

Sustainability Policy

Financial Service Sector

Date - 13th December 2017

The Financial Services Sector of the Mahindra Group integrates the well-being of the community and the environment with long term economic value creation. It strives to give back more than it takes and thus drives positive change.

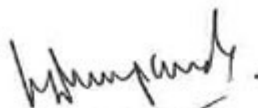
The Financial Services Sector of the Mahindra Group gives back by enabling people to earn a good living, live comfortably and insure themselves from financial harm. It is committed to consistently providing innovative financial solutions to the underserved rural and semi-rural regions of India and enable better quality of life.

The Financial Services Sector of the Mahindra Group follows the highest principles of governance and does business in an ethical, transparent manner. Its employees collaborate to create a diverse, enjoyable and innovative place to work where each individual gets the opportunity to contribute and grow.

The Financial Services Sector of the Mahindra Group is an active participant in the evolution of a new way of life and living in a post climate change world through its actions, products and services, thus integrating sustainability into its business strategy and practices.

This Sustainability Policy is applicable to Mahindra and Mahindra Financial Services Limited, Mahindra Insurance Brokers Limited, Mahindra Rural Housing Finance Limited, Mahindra Asset Management Company Private Limited and all other entities of the Financial Services Sector of the Mahindra Group. It will be reviewed and updated as required on an annual basis.

This Sustainability Policy would be followed as per Financial Services Sector's Sustainability Policy Guideline in its true letter and spirit.



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Shri!
Vinay Deshpande
Chief People Officer



Ramesh Iyer
Vice Chairman & Managing Director,
President - Financial Services Sector &
Member of the Group Executive Board

FSS Sustainability Roadmap 2017-2020						
3 Ps	Group Framework	Group Framework Focus Area	Goal Statement	Measure	Baseline 2016-17	Target
People	Enabling Stakeholders to Rise	Build a great place to work (within the company)	Create a engaged work environment	Employee Satisfaction Score measured by MCARES survey	MMFSL - 4.37 MRHFL - 4.41 MIBL - 4.26	Increase in our MCARES Score by 0.2 points YoY
			Build capabilities of people	Training coverage (% of employees)	More than 60%	Ensure Coverage of more than 60% of employees YoY
			Empower Diversity & Inclusion at Workplace	Measures of D&I Roadmap	MMFSL - As per the D&I Roadmap 4% - Gender Diversity 57 - Differently abled	Increase Gender diversity by 1% YoY
					MRHFL - 2.5% Gender Diversity	Increase count of people who are differently abled
					MIBL - 11.7% Gender Diversity	
			Foster Inclusive Development (Beyond the company)	Uplift communities through need based interventions and increase beneficiaries coverage under CSR programs	Count of beneficiaries	2.39 Lakh beneficiaries
		Empowering communities by focusing on financial literacy and increasing the reach		increase in Coverage of people	5.5 Lakh	10% increase in count of people YoY
		Increase financial inclusion by providing financial products to customers in rural and semi-urban parts of India	Total no. of customers	MMFSL - 47.1 Lakh	10%+ increase in count of customers YoY	
				MRHFL - 5.6 Lakh MIBL - 15.9 Lakh* *in current year		
		Make Sustainability Personal	Promote adoption of responsible habits amongst employees under iamresponsible campaign	No. of employees	0* * Program was launched in Feb-17 & was focused on awareness creation during the year	Increase employees coverage count by 1,000 YoY
Planet	Rejuvenating Environment	Achieve Carbon Neutrality	Ensure continual reduction in Carbon emissions	decrease in CO2 emissions per employee (tons of CO2eq per employee)	1.13	10% decrease in CO2 emissions per employee by 2020
		Ensure No Waste to Landfill	Initiate waste recycling practices across locations (non hazardous waste)	No. of locations practicing recycling of waste	3	Increase 1 location YoY
		Promote Biodiversity	Increase plantation of tree across India	No. of trees planted	1.05 Lakh	10% increase in trees planted YoY
Profits	Building Enduring Businesses	Grow Green Revenue	Increase financing of precision farming equipment	Loan disbursement in INR	N/A	Increase loan disbursement by 1 Crore YoY
			Increase financing of electrical vehicles	No. of electrical vehicles financed	24	Double the count of electrical vehicles financed YoY
		Mitigate Risk including Climate Risk	Enhance Risk Management Framework	Advancing our Risk Management Framework	As per internal process/template	Build Robust Risk Framework with ability to assess & predict possible risks & measure them
		Make Supply Chain Sustainable	Engage Supply Chain Members (Dealers & Suppliers) on Sustainable Practices	No. of key dealers/suppliers engaged	0* *No structured program currently in place that focuses specifically on supply chain sustainability	Double the count of suppliers/dealers engaged on sustainability practices YoY
		Embrace Technology and Innovation	Reducing consumption of paper in operations by leveraging technology	Count of paper less/paper free processes OR Count of processes digitalized	4	Add 3 new technology driven processes YoY
		Enhance Brand Equity	Maintaining Credit Rating at power with M&M	Credit Rating	AAA	Maintaining Highest Level of Credit Rating applicable for our sector
			Improve CaP Score	Customer as Promotor (CaP) Score	60+	Ensure Cap Score more than 60% YoY