surface water	NA	
	NA	
To Groundwater	No treatment	
	With treatment - please specify level of treatment	
To Seawater	No treatment	
	With treatment - please specify level of treatment	
Sent to third-parties	No treatment	
	With treatment - please specify level of treatment	
Others	No treatment	
	With treatment - please specify level of treatment	
<b>Total water discharged (in kilolitres)</b>	NA	NA
Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.	Yes - SGS India	
<b>Note:</b> All water obtained is sourced from third parties (municipality, landlord facilities and/or equivalent) and primarily used for drinking and flushing purposes. The Company does not abstract water from any water-stressed areas.		

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

Parameter	unit	FY (2025-26) (Current Financial Year)	FY (2024-25) (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	8,611.43	7,758.45

Total Scope 3 emissions per rupee of turnover	Metric tonnes per turnover	0.47 tCO <sub>2</sub> e per Cr of turnover	0.48 tCO <sub>2</sub> e per Cr of turnover
Total Scope 3 emission intensity <b>(optional)</b> – the relevant metric may be selected by the entity	Tonnes Emission per employee	0.32 tonnes/employee	0.27 tonnes/employee
Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? <b>(Y/N)</b> If yes, name of the external agency		SGS India	
<b>Note:</b>			
<ul style="list-style-type: none"> <li>As per the International Monetary Fund (IMF) and industry guidance notes on BRSR by FICCI and CII, the implied Purchasing Power Parity (PPP) conversion rate for India in 2026 was applied to adjust Indian revenue in USD (PPP-adjusted).</li> </ul>			
<b>3</b>	With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities	NA	
<b>4</b>	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:		
<b>S. No.</b>	<b>Initiative undertaken</b>	<b>Details of the initiative (Web-link, if any, may be provided along-with summary)</b>	<b>Outcome of the initiative</b>
A	Energy Efficient Technology:  The Company's adoption of energy-efficient technologies has been highlighted under sections P2 (E1), P6(E8).	The Company strengthened its energy efficiency initiatives through the adoption of technologies such as BLDC fans, energy-efficient HVAC systems, and 5-star BEE-rated equipment, supporting reduced operational energy consumption.	The implementation of these technologies has contributed to a 10% reduction in grid electricity consumption compared to FY2025 and 8% reduction compared to baseline values (FY2023).
B	Green Tariff Programme	In addition, Mahindra Finance initiated a Green Tariff Programme in FY2025 for its Corporate Office in Mumbai and further expanded renewable energy procurement through wind energy sourcing for its Chennai circle office in FY2026. The Company intends to gradually extend the programme to additional offices, subject to regulatory feasibility and approvals from respective State DISCOMs.	

<p><b>5</b> Does the entity have a business continuity and disaster management plan? Give details in words/web link.</p>	<p>Mahindra Finance has a formal Business Continuity Policy aimed at safeguarding the interests of its customers, employees, and stakeholders. The policy defines procedures for identifying, monitoring, reporting, and responding to potential disruptions. It focuses on ensuring operational resilience and outlines contingency measures for significant or prolonged interruptions. The framework also includes internal controls, communication protocols, and restoration strategies to minimize downtime and protect critical functions. Regular reviews and simulations are conducted to validate preparedness and enhance response capabilities.</p>
<p><b>6</b> 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?</p>	<p>None; due to the nature of MMFSL's operations—primarily office-based financial services—there are no adverse environment impacts identified.</p>
<p><b>7</b> Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.</p>	
<p><b>8</b> How many Green Credits have been generated or procured</p> <p>a.) By the listed entity</p> <p>b.) By the top ten (in terms of value of purchases and sales, respectively) value chain partners</p>	<p>NA</p>

**P7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

**ESSENTIAL INDICATORS**

<p><b>1a</b> Number of affiliations with trade and industry chambers/associations.</p>	<p>Mahindra Finance maintains affiliations with several trade and industry chambers and associations to foster collaborative engagement across the financial services sector. Notably, Mr. Raul Rebello, MD &amp; CEO, serves as a Non-Executive Director on the Board of the Finance Industry Development Council (FIDC), the Self-Regulatory Organisation (SRO) for NBFCs, reflecting the Company's active leadership role within the sector.</p>
	<p>These affiliations enable the Company to:</p> <ul style="list-style-type: none"> <li>• Access industry knowledge and best practices</li> <li>• Build strategic networks and improve brand visibility</li> <li>• Participate in policy advocacy and sectoral consultations</li> <li>• Contribute to business-enabling reforms that also support broader societal goals</li> </ul> <p>These platforms serve as vital forums for advocacy, education, marketing, and collaborative problem-solving.</p>

- 1b** 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, in the following format.

S. No.	Name of the trade and industry chambers/associations	Details of the initiative (Web-link, if any, may be provided along-with summary)
1	Finance Industry Development Council (FIDC)	National
2	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
3	Confederation of Indian Industry (CII)	National
4	Bombay Chamber of Commerce and Industry	National
5	IITB-Washington University	International
6	IMC Chamber of Commerce & Industry	National
7	Assocham	National
8	United Nations Global Compact Network	International
9		
10		

- 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.

S. No.	Name of authority	Brief of the case	Corrective action taken
No material instances reported			

## LEADERSHIP INDICATORS

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

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

## P8 Businesses should promote inclusive growth and equitable development

### ESSENTIAL INDICATORS

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

S. No.	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
No SIA projects undertaken in the reporting period						

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

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
No R&R program has been undertaken in the reporting period						

- 3** Describe the mechanisms to receive and redress grievances of the community. The Corporate ombudsman is the focal point responsible for addressing human rights. Contact details for the same are available in our Human Right's Policy.

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

Category	FY (2025-26) (Current Financial Year)	FY (2024-25) (Previous Financial Year)
Directly sourced from MSMEs/small producers	18.41%	15.22%
Sourced directly from within the district and neighbouring districts	NA	NA

**Note:** Mahindra Finance is a service-based company that is not involved in large-scale procurement and transportation of physical goods. Any goods procured by the Company are largely consumed in MMFSL offices. MMFSL prefers to obtain such goods from local sources i.e. within the same or neighbouring districts of an existing MMFSL office.

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

Location	FY (2025-26) (Current Financial Year)	FY (2024-25) (Previous Financial Year)
	% of Job creation	% of Job creation
Rural	0.06%	0.09%
Semi-urban	13.39%	8.42%
Urban	27.29%	40.75%
Metropolitan	59.26%	50.74%

**Note:** The job creation data methodology has been updated in FY2025 to align with Reserve Bank of India (RBI) population classification and 2011 Census. The methodology has been reviewed and updated in FY2026 to better capture the rural and semi-urban classification of smaller offices resulting in more granular data presented in both reported financial years.

**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):

S. No.	Details of negative social impact identified	Corrective action taken
		Nil

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

<b>S. No.</b>	<b>State</b>	<b>Aspirational District</b>	<b>Amount spent (In INR)</b>
1	Andhra Pradesh	Alluri Sitharamaraju	27,75,455
2	Andhra Pradesh	Parvathipuram Manyam	8,455
3	Andhra Pradesh	Y.S.R. Kadapa	76,099
4	Assam	Baksa	8,455
5	Assam	Barpeta	1,24,918
6	Assam	Darrang	74,185
7	Assam	Dhubri	25,366
8	Assam	Goalpara	38,129
9	Bihar	Aurangabad	41,813
10	Bihar	Banka	1,28,138
11	Bihar	Begusarai	1,29,486
12	Bihar	Gaya	1,67,253
13	Bihar	Jamui	44,511
14	Bihar	Katihar	1,29,022
15	Bihar	Khagaria	63,394
16	Bihar	Muzaffarpur	48,64,420
17	Bihar	Nawada	82,278
18	Bihar	Sheikhpura	47,209
19	Bihar	Sitamarhi	40,76,511
20	Chhattisgarh	Bastar	8,455
21	Chhattisgarh	Kanker	59,188
22	Chhattisgarh	Kondagaon	8,455
23	Chhattisgarh	Narayanpur	37,767
24	Chhattisgarh	Rajnandgaon	43,162
25	Chhattisgarh	Sukma	94,417
26	Gujarat	Dahod	7,59,384
27	Gujarat	Narmada	1,17,347
28	Jharkhand	Bokaro	2,42,787
29	Jharkhand	Chatra	47,209
30	Jharkhand	Garhwa	1,95,941
31	Jharkhand	Giridih	86,324
32	Jharkhand	Godda	2,37,392
33	Jharkhand	Palamu	67,441
34	Jharkhand	Ramgarh	47,209
35	Jharkhand	Ranchi	10,88,959
36	Madhya Pradesh	Barwani	616
37	Madhya Pradesh	Chhatarpur	3,46,674
38	Madhya Pradesh	Damoh	61,037
39	Madhya Pradesh	Guna	1,45,592
40	Madhya Pradesh	Vidisha	69,493
41	Maharashtra	Gadchiroli	4,84,225
42	Maharashtra	Nandurbar	4,93,667
43	Maharashtra	Osmanabad	4,65,051
44	Maharashtra	Washim	1,29,486

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

S. No.	State	Aspirational District	Amount spent (In INR)
45	Odisha	Balangir	3,43,426
46	Odisha	Dhenkanal	2,53,578
47	Odisha	Gajapati	72,836
48	Odisha	Koraput	2,61,671
49	Odisha	Rayagada	4,37,017
50	Punjab	Moga	1,15,40,668
51	Rajasthan	Jaisalmer	8,455
52	Rajasthan	Karauli	8,455
53	Rajasthan	Sirohi	16,911
54	Tamil Nadu	Ramanathapuram	3,67,241
55	Tamil Nadu	Virudhunagar	5,47,620
56	Uttar Pradesh	Bahraich	2,31,010
57	Uttar Pradesh	Chandauli	55,302
58	Uttar Pradesh	Fatehpur	2,69,763
59	Uttar Pradesh	Shravasti	92,22,000
60	Uttar Pradesh	Sonbhadra	94,417
61	Uttarakhand	Haridwar	25,366
62	Uttarakhand	Udham Singh Nagar	8,455

- 3 a Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/vulnerable groups? (Yes/No) Mahindra Finance is a financial service provider and therefore does not have any large scale procurement of goods. We give preference to local suppliers of goods and services where possible.
- b From which marginalized/vulnerable groups do you procure? Mahindra Finance does not classify its suppliers based on marginalised / vulnerable groups. 100% of our procurement comes from local sources, defined for the purpose of BRSR as the country of operations (India). Additionally, 18.41% of the value of goods and services procured in reporting period are from MSMEs.
- c What percentage of total procurement (by value) does it constitute?

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

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

- 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.

S. No.	Name of authority	Brief of the case	Corrective action taken
			NA

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

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Dhan Samvaad - Financial & Digital Literacy Program	2,77,174	100%
2	Saksham Scholarship	4,435	100%
3	Employability Skill Training	1,270	100%
4	Water Conservation	2,500	100%
5	Tree Plantation	95	100%
6	Corporate Contribution	471	100%
7	Mahindra Hariyali	1,447	100%
8	Mahindra Pride Classroom	83,561	100%
9	Mahindra Pride Skill Centers	1,000	100%
10	Nanhi Kali	20,000	100%
	<b>Total</b>	<b>3,91,953</b>	<b>100%</b>

**P9 Businesses should engage with and provide value to their consumers in a responsible manner**
**ESSENTIAL INDICATORS**

- 1** Describe the mechanisms in place to receive and respond to consumer complaints and feedback. Customers can contact the Company via a dedicated toll-free number, email address, mobile app, web or through social media channels. Each branch captures complaints via walk-ins or branch QR codes. All complaints received through the channels are registered on the service portal and assigned to the respective teams or Single Points of Contact (SPOCs) basis the contract allocation and category-based logic for resolution. Once a complaint is resolved via call, physical meet or email, feedback is collected from the customer in the form of an SMS.

<b>2</b>	<b>Turnover of products and/services as a percentage of turnover from all products/service that carry information about:</b>	<b>As a percentage to total turnover</b>
	Environmental and social parameters relevant to the product	
	Safe and responsible usage	NA
	Recycling and/or safe disposal	

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

Category	FY (2025-26) (Current Financial Year)			FY (2024-25) (Previous Financial Year)		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0		0	0	
Advertising	0	0		0	0	
Cyber-security	0	0		0	0	
Delivery of essential services	0	0		0	0	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Other	52,574	911		0	0	

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

	Number	Reasons for recall
Voluntary recalls	0	NA
Forced recalls	0	NA

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

Yes. Mahindra Finance has established a robust framework through its Data Privacy Policy and Information & Cyber Security Policy, which collectively govern the collection, processing, storage, and protection of personal and sensitive information.

These policies are aligned with Digital Personal Data Protection 2023 rules, guidelines and regulations including the Aadhaar Act, and are designed to ensure the confidentiality, integrity, and availability of customer and stakeholder data.

Key controls include:

- Explicit customer consent mechanisms
- Data masking protocols
- A structured Data Loss Prevention (DLP) framework

The Company also maintains an Information Security Management System (ISMS) in accordance with industry best practices.

Policy Link: <https://www.mahindrafinance.com/about-us/policies>

**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.

With reference to consumer complaints pending resolution at end of financial year as provided in BRSR P9E3:

- Corrective actions have been undertaken for each category (behavioural, bureau or mandate-related) including soft skill and fair practices training for employees, bulk data rectification to prevent recurrence, and re-runs of payment platform failures to troubleshoot successful clearance scenarios.
- Continuous root cause analyses are being conducted on complaint drivers to enhance customer experience and prevent future occurrences.

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

a	Number of instances of data breaches	0
b	Percentage of data breaches involving personally identifiable information of customers	0
c	Impact, if any, of the data breaches	NA

**LEADERSHIP INDICATORS**

<p><b>1</b> Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).</p>	<p>Information on Mahindra Finance’s products and services is available through the following platforms:</p> <ul style="list-style-type: none"> <li>• Official website: <a href="https://www.mahindrafinance.com">https://www.mahindrafinance.com</a></li> <li>• Mobile applications: Mahindra Finance App (available on Google Play Store and Apple App Store)</li> <li>• Call Centre: 1800 233 1234</li> <li>• Branch network: Information is accessible at all Mahindra Finance branches</li> </ul>
<p><b>2</b> Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.</p>	<p>Mahindra Finance undertakes multiple initiatives to educate consumers on the responsible use of its products and services. These include:</p> <ul style="list-style-type: none"> <li>• Multi-language SMS communication</li> <li>• IVR messaging</li> <li>• Informative videos</li> <li>• In-app notifications</li> </ul>
<p><b>3</b> Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.</p>	<p>Mahindra Finance has a communication framework in place to inform consumers in case of service disruptions. Communication modes are selected based on the scale of disruption and may include:</p> <ul style="list-style-type: none"> <li>• Branch-level communication</li> <li>• SMS, emails, and in-app notifications</li> </ul>
<p><b>4</b> Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.</p> <p>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)</p>	<p>NA.</p> <p>We conduct Market Research from time to time to understand the pulse of our customers, their satisfaction with our products &amp; services as well as grievances. Few of the Research Projects that we undertake are:</p> <ul style="list-style-type: none"> <li>• Monthly Net Promoter Score (NPS) for our customers</li> <li>• UI/UX Research for our Website &amp; Apps</li> <li>• Customised Research for our Products &amp; Services</li> </ul>
<p><b>5</b> Provide the following information related to data breaches:</p> <ul style="list-style-type: none"> <li>• Number of instances of data breaches along with impact</li> <li>• Percentage of data breaches involving Personally Identifiable Information (PII) of customers</li> </ul>	<ul style="list-style-type: none"> <li>• No customer data breaches were identified.</li> <li>• 0% of data breaches involving PII of customer</li> </ul>





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## INDEPENDENT ASSURANCE STATEMENT

### Independent Assurance Statement to Mahindra & Mahindra Financial Services Limited on its BRSR Report for the FY 2025-26

The Board of Directors,

**Mahindra & Mahindra Financial Services Limited ,  
Mahindra Towers,  
3rd Floor, Dr. G.M. Bhosale Marg,  
Worli, Mumbai- 400018, India.**

#### Nature of the Assurance

SGS India Private Limited (hereinafter referred to as 'SGS India') was engaged by Mahindra & Mahindra Financial Services Limited (the 'Company' or 'MMFSL') to conduct an independent assurance of the Company's Business Responsibility and Sustainability Reporting (BRSR) (the 'Report') pertaining to the reporting period of April 1, 2025, to March 31, 2026. SGS India has conducted a Reasonable level of Assurance for BRSR core and Limited level for non-core parameters, including essential and leadership indicators and all disclosures made thereunder. This assurance engagement was conducted in accordance with "International Standard on Assurance Engagements (ISAE) 3000 (Revised) and ISAE 3410.

#### Reporting Framework

The Report has been prepared in reference to following:

1. Master Circular for compliance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by listed entities (Circular No. HO/49/14/14(7)2025-CFD-POD2/1/3762/2026), dated 30 January 2026 circular (BRSR Core Framework for Assurance).
2. Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard

#### Intended Users of this Assurance Statement

This Assurance Statement is provided with the intention of informing all Mahindra & Mahindra Financial Services Limited's Stakeholders.

#### Responsibilities

The information in the report and its presentation are the responsibility of the management of the Company. SGS India has not been involved in the preparation of any of the material included in the report.

Our responsibility is to express an opinion on the text, data, and statements within the defined scope of assurance, aiming to inform the management of the Company, and in alignment with the agreed terms of reference. We do not accept or assume any responsibility beyond this specific scope. The Statement shall not be used for interpreting the overall performance of the Company, except for the aspects explicitly mentioned within the scope.

#### Assurance Standard

SGS has conducted a Reasonable level of Assurance w.r.t BRSR core parameters under 9 ESG Attributes and a Limited level of assurance for the remaining BRSR parameters, including essential and leadership indicators. This engagement was performed



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in accordance with the International Standard on Assurance Engagement (ISAE) 3000(revised) and ISAE 3410 (Assurance Engagements other than Audits or Reviews of Historical Financial Information). Our evidence-gathering procedures were designed to obtain a Reasonable Level of Assurance, which represents a high level of assurance in accordance with ISAE 3000 (Revised). Our process involved obtaining sufficient and appropriate evidence to support our conclusion that the information presented in the report is fairly stated and free from material misstatements.

**Statement of Independence and Competence**

The SGS Group of companies is the world leader in inspection, testing and assurance, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; environmental, social and sustainability report assurance. SGS affirm our independence from Mahindra & Mahindra Financial Services Limited, being free from bias and conflicts of interest with the organization, its subsidiaries and stakeholders.

**Scope of Assurance**

The assurance process involved assessing the quality, accuracy, and reliability of BRSR Indicators (KPIs) within the report for the period April 1, 2025, to March 31, 2026. The reporting scope and boundaries include Mahindra & Mahindra Financial Services Limited ‘s spread across the different states of India.

**Assurance Methodology**

The assurance comprised a combination of desktop review, interaction with the key personnel engaged in the process of developing the report, on-site visits, and remote verification of data. Specifically, SGS India undertook the following activities:

- Assessment of the suitability of the applicable criteria in terms of its comprehensiveness, reliability, and accuracy.
- Interaction with key personnel responsible for collecting, consolidating, and calculating the BRSR core KPIs, BRSR non-core indicators and assessing the internal control mechanisms in place to ensure data quality.
- Application of analytical procedures and verification of documents on a sample basis for the compilation and reporting of the KPIs.
- Assessing the aggregation process of data at the Head Office level.
- Critical review of the report regarding the plausibility and consistency of qualitative and quantitative information related to the KPIS.

**Limitations**

SGS India did not come across any limitation to the agreed scope of the assurance engagement. SGS India verified data on a sample basis; the responsibility for the authenticity of the data entirely lies with the Company. The assurance scope excluded forward-looking statements, product- or service-related information, external information sources, and expert opinions. SGS India has not been involved in the evaluation or assessment of any financial data/performance of the company. Our opinion on financial indicators is based on the third-party financial reports audited by the Company. SGS India does not take any responsibility for the financial data reported in the audited financial reports of the Company.

The assurance scope excludes:

- Disclosures other than those mentioned in the assurance scope.
- Data reviews outside the operational sites as mentioned in the reporting boundary.
- Validation of any data and information other than those presented in “Findings and Conclusions.”
- The assurance engagement considers an uncertainty of ±5% based on the materiality threshold for Assumption/ estimation/measurement errors and omissions.
- The Company’s statements that describe the expression of opinion, belief, aspiration, expectation, aim to future intention provided by the Company, and assertions related to Intellectual Property Rights and other competitive issues.
- Mapping of the Report with reporting frameworks other than those mentioned in the Reporting Criteria above.



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### Findings and Conclusions:

#### BRSR Core Indicators:

Based on the procedures we have performed and the evidence we have obtained, we are satisfied that the information presented by the Company in its report, on the Core Indicators (Annexure A), is complete, accurate, reliable, has been fairly stated in all material respects, and is prepared in line with the BRSR requirements.

#### BRSR Non-Core Indicators:

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the data reported (Annexure B) in the BRSR report are not prepared, in all material respects, in accordance with the reporting criteria.

### Annexure A

S.No.	BRSR Core Attributes	BRSR Core Indicators (Reasonable)
1	Greenhouse gas (GHG) footprint	<ul style="list-style-type: none"> <li>≈ Total Scope 1 emissions</li> <li>≈ Total Scope 2 emissions</li> <li>≈ GHG Emission Intensity (Scope 1 +2)</li> </ul>
2	Water footprint	<ul style="list-style-type: none"> <li>≈ Total water withdrawn</li> <li>≈ Total water consumption</li> <li>≈ Water consumption intensity</li> <li>≈ Water Discharge by destination and levels of Treatment</li> </ul>
3	Energy footprint	<ul style="list-style-type: none"> <li>≈ Total energy consumed</li> <li>≈ % of energy consumed from renewable sources</li> <li>≈ Energy intensity</li> </ul>
4	Embracing circularity	<ul style="list-style-type: none"> <li>≈ E-waste</li> <li>≈ Battery waste</li> <li>≈ Total waste generated</li> <li>≈ Waste intensity</li> <li>≈ Total waste recovered through recycling, re-using or other recovery operations</li> <li>≈ Total waste disposed by nature of disposal method</li> </ul>
5	Employee well-being and safety	<ul style="list-style-type: none"> <li>≈ Spending on measures towards well-being of employees as a % of total revenue from operations of the Company</li> <li>≈ Details of safety related incidents for employees</li> </ul>
6	Enabling gender diversity in business	<ul style="list-style-type: none"> <li>≈ Gross wages paid to females as % of total wages paid</li> <li>≈ Complaints on POSH</li> </ul>
7	Enabling inclusive development	<ul style="list-style-type: none"> <li>≈ Input material sourced from MSMEs/ small producers as % of total purchases directly sourced from MSMEs/ small producers and directly from within India</li> <li>≈ Job creation in smaller towns - Wages paid to people employed in smaller towns as % of total wage cost</li> </ul>
8	Fairness in engaging with customers and suppliers	<ul style="list-style-type: none"> <li>≈ Instances involving loss/breach of data of customers as a percentage of total data breaches or cyber security events</li> <li>≈ Number of days of accounts payable</li> </ul>
9	Open-ness of business	<ul style="list-style-type: none"> <li>≈ Concentration of purchases &amp; sales done with trading houses, dealers, and related parties</li> <li>≈ Loans and advances &amp; investments with related parties</li> </ul>



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**Annexure B**

The list of BRSR Report (Core + Non-Core) Indicators that were verified within this assurance engagement is given below:

Principles	Limited		
	Essential Indicators	Leadership Indicators	Core Indicators
Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.	-	-	8,9
Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe.	1	-	-
Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.	1,2, 3,4,5,8,9,10,12,13	1,2,3,4,5	1(C ),11
Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders.	1,2		-
Principle 5: Businesses should respect and promote human rights.	1,2,3(a),4,5,6,7,8,9	-	3 (b),7
Principle 6: Businesses should respect and make efforts to protect and restore the environment.	6	2	1,3,4,7,9
Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.	-	-	-
Principle 8: Businesses should promote inclusive growth and equitable development.	-	6	4,5
Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner	3	-	7

**For and on behalf of SGS India Private Limited**

**Kalpesh Thombare**

Technical Reviewer  
 National Manager – ESG & Sustainability Services, SGS India.

08 June,2026.

**Namrata Kamble**

Lead Verifier  
 Sr. Technical Associate - ESG & Sustainability Services, SGS India

Team Member – Nakshatra Shinde

08 June,2026.