

Our Sustainability Journey

INTRODUCTION TO ESG

We are proud to be a mission-driven company – devoted to creating a positive impact. Our purpose of ‘Doing Well and Doing Good’ fuels our long-standing commitment to promoting overall development of all our stakeholders. The fundamental values that PEL cherishes, namely 'Knowledge', 'Action', 'Care', and 'Impact', hold paramount importance in shaping the organization's identity and influencing its conduct. These values provide

guidance for all employees, customers, and partners to undertake positive actions that align with the company's brand. As a part of our Sustainability strategy, we are taking significant and concrete steps towards driving environmental, social, and governance (ESG) progress.

SUSTAINABILITY STRATEGY

The acquisition of Dewan Housing Finance Corporation Ltd. (DHFL) accelerated PEL's vision to focus on serving the financial needs of the unserved and underserved customers of our country especially in tier 2, 3 and 4 cities. The Company's objective is to foster the growth in the years to come and have a positive impact on the lives of the masses by promoting better and more secure lifestyles.

The Company has deployed a holistic and proactive approach considering the economic, social, and environmental dimensions of sustainability.

The sustainability strategy deployed by PEL includes specific goals and actions, which address a broad range of material

issues, including reducing greenhouse gas emissions, promoting employee well-being, and enhancing stakeholder engagement. We have categorised the focus areas in four major pillars.

The four strategic pillars within the ESG strategy framework outlines the key components that fosters company's sustainable growth. By these fundamental pillars, PEL has identified primary ESG focus areas that are essential to its business. Each focus area has KPIs developed to help in creating and implementing effective measures that enable it to generate maximum value for its stakeholders.

STAKEHOLDER ENGAGEMENT AND MATERIALITY

Stakeholder consultations play a crucial role in determining the material topics for PEL. PEL recognizes the importance of being resilient in a rapidly changing business environment and has taken proactive steps to mitigate potential risks.

PEL identifies and prioritizes key stakeholders based on relevance, role, and influence. Relevant teams establish engagement channels to provide stakeholders with accurate information, feedback, and access to resolution mechanisms. Internal stakeholders include employees, senior leaders, managers, and the Board of Directors, while external stakeholders include customers, investors/ shareholders, regulatory bodies, industry bodies and the community at large.

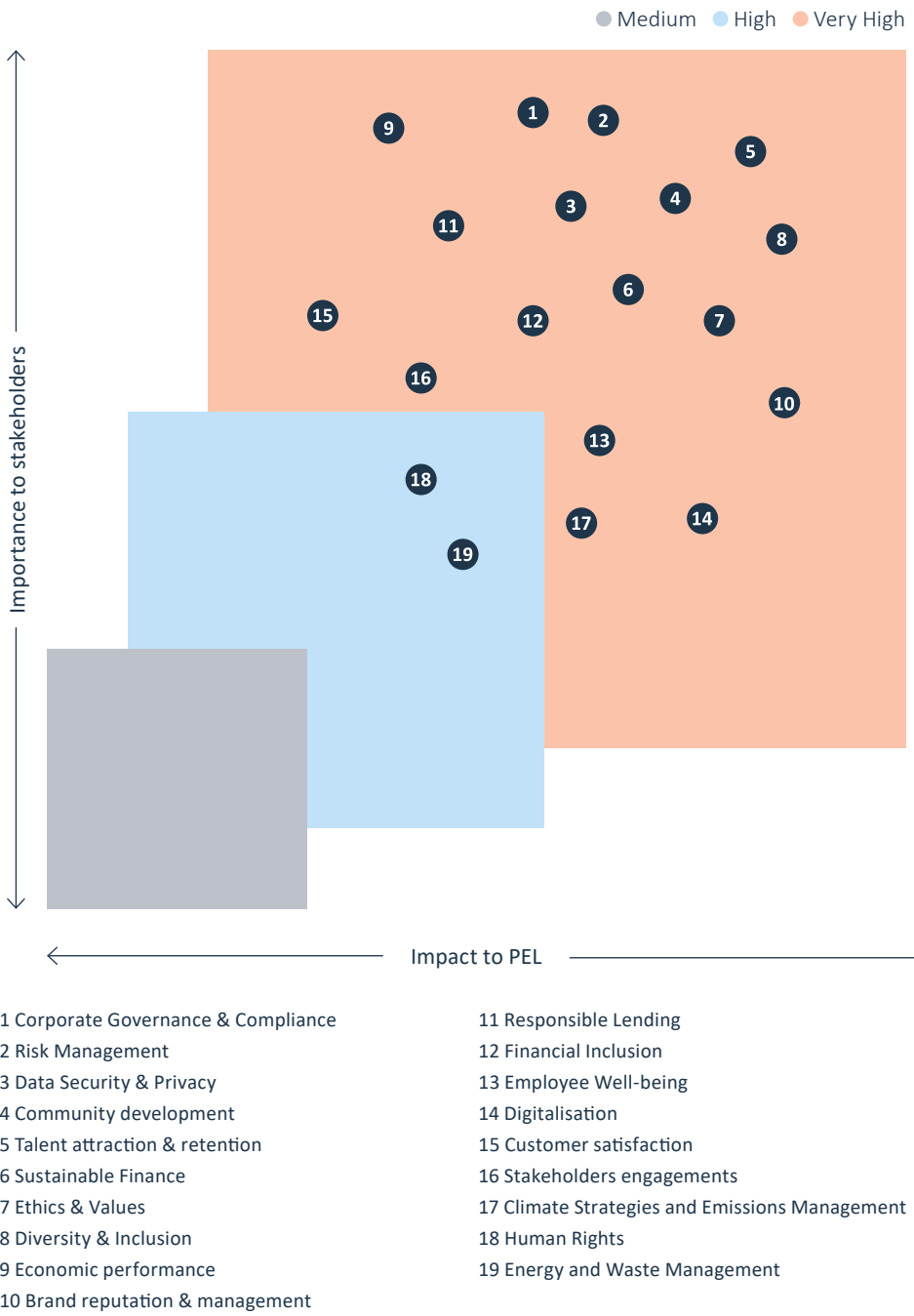
During the year, PEL conducted an ESG materiality assessment in line with external developments related to ESG reporting and our new sustainable strategy. The process involved extensive research into relevant ESG topics and frameworks, and validation with internal stakeholders and subject matter experts. By analyzing the feedback received from stakeholders during the engagement process, PEL has prioritized the aspects based on a risk and responsibility matrix to identify material topics based on which sustainability strategy was formulated.



MATERIALITY MATRIX

The foundation of ESG strategy framework is identifying key material aspects, which are critical to business operations as well as stakeholders. PEL's materiality assessment was conducted in accordance with the requirements of the Global Reporting Initiative (GRI) Standard, and in consultation with internal and external stakeholders. The materiality matrix is based on 19 key material aspects identified through peer benchmarking,

leadership dialogues, ESG standards and ratings, and stakeholder engagement. These aspects are mapped based on their ‘impact on the organization’ and ‘stakeholder influence’, to prioritize our business focus and contribute to sustainable development and growth in alignment with relevant UN SDGs. The identified key material aspects based on their priority to business and stakeholders are showcased in the matrix.



ESG HIGHLIGHTS

- ~ 3 Million Customer base
- 404 branches Across India
- 12,000+ Employees
- 10,000+ New employees recruited
- 2,700+ beneficiaries of financial literacy programs
- 50,000+ Employee training person hours
- 1,24,378 women empowered by all our loan products
- 73,400+ existing customers across affordable housing segments
- 5/14 women directors on Board
- 113 Million lives touched through CSR activities
- ~ ₹ 22 Lakhs Pages saved due to digital loan processing