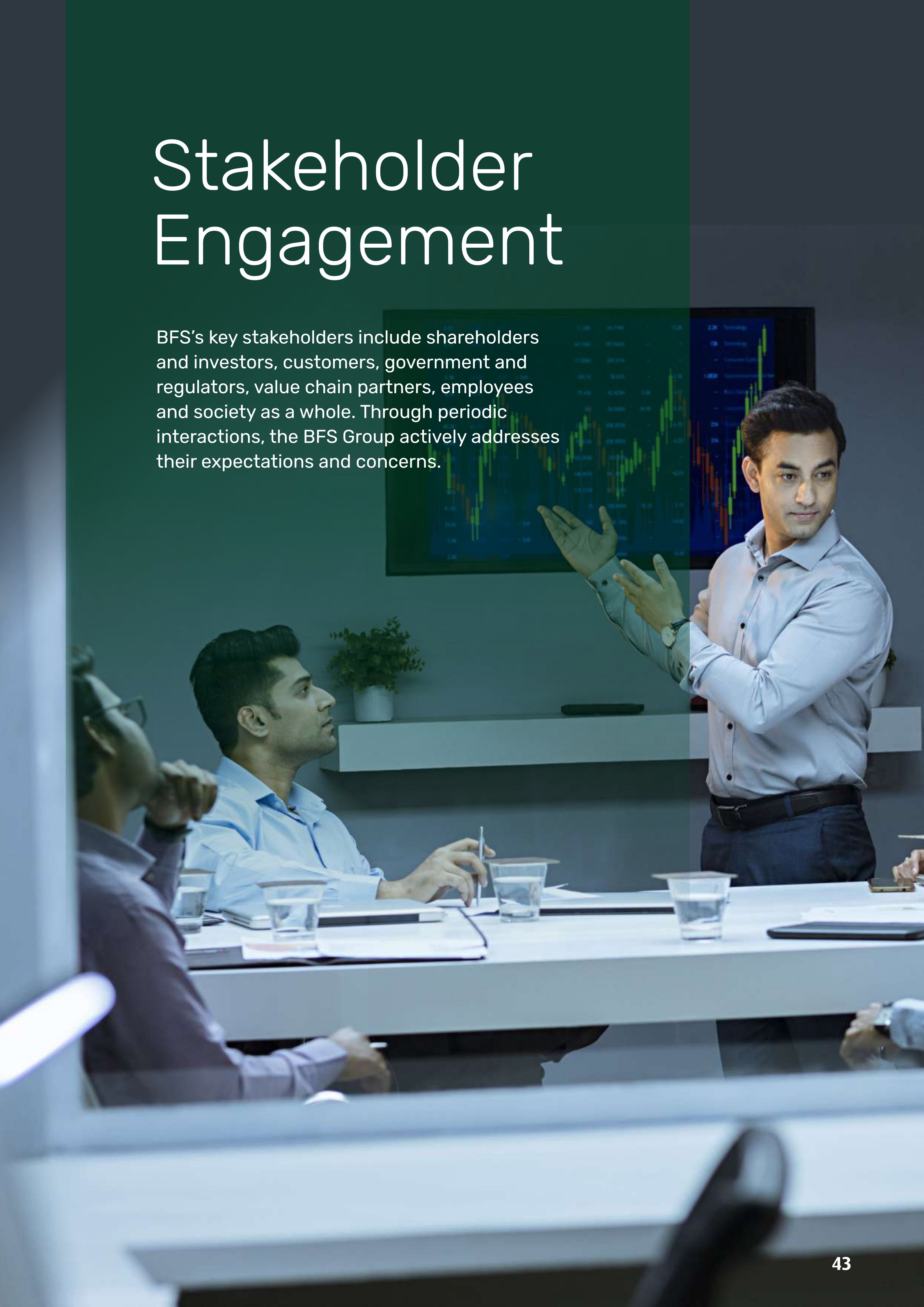
Stakeholder Engagement

BFS's key stakeholders include shareholders and investors, customers, government and regulators, value chain partners, employees and society as a whole. Through periodic interactions, the BFS Group actively addresses their expectations and concerns.



BFS Group is dedicated to upholding and protecting stakeholders' interests and ensuring compliance with all applicable laws pertaining to human rights. In FY2022, none of the companies in BFS Group received any complaint relating to a violation of human rights.

Shareholders and Investors

Leading with integrity, invoking the trust of stakeholders, BFS and BFL, the two equity listed entities within the BFS Group, maintain one of the highest standards of business information disclosures amongst financial services companies in India. Both companies communicate with shareholders and investors in various ways, including quarterly investor presentations, press releases and communications through stock exchanges, participation in investor conferences, etc. Additionally, senior executives of our unlisted material subsidiaries (BAGIC and BALIC in case of BFS and BHFL in case of BFL) also participate in the investor call and address their queries, underlining the importance of these engagements.

Our Stakeholders Relationship Committee of the Board addresses the grievances of investors. During the year, the Group received 17 shareholder and investor complaints, of which 1 was pending for resolution as on 31 March 2022 which also has been appropriately resolved subsequently.

Value-Chain Partners

BFS Group strives to influence its partners in the value chain to participate in responsible and sustainable business conduct depending upon their means and resources. We believe that mutual and inclusive growth of our value-chain partners is necessary to foster trust and manage potential risks through interactions with value chain partners. Each subsidiary has various partners such as vendors, business associates etc., with whom they have an ongoing engagement in the form of in-person / online meetings, emails, performance discussions, trainings, company policy/process communication etc. Additionally, each company conducts periodical meets/conferences for some of its value-chain partners. For instance, BFL conducts 'Samvaad—Dialogues to Success' with its business partners while our insurance subsidiaries conduct agent meets.

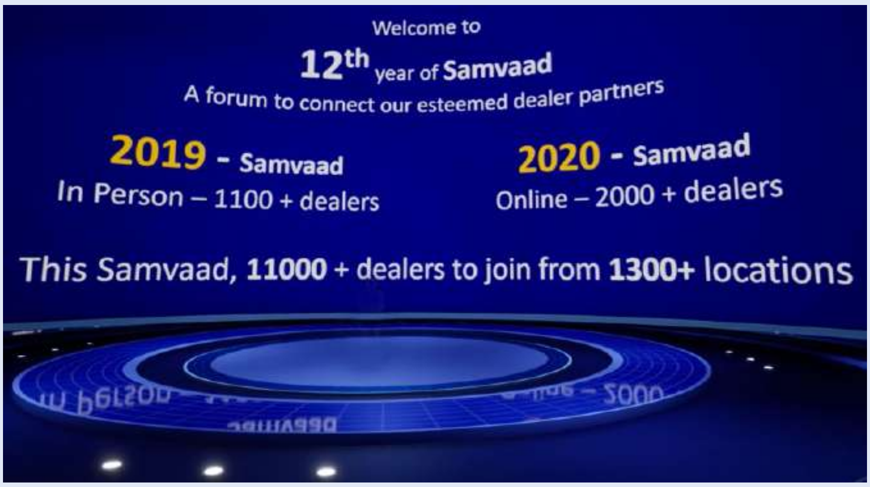
Each of the Companies in the Group conducts awareness and training programmes for its value chain partners (especially agents and other intermediaries), depending upon business needs, stakeholder feedback and regulatory requirements relating to code of conduct, anti-money laundering, fraud prevention, health and safety, prevention of sexual harassment, whistle blower mechanism, other functional trainings, etc.

During the year, our insurance subsidiaries provided specialised training to their agents. These training sessions covered various topics such as code of conduct, ethics, professional conduct, anti-money laundering, functional and skill upgradation trainings that were knowledge-based and covered the 'Did you Know' series about products, processes, FAQs, new product launches, know your compliances, existing products, ready-reckoners, sample illustrations, selling stories and video pitches. Similarly, BFL conducted Suo-moto Debt Recovery Agent (DRA) training and a Change Agent program for its collection agents. All agents associated with collections are covered under this program — more than 17,800 agents have completed the training program.

All material subsidiaries have a monitoring framework for their value chain partners such as debt recovery agents, insurance agents,

"Samvaad - Dialogues to Success"

An annual meet is conducted to strengthen relationship with business partners and to address their concerns — around 1,000 large retailers used to attend this session in person in pre-Covid-19 period. BFL felicitates and recognises outstanding performance of its partners in such forums. In FY2022, due to travel restrictions, 'Samvaad' was conducted in a digital manner and was broadcasted LIVE where over 11,000 retailers participated and interacted live with the senior management.



etc. to review their performance and take suitable action in terms of warning, penalty and termination for deviations. This is achieved through contracting, engagement, and following Board-approved policies and codes:

- Insurance subsidiaries – Appointments and operations are conducted according to the guidelines provided under the Policy on Appointment of Insurance agents, Policy on payment of Commission/ Remuneration / Reward to Insurance Agents and Insurance Intermediaries and Policy on engagement of Agency Development Partner
- BFL and its subsidiaries have adopted a Board-approved Code of Conduct for Direct Selling Agents, Direct Marketing Agents and Recovery Agents

Government and Regulators

The BFS Group companies continually monitor their legal and regulatory compliances. We regularly engage with government agencies and regulators to stay on track and provide timely and accurate information, as required.

Each of the Group companies participates in the interactive engagement with government authorities and regulators, be it by offering suggestions and recommendations or feedback on draft policies. We also provide our discerning views on setting up of new industry standards or regulatory developments pertaining to the financial services industry. These interactions enable us to understand the areas of focus and concerns. When providing our views or feedback, we always attempt to balance the interests of various stakeholders objectively. All interactions with government bodies and regulators like RBI, SEBI, IRDAI etc., are conducted only by authorised senior officials of the Group companies.

BFS Group is one of the financial conglomerates which is monitored by the Inter-regulatory Forum (IRF), comprising representatives from the IRDAI, SEBI, RBI, NHB and PFRDA. As part of the monitoring process, an annual meeting is held by the IRF with the BFS Group, wherein the IRF is updated on the practises at the BFS Group pertaining to compliances, risk management, capital adequacy, grievance management, business development, etc. From the respective regulators' side, their expectations on any identified issues and challenges, if any, in the conduct of respective companies are discussed, including their expectations from the overall BFS Group of companies.

BFS and its subsidiaries are also members of various trade and industry chambers, associations, councils and other collective platforms or forums. We proactively participate in the discussions and contribute to the resolutions within the scope of these forums.

For instance, BFS is a member of the World Economic Forum and CII, through which it actively engages in policy advocacy. These engagements are overseen by Sanjiv Bajaj, Chairman & Managing Director of the Company, and the President of CII, from May 2022.

Society

Empowering society

Refer Pg. 21

Customers

Customer centricity

Refer Pg. 27

Employees

Human capital management

Refer Pg. 32