BUSINESS RESPONSIBILITY REPORT

(also includes elements of Environmental, Social and Governance for the Company and its subsidiaries)

Section A General information about the Company

1	Corporate identification number	L65923PN2007PLC130075
2	Name of the Company	Bajaj Finserv Ltd.
3	Registered address	Bajaj Auto Ltd. Complex, Mumbai-Pune Road, Akurdi, Pune 411 035
4	Website	www.bajajfinserv.in
5	Email address	investors@bajajfinserv.in
6	Financial year reported	1 April 2019 – 31 March 2020
7	Sector(s) that the Company is engaged in	Financial Services (Investments) and Windmill
8	Three key products/services manufactured/ provided by the Company	1. Investment activity (NIC code - 6430) 2. Electric power generation (NIC Code - 3510)
9	Total number of locations where business activity is undertaken by the Company	Three locations - Registered office at Akurdi (Pune), Corporate office at Viman Nagar (Pune) and Windmills at Satara
10	Markets served by the Company	India

Section B Financial details of the Company

1	Paid up capital	₹ 79.57 crore
2	Total turnover	₹ 815.16 crore (On consolidated basis ₹ 54,351.47 crore)
3	Total profit after tax	₹ 666.86 crore (On consolidated basis ₹ 3,369.13 crore)
4	Total spending on CSR as percentage of profit after tax (%)	₹ 1.20 crore (2%)

(₹ in Crore)

Name of Material Subsidiary	**CSR Spend** (2% of PAT)
BFL	82.19
BAGIC	23.93
BALIC	16.63
BHFL	0.56

5	List of the activities in which expenditure in 4 above has been incurred	Refer 76 to 81 of our Annual Report for FY2020 for a detailed disclosure of our CSR activities

Section C	Other details	
1	Does the Company have any subsidiary company(ies)	Yes (for details, refer Consolidated Financial Statements page 237 of Annual Report).
2	Do the subsidiary company(ies) participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(ies)	Yes, seven
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	All material outsourcing and vendor contracts have to agree to and abide by an Anti-Corruption clause in the agreement with the Company. They are all required to be compliant with applicable law in their business dealings.

Section D	BR information	
1a	Details of director(s) responsible for BR:	DIN 00014615
	Name	Sanjiv Bajaj
	Designation	Chairman & Managing Director
1b	Details of the BR head:	
	Name	Sonal Tiwari
	Designation	Company Secretary
	Telephone number	(020) 6610 7458
	Email id	sonal.tiwari@bajajfinserv.in
2.	Principle-wise BR policy/policies	Included in this Report
3.	Governance related to BR	Included in this Report

Section E	Principle-wise performance	
1.	Principle-wise performance	Included in this Report

Preface

As mandated by the Securities and Exchange Board of India (SEBI), India's top 1000 listed entities based on market capitalisation on the BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE), are required to submit a 'Business Responsibility Report' (BRR) along with their Annual Report for 2019-20. This Report is required to be in line with 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' (NVG), as released by the Ministry of Corporate Affairs in July 2011.

As one of India's leading companies in the financial sector, Bajaj Finserv Ltd. ('BFS' or 'the Company') has adopted the NVG and BRR requirements both in letter and spirit. All of the Company's commitments, business decisions and activities are aligned to the NVG principles. In order to ensure strong governance around this, the business responsibility performance of the Company is assessed annually by its Board of Directors.

Achieving the UN Sustainable Development Goals (SDGs), as outlined in Agenda 2030, requires the public and private sectors to work together at scale in order to achieve results across the three dimensions of sustainable development: economic, social and environmental. BFS is cognizant of the importance of integrating sustainable development dimensions of Environmental, Social and Governance (ESG) in its business operations. ESG factors are becoming increasingly significant for the financial sector, as the sector has the ability to mobilize finance to create long term positive impacts for the society at large. This Report describes the Company's approach towards creating positive environmental and social outcomes through its businesses. Full details of the Company's Corporate Governance are presented separately in the Corporate Governance Report on page no. 33 of the Annual Report.

The Company

BFS is the Promoter of various financial services businesses under the Bajaj Group of Companies. Through its material subsidiaries viz. Bajaj Finance Ltd. (BFL-listed material subsidiary), Bajaj Housing Finance Ltd. (BHFL-debt listed material subsidiary), Bajaj Allianz Life Insurance Company Ltd. (BALIC) and Bajaj Allianz General Insurance Company Ltd. (BAGIC) (unlisted material subsidiaries). BFS serves millions of customers in the financial services space by providing financing solutions, asset and personal protection through general and health insurance, besides providing family and income protection, retirement and savings solutions in the form of life insurance.

BFS also has investments in renewable energy in the form of 138 windmills situated in Maharashtra, with an aggregate installed capacity of 65.2 MW.

The Company annually publishes its disclosures on the nine principles outlined in the National Voluntary Guidelines. While this Report is the BRR of BFS for 2019-20, initiatives and actions by its subsidiaries towards these objectives have also been provided throughout the Report where relevant. The Company's approach to each principle is described below:

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

BFS is a part of the Bajaj Group, which has its roots in the freedom struggle that led to India's independence, and strives to combine the Group's historical values with modern best-in-class business practices. The Company firmly believes that integrity and ethical behaviour form the foundation on which great and successful businesses are built. As the Promoter Company of the financial services businesses under the Bajaj Group, the values of ethics, transparency and accountability are deeply ingrained and practised in the Company's daily operations. It strives to adopt high standards of corporate governance, while adhering to all applicable guidelines with transparent disclosures about the Company's performance.

Ethics

- The Company regularly engages with the management teams of its subsidiaries to reinforce its commitment to ethics. The commitment to ethical business practices is further strengthened through the Employee Codes of Conduct for BFS and its subsidiaries. No stakeholder complaints linked to adherence of Code of Conduct were received by the Company in the reporting year.

- The Company and its subsidiaries have zero tolerance towards unethical business practices and ensures adherence to necessary policies with respect to anti-fraud, anti-bribery, conflict of interest, prevention of insider trading, prevention of money laundering, prevention of sexual harassment and related party transactions, as applicable.

- To ensure compliance, BFS and its material subsidiaries have established Vigil Mechanisms/ Whistle Blower Policies which lay down the process for reporting any unethical behaviour or violations. Instances of unethical behaviour, suspected fraud or violation of the Code of Conduct can be reported to the Management by any employee through these channels. Sufficient measures have been put in place by the Company and its material subsidiaries to safeguard employees, who report any unethical behaviour, against victimisation. There is also a provision for direct access to the Chairman of the Audit Committee in exceptional cases. All whistle blower complaints are investigated and actions are initiated, where required.

- The Company and its listed subsidiaries adhere to the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI). Concerned employees of all four material subsidiaries are also covered by the Code of Conduct for regulation of trades by designated persons, pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2019. These policies are reviewed periodically and updated as required. Any non-compliance with these policies is viewed seriously by the Board and actions commensurate with proven violations are initiated as required.

- BFS and its listed subsidiaries have a separate Code of Conduct for Directors and Senior Management. A declaration of the affirmation to the Code of Conduct by the Directors and Senior Management of BFS is communicated to all stakeholders by the Chairman & Managing Director in the Annual Report.

- The Company is a signatory to the Model Code of Conduct developed by the Confederation of Indian Industry (CII) and the same is placed on the Company's website https://www.bajajfinserv.in/media/corporate/downloads/cii-code-of-conduct-signed.pdf

  This Code of Conduct have specific anti-corruption clauses pertaining to payment and acceptance of bribes and favours.

- All material outsourcing agreements with vendors across BFS and its subsidiaries have anti-corruption clauses and all vendors are required to abide by the same.

- BFL and BHFL have relevant policies related to disciplinary action and grievance redressal, fraud prevention and prevention of money laundering in line with the requirements of Reserve Bank of India (RBI) and National Housing Board (NHB) respectively.

Transparency

- Transparency and fairness in dealings with customers is one of the stated principles of the Company to which all the subsidiaries adhere to. None of the products withhold any relevant information needed by the customers to make informed choices.

- The Company follows a transparent investor communication protocol including investor presentations, quarterly investor calls and uploading of call transcripts. Members of the senior managements of the insurance subsidiaries participate in the investor calls, underlining the importance of these calls. BFL, a subsidiary of the Company, is a listed entity and carries out its own investor communications in line with the Group protocol.

- After the end of each quarter, BFL voluntarily provides provisional key financial metrics pertaining to that quarter to the stock exchanges. This is done to ensure symmetry of information in line with the principles of fair disclosures.

- The insurance companies endeavour to maintain complete transparency with its customers and distributors through real-time online availability of account statements, policy documents, receipts, etc. to all customers and agents. In addition, Life insurance being a long-term commitment is backed by a goal based sales accompanied by a Key Feature document and a benefit illustration that completely explains the product features, conditions, etc. to every customer.

Accountability

- 'Accountable Empowerment' is one of the stated principles of the Company which has been adopted across all its subsidiaries. The Company strongly believes that empowerment and accountability go hand in hand and one without the other would be ineffective.

- BFS and its subsidiaries are managed by competent and professional Managing Directors/ CEOs, while being overseen by the respective Boards of Directors and supported by a strong team of competent professionals.

- The remuneration of Senior Management is benchmarked with appropriate peer groups and consists of a mixture of fixed pay, annual variable pays and long-term incentives in the form of ESOPs and/or deferred bonuses.

- Following are examples of practices followed by the Company and its material subsidiaries, which reflect their endeavour to maintain high standards of governance and go beyond legal requirements:

    i. Pre-Audit meetings are held wherein the Chairman of the Audit Committee thoroughly reviews, along with Management and internal and statutory auditors, the observations of said auditors.
    ii. The insurance subsidiaries on annual basis and BFL twice a year have meetings of senior management and the independent directors of their respective companies.
    iii. The insurance subsidiaries have meetings of independent directors with the respective compliance officers as well.
    iv. The Chief Risk Officer of BFL and BHFL meets the Board without the presence of the Managing Director, on a quarterly basis.
    v. BFS, BFL, BALIC and BAGIC hold higher number of Board meetings as against the minimum of four required by law. This also facilitates familiarisation of independent directors with respective companies' businesses.
    vi. Company Secretaries of BFS and its subsidiaries meet regularly to discuss and implement issues of common applicability thereby ensuring consistency across BFS group companies.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

Primarily, BFS is the Promoter of financial services companies. The Company and its subsidiaries do not have consumption of raw materials nor do they produce any physical goods. However, BFS has direct investment in 138 windmills with a total installed capacity of 65.2 MW. This enables the Company to promote renewable energy production and low-carbon sustainable growth, thereby contributing to India's National Action Plan on Climate Change.

The wind-farms are maintained under the supervision of BFS engineers and supported by comprehensive maintenance contracts. They are certified for management systems such as ISO 9001, ISO 14001 and OHSAS 18001 for quality, environment and health & safety respectively. In 2019-20, the windmills generated 792 lakh units of net power. The Company and its subsidiaries do not consume the minimum power needed to qualify for captive consumption and hence, the power is wheeled to third party consumers.

The insurance subsidiaries of BFS offer products which are value-added, simple to understand and responsive to the needs of their customers. Both the insurance subsidiaries have a wide reach in providing insurance service in rural and social sectors. These include providing services to unorganised sector and economically vulnerable or backward classes, which are otherwise deprived of the benefits of financial inclusion. BALIC offers products in the savings, retail and group protection segments and BAGIC offers products in the motor, health, crop insurance, property and commercial lines of business. These products have been designed to help customers meet their respective risk management objectives and life goals. Further, both the insurance

subsidiaries conduct campaigns to promote health and safety among the masses. They use technology to support their customers by connecting the eco-systems of their services, thereby bringing a greater degree of engagement, ease of use and transparency to their customers. Of the total business done by BAGIC in 2019-20, ₹ 1,012 crore of premium was written in the rural sector, 47 lakh lives were covered in the economically backward social sector and ₹ 2,721 crore of premium was written to promote the government backed crop and health insurance schemes. Similarly, of the total business written by BALIC in 2019-20, 27.5% of the policies were written in the rural sector and 64 lakh lives were covered in the economically backward social sector.

BFL has created deep distribution in medium and small towns in across country thereby taking financing solutions closer to society. It offers wide range of simple financial solution suited to the rural population including consumer durables, mobile phones and gold loans. As of 31 March 2020, BFL has a book of ₹ 13,328 crore (9.13% of consolidated AUM) across all rural products.

BFL's auto finance segment offers loans for two wheelers and three-wheel passenger carriers and commercial vehicles which are the mainstay of the rural population. A large proportion of these borrowers are from the less privileged sections of society which include daily income earners. It also provides life care finance, which is an easy EMI solution for customers to meet their uninsured healthcare and medical needs. This also includes purchase of fitness equipment and bicycles, which leads to overall improvement in the health and well-being in the society. During the FY2020, BFL was operational in 1,357 locations through nearly 19,600 points of presence in its rural lending division.

In the rural markets, all our companies endeavour, as far as possible, to recruit locally, thus creating employment as well as reducing migration.

Principle 3: Businesses should promote the well-being of all employees

The Company and its subsidiaries are committed to the well-being and all-round development of their employees. Employees are an integral pillar of their success and it is a continuous endeavour to attract qualified people and invest in their long-term growth and development. The Company regularly engages its employees, conducts learning and development programmes and provides them opportunities to move across the subsidiaries to gain wider professional exposure. BFL also focuses on the continual education of its employees and provides opportunities for their academic and professional development through its Employee Education Programme Policy.

The Human Resources and employee well-being policies of BFS and its subsidiaries are largely aligned, while taking into consideration the distinct nature of business of respective companies and the need to benchmark with industry peers.

As of 31 March 2020, BFS had a total of 83 employees, including 24 permanent female employees. The Company had one contractual employee, and did not have any specially-abled employee or a recognised employee association.

The Company and its subsidiaries regularly organise a variety of programmes for the well-being of their employees, intermediaries and customers. In the reporting year, the insurance subsidiaries sponsored and actively participated in organizing half-marathon in Pune, which received tremendous response from people across all walks of life. BALIC's Plankathon, an immensely popular consumer engagement health-initiative, entered the Guinness Book of World Records for the second time, for 'most people holding the abdominal plank position' simultaneously for one minute. BAGIC initiated a programme for its employees, where the participating employees used wearable devices that measured the number of steps walked every day, bringing people together in the quest for healthy living. BAGIC's employee value proposition statement - 'Live Ambition. Breathe Care' is targeted to ensure that talent acquisition, development, and engagement strategies are all focused to have a greater sense of 'purpose' inculcated in each of its employees.

BFL's wellness initiative 'Pure Life' continued focusing on promoting health and physical well-being of its employees through various programmes including comprehensive medical check-ups, doctor on phone, marathon opportunities and periodic health tips. It has appointed a visiting doctor to provide emergency medical care and assistance, or preventive health advice to employees in its Corporate Offices. Additionally, BFL's senior employees undergo a health coaching programme to set an example for other employees. In addition, BFL runs an 'I-care' programme through its employees to provide finance assistance to the employee or their family in the times of need.

BFS and its subsidiaries have adequately insured all their employees under group term insurance, life insurance and accidental insurance policy.

BFS and its subsidiaries prohibit discrimination on the basis of race, caste, religion, colour, ancestry, marital status, gender, sexual orientation, age, nationality, ethnic origin or disability. Further, the Company has zero tolerance policy towards harassment, whether sexual, verbal, physical or psychological against any employee.

In order to prevent any kind of discrimination, BFS and its subsidiaries have various policies and procedures in place. The 'Policy on Prevention of Sexual Harassment at Workplace' ensures the safety and security of female employees of BFS and its material subsidiaries. Each complaint of sexual harassment is investigated by an independent Committee consisting of internal and external female members, providing full anonymity to the complainant and in cases where evidence of harassment is found, strict disciplinary action is initiated. All sexual harassment cases are reviewed and followed up by the Audit Committees until closure.

The Company does not employ child labour in its premises and did not receive any complaints relating to child labour, forced labour or involuntary labour in 2019-20. The Company has not received any complaints of sexual harassment during the year. The subsidiaries have robust processes for investigating all complaints in line with recommended best practice with all cases being reviewed by the Audit Committee.

The Company and its subsidiaries have taken requisite steps to prevent spread of COVID-19. At the outset they took various measures like, (i) cancelled all international trips, physical trainings and conferences, (ii) curtailed domestic travels, (iii) took extensive precautionary measures like sanitisation of offices, availability of hand sanitisers and masks, (iv) rosters of a certain percentage of employees per day, (v) introduced operations in multiple shifts to ensure lesser number of employees at the workplace, etc., enabling social distancing. Post lockdown, all employees were moved immediately to work from home and advised to strictly follow lockdown guidelines of the Government as employee safety is the top most priority. BFL has prepared its offices with additional health protocols viz., operationalisation of Central Emergency Service Desk (CESD) into 24*7 helpline for employees, continuous communication to employees on protection, social distancing and self-declaration survey for employees on health status etc. for the safety of its employees.

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised

BFS and its material subsidiaries are equal opportunity employers and ensure that remuneration practices are based on merit, irrespective of the person's ethnic background, gender etc. Remuneration is periodically evaluated and updated and is in line with the market benchmarks. In addition, BFS practises affirmative action and ensures there is no discrimination of any type against disadvantaged sections at the work place, be it social, economic or otherwise.

In order to further support the disadvantaged sections of the society, the Company has initiated a Certificate Programme in Banking, Finance and Insurance (CPBFI). A core part of the employability initiative of BFS and its subsidiaries, this programme aims at making graduates, especially first-generation graduates, employable for the BFSI Sector. CPBFI is a customised training

programme conducted at multiple degree colleges in around 40 Tier 2 and 3 cities and towns across six states. Around 65% of the students of this programme are females, around 46% are from socially weaker backgrounds and an estimated 60% are first generation graduates.

During 2019-20, around 3,000 students completed the training in 86 batches. The cumulative enrolment for the programme up to March 2020 was about 5,000. In 2019-20, BFS spent ₹ 44.75 lakh on the project, while BFL spent ₹ 378 lakh. This employability initiative is the Company's humble contribution to the Skill India campaign of the Indian Government to make the youth of the country skilled and earn a better livelihood.

Principle 5: Businesses should respect and promote human rights

BFS and its subsidiaries uphold human rights as enshrined in the Constitution of India. The Company and its insurance subsidiaries have adopted two CII Charters viz., Charters on Fair and Responsible Workplace Guidelines for Contract Labour and Charters on Fair and Responsible Workplace Guidelines for Collaborative Employee Relations. The Company did not receive any complaint pertaining to violation of human rights in 2019-20.

Principle 6: Businesses should respect, protect, and make efforts to restore the environment

As a Promoter Company with a small number of employees, BFS does not have direct business operations other than the renewable energy business. As a result, it does not have any significant direct environmental impacts. Specifically, the Company or its subsidiaries do not own any manufacturing units that produce effluents including carbon emissions which harm the environment. However, they are committed to conducting their business in a manner that protects the environment.

Direct contribution to renewable energy: During the year, the wind-farms of the Company produced 792 lakh units of clean, renewable form of electricity whereas the requirements across BFS and its subsidiaries is only 525 lakh units (65%). This way, the Company being a net contributor of green energy has made a significant positive contribution towards sustainability and fight against climate change.

The wind energy produced by BFS considerably exceeds its electricity consumption however the power consumption of the Company and its subsidiaries does not meet the minimum required criteria for captive consumption, under the present regulation. Thus, the electricity generated by the wind-farms is wheeled to third party consumers who otherwise would use electricity from the grid, thereby avoiding 64,944[1] tCO2 emissions.

As a step towards further reducing the environmental impact of BFS and its subsidiaries, documents for Board and Committee meetings as well as internal review meetings are transmitted electronically, using a secured web-based application, since past many years. During the year, the annual performance evaluation of directors has also been made paperless by adopting automated online survey module. Further, BFS and its subsidiaries submit their Annual Reports and other communications to a majority of their shareholders electronically, leading to considerable reduction in paper consumption. The Company and its subsidiaries have also taken initiatives to ensure energy efficiency at their office locations. These include installation of LED lighting and rainwater harvesting systems, selecting and designing offices to facilitate maximum natural light utilisation, video-conferencing facilities across all offices to reduce the need of employee travel, digital learning initiatives for employees, optimised usage of lights and continuous monitoring and control of the operations of the air conditioning equipment as well as elimination of non-recyclable plastic in offices.

1 CO2 emissions of equivalent grid electricity, Source: CO2 Baseline Database for the Indian Power Sector, User Guide Version 14.0, Central Electricity Authority

Both the insurance subsidiaries of BFS endeavour to create a positive impact on the environment through their business operations. To the extent feasible and permitted by the fund mandates, they endeavour to invest in the companies which are committed and compliant to the principles of ESG. BALIC's pure stock unit-linked fund which invests in accordance with the restricted set of companies, is one of the best performing ULIP Funds over several years. The insurance subsidiaries strive, to the extent permitted by law, to employ latest technologies, encourage digital adoption and processes that facilitate paperless processes for their customers and partners, thereby reducing negative environmental impact. BFL has done plantation of 230,000 saplings across 350+ locations through its tree plantation initiative.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

BFS is a member of World Economic Forum (WEF) and CII, through which it actively engages in policy advocacy. In addition, Sanjiv Bajaj, Chairman & Managing Director of the Company, was the Chairman of CII, Western Region for the year 2019-20 as well as the Chairman of the CII National Committee for Insurance and Pensions.

The Company proactively contributes to the discussions and resolutions within the scope of the above-mentioned associations. Through these associations, BFS routinely puts forward its views on formulation of new industry standards and regulatory developments pertaining to the non-banking finance and insurance sectors. This includes aspects such as governance, administration, economic reforms and inclusive development policies, among others. Furthermore, the Company consistently attempts to balance the interests of various stakeholders while making any recommendations. Both insurance subsidiaries are amongst the largest companies in their respective industries and hence play a very active role in policy making along with the Regulator through their contribution to various committees formed by IRDAI or through the Life and the General Insurance Councils.

Principle 8: Businesses should support inclusive growth and equitable development

The vision and philosophy of Late Jamnalal Bajaj, the founder of Bajaj Group, guide the Corporate Social Responsibility (CSR) activities of the Group. He embodied the concept of trusteeship in business and common good, and laid the foundation for ethical, value-based and transparent functioning.

The Bajaj Group believes that true and full measure of growth, success and progress lies beyond balance sheets or conventional economic indices. It is best reflected in the difference that business and industry make to the lives of people. Thus, community development forms the core of all CSR initiatives undertaken by Bajaj Group. These initiatives are designed to reflect the needs of the target population. In order to ensure community ownership and sustainability of the CSR programmes, key stakeholders such as governments, NGOs, local communities and other local institutions are actively engaged during project planning as well as implementation.

On 26 March 2020, Bajaj Group committed ₹ 100 crore towards the fight against the recent outbreak of COVID-19 pandemic, which has severely impacted the people of many countries, including India. By working with the Government and Bajaj's network of over 200 NGO partners, Bajaj Group ensured that these resources reach those individuals who needed it the most. As part of this initiative, support was provided to upgrade/strengthen key healthcare infrastructure in Pune, while ensuring food supply, shelter, access to sanitation, rural care, livelihood aid and awareness creation on COVID-19.

Further, to strengthen the fight against COVID-19, BFS and its subsidiaries and group employees have together contributed over ₹ 10 crore to the PM Cares Fund.

In 2019-20, under section 135 (Schedule VII) of the Companies Act, 2013, BFS and its four material subsidiaries viz., BFL, BALIC, BAGIC and BHFL, collectively spent ₹ 124.51 crore on several projects, mainly in the field of education and healthcare. These projects aimed at providing an equal opportunity to all children to access education and shape a better future for themselves, while also working towards making healthcare more accessible to less privileged and bringing the nation a step closer towards healthcare for all. Specifically, BFS spent ₹ 1.20 crore against the mandatory spend of ₹ 1.16 crore on various CSR projects. These projects were implemented directly or through NGOs and other welfare agencies, with further support from local authorities and business associations, wherever deemed necessary.

Following were some of the key CSR projects supported by BFS Group in 2019-20:

1. **Skill Development - Certificate Program in Banking, Finance and Insurance (CPBFI)**

   CPBFI is an employability initiative of Bajaj Finserv and its subsidiaries to make graduates employable. This initiative covered 3,000 students in around 50 cities of India.

2. **Education**

   Providing an equal opportunity to all children to access education and shape a better future for themselves. The Company and its subsidiaries partnered with several leading NGOs in the sector, which work with underprivileged and disabled children to provide better educational avenues to them.

3. **Health**

   The group focuses on meting out healthcare to lesser privileged and bringing the nation to a step closer towards health for all. The Company and its subsidiaries work closely with some of the leading names in the sector, like Smile Train, Hrudaya Foundation, Cuddles, CanKids, etc. to provide speciality health care facilities like cleft surgeries, cancer treatment, ophthalmic surgeries, mental health, etc.

4. **Protection**

   The group works with NGOs like Rainbow homes to resettle homeless children by providing nutrition and residential care.

(₹ In Crore)

Sr. No.	Project Name	Details	Sector in which the project is covered	Location of project	Amount Spent
1	Smile Train India	Free cleft correction surgeries to underprivileged children	Healthcare	Pan-India	103.32
2	Bandhan	School for children for their holistic and optimistic learning	Education	West Bengal and Rajasthan	94.91
3	Certificate Program in Banking, Finance and Insurance	Employment enhancing vocational skills training for fresh graduates seeking career in banking, finance and insurance sector	Education	Pan-India	17.19
4	BWCP-JBGVS	Water Conservation and School Infrastructure Work	Environment	Aurangabad, Maharashtra	15.30
5	Hrudaya Cure a Little Heart Foundation	Hrudaya - Funding for surgeries of children diagnosed with Congenital Heart Disease	Healthcare	Hyderabad, Telangana	4.01
6	SOS Children's Village	Equipping vulnerable families with adequate means to provide for their children	Children	Latur, Maharashtra	3.13

For more information, refer to the Annual Report on CSR activities as contained in the Annual Report 2019-20.

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

As a Promoter Company, BFS does not have any direct customers or consumers under the scope of this BRR. We are transparent in providing product details in an easy to understand manner. However, both its insurance subsidiaries along with BFL have a proven track record of excellent customer services. The insurance subsidiaries have consistently maintained one of the lowest complaints ratio in terms of the number of complaints to the number of policies issued.

Both the insurance subsidiaries are engaged in providing education to customers through extensive use of digital mediums. BAGIC imparts education on health insurance, motor insurance and home insurance on its website, app and social media platforms. It leverages several offline tools, including print and radio, for transmitting advisory messages to customers and the general public about the benefits of general insurance. BAGIC is engaged with the industry-wide general insurance awareness campaign – Faayde Ki Baat and has contributed monetarily and in the form of advisory support for enabling this project. BAGIC has created an App called 'Farmitra' for farmers. The app leverages technology to aid famers in their day-to-day activities. This app acts as a true friend to the farmers, providing details about the weather forecast, market price across India and more. The app is an initiative to empower the farmers with all the knowledge they need about farming and is a pioneering initiative amongst insurers.

BALIC imparts education to its customers and general public in the form of investment commentary, webinars, video messages on social media, website, email, blogs, thereby enabling them to take a well-informed decision. It is also engaged with the industry-wide life insurance awareness campaign – Sabse Pehle Life Insurance and has contributed monetarily and in the form of advisory support for enabling this project.

BFL engages with its customers directly as well as through its various channel partners and has consistently maintained a high Net Promoter Score (NPS). It is a mechanism adopted by BFL to gauge the outcome of its customer engagement efforts. The NPS survey is conducted through an independent third party and its outcome is given due importance in the Company's future planning process in order to enhance overall customer experience.

Further, BFL and its subsidiaries have Code of Conduct for Direct Marketing and Selling Agents. These Codes, *inter alia,* prescribes the guidelines for tele-calling such as maintaining privacy of the prospects, explaining the product, not making misleading/misrepresentation claims, telemarketing etiquettes, etc. BFL and BHFL also have a Fair Practices Code (FPC) that is made available across all its respective branches. BFL's FPC is made available in vernacular language as well. This helps the customers to better understand its contents, which includes the grievance redressal mechanism.

The material subsidiaries of BFS consider information security to be of utmost importance and as a step towards strengthening it, they have a Cyber Security Policy in place. This Policy applies to all internet facing information/data processing facilities, etc. which are available to or accessible by respective companies' customers, employees, contractors, consultants, temporary staff and other individuals including those affiliated with third Parties. BAGIC was one of the first companies to offer cyber security Policy for individual.