



CreditAccess Grameen Limited

ESG DATABOOK FY 2025-26

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Executive Summary

About CreditAccess Grameen Limited

CreditAccess Grameen Limited is India's leading rural focused inclusive financing platform, headquartered in Bengaluru. The Company provides a curated lifecycle credit suite to low-middle income households spanning group loans, individual business loans, secured business loans, affordable housing loans, and two-wheeler financing.

About the ESG Databook

CreditAccess Grameen Limited is pleased to present the Company's ESG Data Book for Financial Year 2025-26. Annually, CA Grameen reveals its significant financial and sustainability disclosures, as well as its performance and accomplishments, using a comprehensive Integrated Annual Report encompassing the Global Reporting Initiative's (GRI) index and Business Responsibility and Sustainability Report (BRSR). This ESG data book is an extension of our Integrated Report FY 2025-26 with additional disclosures aligned to global reporting frameworks.

Reporting Boundary

The ESG Databook primarily covers CA Grameen's standalone operations unless otherwise specified, and all monetary values are presented in Indian Rupees (INR).

Reference

1. Integrated Annual Report 2025-26: https://www.creditaccessgrameen.in/wp-content/uploads/2026/06/CreditAccess-Grameen_Annual-Report_FY-2025-26.pdf
2. Policies: <https://www.creditaccessgrameen.in/governance/policies/>
3. Investor Presentations: <https://www.creditaccessgrameen.in/investors/financials-and-investor-presentations/investor-presentations/>

Governance

Corporate Governance

Board Type - One Tier System

The Company has a one-tier Board structure. As on March 31, 2026, the Board comprised 8 Directors drawn from diverse fields and professional backgrounds. The Chairman of the Board is a Non-Executive and Independent Director. **The composition of the Board is in compliance with the requirements of the Companies Act, 2013, the Reserve Bank of India regulations applicable to NBFCs, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.** The Board maintains an appropriate balance of Executive, Non-Executive and Independent Directors, ensuring effective oversight, diverse perspectives, and adherence to sound corporate governance practices.

Type of Director	Number of members	
	Male	Female
Executive	1	0
Independent	1	2
Non-Executive	4	0
Total	6	2

For additional information refer to [Annual Report FY 2025-26](#), Board of Directors - Composition Page 152

Board Accountability

Average Board Meeting Attendance

The Board meets regularly to provide strategic direction, review business performance, oversee risk management, monitor compliance, and discharge its governance responsibilities. Directors are provided with comprehensive agenda papers in advance of meetings to facilitate informed decision-making and meaningful deliberations. During FY 2025-26, Director participation remained strong, with Board meeting attendance exceeding 75% and standing at **approximately 96.92%**, reflecting the Board's high level of engagement, commitment, and accountability in the governance of the Company.

For additional information refer to [Annual Report FY 2025-26](#), Attendance at Board Meetings Page 154

Shareholder Approval Required for Changes in Bylaw

In accordance with the Company's Articles of Association and the Companies Act 2013, any amendment to the Articles requires shareholder approval. Shareholders exercise voting rights in proportion to the equity shares held by them and may not pass resolutions that are contrary to the provisions of the Articles. An amendment to the Articles of Association becomes effective only upon approval by shareholders holding not less than 75% of the equity shares entitled to attend and vote and casting their votes in favour of such amendment. This ensures that any changes to the Company's bylaws are subject to a supermajority shareholder approval process. There was no event triggering a change in the bylaws of the company during FY 2025-26.

For additional information refer [Articles of Association](#), Amendment to Memorandum and Articles of Association, Page 56

CEO Succession Plan

The Company maintains a formal, Board-approved Succession Planning Framework that covers all critical leadership positions, including the Managing Director & CEO. The framework identifies both emergency/short-term (0-6 months) and long-term (>6 months) succession candidates and is reviewed periodically by the Board to ensure leadership continuity. For the MD & CEO position, identified internal successors include senior executives with the requisite experience and capabilities to assume leadership responsibilities in the event of an unexpected vacancy. Succession readiness is supported through leadership development initiatives, periodic assessments, and targeted development plans. As of September 2026, succession plans were in place for all identified critical positions across the organization.

Directors' Liabilities

The Code of Conduct for the Board of Directors and Members of Senior Management expressly recognizes that Directors remain subject to their statutory duties and responsibilities. In particular, the Code requires every Director to endeavour to comply with Section 166 of the Companies Act, 2013, and requires Independent Directors to perform the duties prescribed under Schedule IV to the Companies Act, 2013. The Code also requires Directors to comply with applicable laws, rules, regulations, and Company policies.

The Company provides Directors & Officers insurance to the directors in accordance with applicable law. Insurance is subject to the applicable terms, conditions and exclusions and does not relieve directors of their personal accountability for their statutory or fiduciary obligations.

The Articles of Association further provide that the liability of Directors may be rendered unlimited through shareholder approval by Special Resolution in accordance with applicable law.

For additional information refer [Articles of Association](#), Making Liability of Directors Unlimited, Page 42

Board Election

Board members are elected/appointed by the Shareholders in accordance with the requirements of the Companies Act, 2013, applicable the Reserve Bank of India guidelines/regulations, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulations).

The Independent Directors are appointed for a fixed tenure and the Directors who are liable to retire by rotation are subject to retirement and re-appointment by the Shareholders at the Annual General Meeting in accordance with the applicable provisions of the Companies Act, 2013 and SEBI LODR Regulations. The identification and nomination of candidates for appointment to the Board are undertaken in accordance with the Company's Policy on Appointment of Directors, KMPs, Senior Management and Succession Planning, and the Board Diversity Policy covering the Board Composition and related matters.

CEO Compensation- Success Metrics

Financial Return: The CEO's Annual Performance Goal Sheet includes a dedicated Financial Performance category carrying meaningful weightage in the overall KPI framework. Financial metrics used for performance assessment include Return on Assets (ROA), Return on Equity (ROE), Profit After Tax (PAT), Net Interest Margin (NIM), and Gross Loan Portfolio growth.

Performance is evaluated against Board-approved targets and forms part of the basis for determining the CEO's variable pay outcome.

Relative financial metrics: The CEO's goal sheet is based primarily on absolute, internally set targets approved by the Board and measured against the Company's business plan across financial, portfolio quality, strategic, governance, and people dimensions. In addition, peer-relative measures and industry performance are considered as contextual inputs in the overall performance evaluation process.

For additional information refer to [Annual Report FY 2025-26](#), Details of remuneration to Mr. Ganesh Narayanan, Managing Director & CEO for FY26 Page 155 (AR)

CEO Compensation - Long-Term Performance Alignment

The CEO's long-term incentive is delivered through stock options with a multi-year vesting schedule. The options vest in four equal annual tranches of 25% each at the end of Years 1, 2, 3 and 4 from the grant date. Each vested tranche may be exercised within 36 months from its respective vesting date. This structure defers the realization of the award over multiple years and supports alignment between executive remuneration and the company's longer-term performance.

The long-term incentive, including all deferred and unexercised awards, is subject to the company's applicable malus and clawback provisions. Benefits may be reduced, cancelled or recovered in cases of proven gross wilful negligence, misrepresentation, breach of integrity or comparable misconduct. These provisions extend to all previously granted but unexercised stock options. Any determination regarding the application of malus or clawback is made by the Nomination and Remuneration Committee, whose decision is final and binding.

ESG-Linked Performance Component

ESG and sustainability considerations are incorporated into the CEO's annual performance evaluation through the "Governance, Stakeholder Relations & Sustainability" category, which carries an overall weightage of 10%.

The category comprises:

- Regulatory Governance, CRAR and RBI Engagement: 5%
- Investor, Lender and Promoter Relations: 2.5%
- ESG, CSR, Sustainability and Social Impact: 2.5%

Accordingly, 2.5% of the CEO's total annual performance evaluation is directly linked to ESG, CSR, sustainability and social-impact outcomes. The remaining 7.5% relates to regulatory governance and stakeholder-relations objectives.

For additional information refer to [Annual Report FY 2025-26](#), Stock Option details of Mr. Ganesh Narayanan, Page 155 (AR)

Management Ownership

There is only one executive committee member at CA Grameen. As of March 31, 2026, Ganesh Narayanan, Managing Director and CEO, held 1,375 equity shares. Based on the NSE closing price of INR 1,158 per share, the holding was valued at INR 1.59 million, equivalent to 0.05 times his FY 2025-26 annual fixed pay of INR 32.5 million.

Details of the members' management ownership as on 31st March 2026 are provided below:

Position	Names	Multiple of base salary
Managing Director & Chief Executive Officer	Mr. Ganesh Narayanan	0.05

ESG Governance Oversight

The Board of Directors has ultimate oversight of the Company's ESG and sustainability matters, including material ESG impacts, risks and opportunities. This oversight is exercised through the **CSR & ESG Committee of the Board**, which is responsible for reviewing and guiding the Company's ESG strategy, commitments, targets and performance, including those related to climate change. ESG and sustainability matters are scheduled agenda items at the Committee's meetings, which are held at least annually.

At the management level, a **cross-functional ESG Working Group, led by the Chief Financial Officer**, is responsible for the day-to-day management and implementation of the Company's ESG initiatives. The Working Group includes representatives from relevant functions across the Company and is responsible for implementing the ESG strategy, monitoring material ESG risks and opportunities, tracking performance against targets, coordinating ESG initiatives and preparing sustainability-related disclosures.

The ESG Working Group reports to the CSR & ESG Committee, which reports to the Board of Directors, establishing a clear line of accountability between management and the Board.

Materiality

CA Grameen conducts and reviews its **materiality analysis once in five years** to identify, evaluate and prioritise the ESG issues most relevant to the Company and its stakeholders. The process includes the **involvement of external stakeholders**, including customers, investors, lenders, vendors, regulators, rating agencies and local communities, as well as employees and senior management.

The assessment applies the principle of **double materiality**, considering both **financial materiality**, representing the actual or potential impact of ESG issues on the Company's business and financial performance, and **impact materiality**, representing the Company's actual or potential impacts on society and the environment. Material issues are evaluated using a structured scoring methodology and **prioritised in a materiality matrix**.

The results of the materiality assessment are **integrated into the Company's enterprise risk management process**, internal audit and sustainability governance processes. The assessment results are reviewed by senior management and **approved by the Board of Directors**. BDO India Services Private Limited provided independent external assurance over specified non-financial disclosures in the 2026 Integrated Annual Report and BRSR disclosures.

For additional information refer to [Annual Report FY 2025-26](#), Double Materiality Assessment Page 30

Material Issues for Enterprise Value Creation

Material Issue 1	
Material Risk or Opportunity	Data Security & Privacy
Business Case	CA Grameen handles sensitive customer, employee and organisational information and relies on technology-intensive systems to deliver financial services. Strong data-protection and

	privacy controls provide an opportunity to strengthen customer confidence, maintain the confidentiality and integrity of information, support service continuity and enable the secure expansion of digital financial services. The opportunity also has a significant protective value. A data breach or cyber incident could result in financial sanctions, regulatory action and reputational damage. Continuous oversight and preventive monitoring therefore enable CA Grameen to mitigate these exposures while protecting customer relationships, institutional credibility and long-term value creation
Type of Impact	Opportunity
Business Strategy	CA Grameen addresses this opportunity through: • A state-of-the-art Security Operations Centre providing continuous monitoring and threat detection. • Next-generation firewalls, endpoint-security controls, database-activity tracking and centralised branch-infrastructure oversight. • Encryption of sensitive information at rest across critical platforms. • Regular vulnerability assessments, penetration testing, patch management and access reviews. • Live data replication, backup arrangements and regular disaster-recovery drills. • Segregation of production, pre-production and user-acceptance-testing environments. • Vendor-risk-management processes covering classification, monitoring and exit strategies. • A pilot Single Sign-On framework integrated with two-factor authentication. • Shift-left vulnerability scanning during the software-development lifecycle. • Privacy-by-design principles embedded across systems and processes. • Measures to support compliance with the Digital Personal Data Protection Act.
Target	CA Grameen has an annual target to maintain zero material data breaches.
Target Year	FY 2025-26
Progress	CA Grameen recorded zero material data breaches during FY2025-26, thereby achieving its annual target. Performance is supported through continuous Security Operations Centre monitoring, vulnerability assessments, penetration testing, access controls, encryption, endpoint security, database-activity monitoring, disaster-recovery arrangements and privacy-by-design practices.

Executive Compensation	The target of zero material data breaches forms part of the annual executive performance scorecard applicable to CA Grameen's executive management team. Performance against this target is assessed annually and contributes to the determination of the ESG component of executive variable compensation. The metric is intended to reinforce executive accountability for protecting customer and organisational information, maintaining operational resilience and ensuring the secure delivery of digital financial services.
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Material Issue 2	
Material Risk or Opportunity	Customer Centricity
Business Case	CA Grameen's business model is based on long-term relationships with underserved rural and semi-urban households. As customers' financial needs evolve, providing relevant solutions for income generation, business expansion, housing, mobility, education, emergencies and related financial needs enables CA Grameen to deepen engagement and remain relevant throughout the customer lifecycle. Customer Centricity strengthens trust, retention and brand credibility and creates opportunities for increased product penetration, cross-selling, portfolio diversification and customer lifetime value. It therefore supports sustainable revenue growth and the Company's long-term competitive position in inclusive finance.
Type of Impact	Opportunity
Business Strategy	CA Grameen addresses this opportunity through: • A household-centric financial ecosystem moving from a product-led model to holistic customer engagement. • A "follow the customer" approach that aligns financial solutions with customers' evolving lifecycle requirements. • A range of group and retail products, including income-generating, emergency, education, sanitation, water, unsecured business, secured business, two-wheeler and affordable-housing loans. • A relationship-led, high-touch phygital engagement model combining in-person engagement with digital channels. • The Grameen Mahi application providing loan visibility, eligibility checks, product access, repayment reminders, confirmations and digital-payment functionality. • Customer-awareness and financial-literacy programmes delivered through centre meetings, house visits, SMS, WhatsApp, outbound calls and the Jagruti platform.

	- Customer journey assessments and feedback calls, with findings used to improve products, processes and support functions. - A structured grievance-redressal mechanism supported by vernacular assistance, a Member Support Team, the Grievance Redressal Cell and escalation to the Internal Ombudsman. - Responsible-lending and client-protection practices supported by internal risk thresholds, regulatory requirements and MFIN guardrails.
Target	CA Grameen has an annual target to achieve 100% customer satisfaction rate.
Target Year	FY 2025-26
Progress	CA Grameen reported a 99.9% customer satisfaction rate in FY2025-26. During the year, the Company conducted 28,645 customer feedback calls. Of the customers contacted, 96.0% reported that they were happy, 3.9% were satisfied and 0.1% were unhappy with the Company's products, processes or staff conduct. The feedback is used to inform improvements across product development and other support functions
Executive Compensation	Customer satisfaction forms part of the annual executive performance scorecard applicable to CA Grameen's executive management team. Performance against the annual customer satisfaction target is assessed and contributes to the determination of the ESG component of executive variable compensation. This reinforces executive accountability for customer experience, service quality and the continued alignment of products, processes and customer-support functions with customer expectations.

Material Issue 3	
Material Risk or Opportunity	Corporate Governance and Business Ethics
Business Case	CA Grameen operates in a highly regulated financial-services environment and depends on the confidence of customers, lenders, investors, regulators and rating agencies. Strong governance and ethical conduct provide an opportunity to reinforce institutional credibility, protect the Company's reputation, maintain regulatory confidence and support continued access to diversified funding. Transparent decision-making, independent oversight, effective internal controls and responsible lending also reduce exposure to misconduct, fraud, regulatory breaches, operational losses and reputational damage. These practices strengthen business resilience and enable CA Grameen to grow responsibly across market cycles.
Type of Impact	Opportunity
Business Strategy	CA Grameen addresses this opportunity through:

	• Board and committee oversight supported by clearly defined policies, independent supervision and internal controls. • Oversight through the Audit Committee, Risk Management Committee, IT Strategy Committee, Stakeholders' Relationship and Customer Service Committee, and Corporate Social Responsibility and ESG Committee. • Policies covering anti-bribery and anti-corruption, anti-money laundering and anti-terrorism financing, whistleblowing, corporate governance, tax, client privacy, business continuity and employee conduct. • An enterprise risk-management framework covering credit, liquidity, interest-rate, currency, operational, IT and ESG risks. • Risk and Control Self-Assessment, Key Risk Indicators, incident management, fraud monitoring, an Early Warning System and field-risk investigations. • Independent internal audit using risk-based and analytics-driven sampling, an end-to-end audit portal, evidence management, real-time dashboards and closure tracking. • Employee training on ethical conduct, compliance, anti-corruption and customer protection. • Responsible-lending controls aligned with RBI requirements, MFIN guardrails, internal credit policies and risk thresholds.
Target	CA Grameen has an annual target to maintain zero fines related to corruption or bribery
Target Year	FY 2025-26
Progress	CA Grameen recorded zero fines related to corruption and bribery during FY2025-26, thereby achieving its annual target. The Company supports compliance with this target through Board and committee oversight, a zero-tolerance approach toward misconduct, defined governance and conduct policies, enterprise risk management, compliance monitoring, whistleblower arrangements, internal audit and employee training.
Executive Compensation	Regulatory compliance forms part of the annual executive performance scorecard applicable to CA Grameen's executive management team. Performance against ethics and compliance is assessed annually and contributes to the determination of the ESG component of executive variable compensation. This reinforces executive accountability for regulatory compliance, ethical conduct, anti-bribery and anti-corruption requirements, and the effectiveness of the Company's governance and control environment.

Material Issues for External Stakeholders

Impact 1	
Material Issue	Financial Inclusion
Type of Impact	Positive
Cause of the Impact	CA Grameen's core operations and financial products expand access to affordable and responsible finance for women entrepreneurs and low-income households, particularly in rural and semi-urban India. Through group loans, retail finance, livelihood, education, sanitation, water, housing, emergency and other need-based products, the Company provides formal credit to underserved and new-to-credit customers. The assessment covers the Company's lending operations and customer-facing products across its operating network.
External Stakeholders/Impact Areas Evaluated	• Society • Consumers/end-users
Topic relevance on external stakeholders	Financial inclusion is material because CA Grameen's business model directly addresses the formal-credit gap experienced by low-income and underserved households. Affordable, appropriately structured finance enables customers to support livelihood activities, business expansion, housing, education, healthcare, mobility and household resilience. In FY 2025-26, CA Grameen served 4.42 million active borrowers, 99.97% of whom were women, through 2,236 branches across 451 districts. The Company also added 0.98 million borrowers during FY 2025-26, of whom 38% were new-to-credit. The scale, geographic reach and concentration on underserved women demonstrate the breadth and significance of the positive impact on consumers and society.
Output Metric	4.42 million active borrowers
Impact Evaluation	Access to formal credit for underserved customers
Impact Metric	38% new-to-credit customers added in FY26

Impact 2	
Material Issue	Customer Centricity
Type of Impact	Positive
Cause of the Impact	Customer Centricity is embedded across CA Grameen's customer-facing operations and product portfolio. The Company designs financial solutions around customers' lifecycle needs and supports them through centre meetings, house visits, branch interactions, vernacular customer assistance, Grameen Mahi, awareness communications, grievance channels and regular customer feedback. These mechanisms are applied across the Company's

	lending and servicing activities and are intended to improve accessibility, transparency, suitability, customer protection and service experience.
External Stakeholders/Impact Areas Evaluated	• Society • Consumers/end-users
Topic relevance on external stakeholders	Customer Centricity is material because CA Grameen serves financially underserved households whose access to suitable products, transparent information and effective grievance resolution directly affects their financial security and trust in formal finance. During FY 2025-26, the Company made 29,434 customer-awareness calls and 28,645 customer-feedback calls. The feedback process recorded a 99.9% customer satisfaction rate. CA Grameen received 2,038 customer grievances during FY 2025-26, resolved every grievance, and achieved an average turnaround time of 3.7 days. Its Gold Level under Client Protection Certification further supports the effectiveness of its responsible, customer-first approach.
Output Metric	28,645 customer feedback calls
Impact Evaluation	Improved customer experience and satisfaction
Impact Metric	99.9% Customer satisfaction rate

Risk and Crisis Management

Risk Governance

The Company has established a **Board-level Risk Management Committee** to provide oversight of the Company's risk management framework and key risk exposures. The Committee is responsible for monitoring and reviewing the risk management plan, risk management policy, and material risks, including operational risk, credit risk, integrity risk, and cybersecurity risk. The Committee evaluates risk mitigation strategies and recommends appropriate actions to strengthen the Company's risk management practices. Risk assessment and mitigation measures are reviewed periodically by the Board, ensuring independent oversight of enterprise-wide risks. As of March 31, 2026, the Risk Management Committee comprised five members, including an Independent Director, being chaired by Mr. Massimo Vita.

Three Lines of Defense Model

CA Grameen's Three Lines of Defence model establishes clear and segregated responsibilities for risk ownership, independent oversight and assurance across the organisation.

First Line: Business, Credit and Quality Control Function	The Business and Credit function own and manage operational and credit risks within day-to-day activities, supported by segregation of duties and independent credit decision-making. The Quality Control function reviews field processes, documentation and collection practices, identifies control gaps and supports timely corrective action.
Second Line: Field Risk Function	The Field Risk function provides independent oversight of field operations. It monitors emerging risks and early-

	warning indicators, assesses adherence to policies and operating standards, and escalates significant issues to the broader Risk function for appropriate mitigation.
Third Line: Internal Audit Function	Internal Audit provides independent assurance on the effectiveness of internal controls, risk management and governance processes through periodic, risk-based reviews. Audit observations are monitored through defined corrective action plans, with findings used to strengthen controls and address identified risks.

Together, the three lines facilitate proactive risk identification, effective control implementation, independent monitoring, timely escalation and continuous improvement of CA Grameen's risk management framework. For additional information refer to Q1 FY27 [Investor Presentation](#) - The Three Lines of Defence Page 36

Risk Management Processes

Risk Appetite Framework

CA Grameen maintains a formal **Risk Appetite Framework** that defines the level and types of risk the Company is willing to accept in pursuing its strategic and business objectives. Risks are identified through Risk and Control Self-Assessments, Key Risk Indicators and Early Warning Signals, incident reporting, audits and other risk assessment processes. Each identified risk is evaluated based on its likelihood and potential impact, following which appropriate risk appetite and tolerance levels, limits, thresholds and escalation triggers are established for the relevant risk categories.

Risk owners and the Risk function monitor exposures against the approved limits on a monthly or quarterly basis, as applicable. Threshold breaches are reported and escalated to the Management Level Risk Committee and the Board-level Risk Management Committee for review, mitigation and corrective action. The Risk Appetite Framework is reviewed at least annually to ensure that the Company's risk appetite, thresholds and mitigating actions remain appropriate in light of changes in the business environment, regulatory requirements, strategic priorities and overall risk profile.

Risk Review and Exposure Evaluation

CA Grameen reviews its overall risk exposure **at least annually** to assess whether its principal risks and related mitigation measures remain appropriate in light of changes in the business and risk environment. This constitutes an active review of risk exposure and is distinct from the periodic reporting of risk indicators.

The Company also conducts an **internal audit** of its risk management process. Internal Audit operates independently as the third line of defence and assesses the effective implementation of risk management policies, internal controls and governance processes. Audit observations are addressed through defined corrective actions and tracked to closure. Internal Audit reports directly to the Audit Committee of the Board, supporting its organisational independence.

Critical Risks

	Risk 1	Risk 2
Identified Risk	Credit Risk	Liquidity Risk
Description	Credit risk is the potential financial loss arising when a	Liquidity risk is the risk of insufficient funds, at an appropriate cost and

	customer or other counterparty fails to meet contractual payment obligations. Exposure may result from customer over-borrowing, intentional default, socioeconomic or regulatory changes, political or community disruption, and natural catastrophes. The likelihood and potential magnitude of exposure are assessed through customer underwriting, field verification, Portfolio-at-Risk movement, concentration, vintage and flow-rate analyses, and Key Risk Indicators with acceptable, watch and breach thresholds.	tenure, to meet borrower and lender obligations. It may arise from asset-liability maturity mismatches, higher funding costs or an inability to liquidate positions promptly. Exposure is assessed through maturity-gap analysis, liquidity monitoring, forecasting, what-if scenario analysis and contingency planning.
Likelihood	High	Low
Magnitude	High	High
Risk Appetite	As lending is CA Grameen's core business, the Company has a high appetite but low tolerance for credit risk. Risk thresholds are developed by relevant Heads of Departments in consultation with the Chief Risk Officer and reviewed by the Management-Level Risk Committee and the Board-level Risk Management Committee	Liquidity and interest-rate risk tolerance limits are reviewed by the Asset Liability Management Committee and recommended to the Board for approval. Asset-liability management statements are reviewed by the Committee quarterly.
Mitigating Actions	Credit risk is managed through stringent customer selection, credit-bureau and KYC checks, field-level verification, technology-enabled credit decisions, customer exposure limits, geographic diversification and continuous portfolio monitoring. Field Risk and Internal Audit provide additional oversight to support timely corrective action.	Liquidity risk is managed through diversified funding sources, active asset-liability management, effective fund management, maximum cash-holding limits, and securitisation and direct assignment transactions. The Company also maintains contingency plans to respond to potential liquidity stress.

Risk Culture

CA Grameen promotes an effective risk culture by integrating risk awareness, accountability and prudent risk-taking across the organisation.

The Company provides focused **risk management training and awareness programs** to employees and relevant functions based on their roles and responsibilities. The programs cover risk identification, assessment, mitigation and escalation, including operational, fraud, compliance and other applicable risks.

Risk management matters, including principal and emerging risks, changes in the risk environment and relevant regulatory developments, are periodically discussed at Board and Board Committee meetings. These discussions and updates support the Directors' awareness and oversight of the Company's risk profile and risk management approach.

Risk considerations are embedded in the **development and approval of new products and services**. The Risk function assesses proposed products against the approved Risk Appetite and evaluates relevant credit, market, operational and reputational risks, while the Compliance function assesses compliance and regulatory risks. These assessments are incorporated into the product note submitted by the relevant Business or Product Unit to the **New Products Committee** for review and approval.

Risk management is fostered into organisational accountability by aligning senior leadership KPIs including those of the CEO with enterprise risk objectives. This makes risk ownership a core responsibility at the highest levels. Annual financial incentives are linked not only to KPI achievement but also to active participation in risk-related initiatives, ensuring risk mitigation is embraced as a shared performance priority rather than treated as a compliance exercise.

Emerging Risks

Aspects	Emerging Risk 1
Name of the emerging risk	Systemic Dependence on Interconnected Digital Data Ecosystems
Category	Technological
Description	The rapid expansion of India's interconnected digital financial ecosystem is changing how customer identities are verified, financial information is exchanged, creditworthiness is assessed and payments are processed. As digital identity, payment, consent-based data-sharing and third-party technology platforms become increasingly integrated, CA Grameen may depend on data and services that originate, move through or are transformed by systems outside the Company's direct control. Future changes in the availability, reliability, provenance or interoperability of such external data could affect multiple processes simultaneously. This emerging ecosystem-level dependency is distinct from conventional internal IT or data-quality risk because its scale, interconnections and long-term consequences remain uncertain and may outpace established governance and oversight approaches.
Impact	• Inaccurate, delayed or insufficiently traceable external data could affect customer verification, credit assessment and portfolio monitoring. • Disruption or changes in interoperable identity, payment or data-sharing systems could affect digital onboarding, collections and customer service across multiple locations. • Differences in data standards or consent structures across external platforms could affect the reliability and lawful use of customer information. • Concentration among critical data, cloud and technology providers could reduce CA Grameen's control over service continuity and data availability.

	• Systemic data errors could be transmitted across connected platforms and affect customers, credit decisions or regulatory reporting at scale. • CA Grameen may need to adapt its digital-lending architecture, data-sourcing strategy, vendor model and customer-verification procedures as external data ecosystems evolve.
Mitigating Actions	• Establishing governance and accountability for external data, critical interfaces and third-party digital-service dependencies. • Applying validation and reconciliation controls before externally sourced information is used for material customer or credit decisions. • Maintaining traceability of critical data from its external source through transformation and final business use. • Conducting risk-based due diligence and ongoing monitoring of critical data, cloud, platform and technology-service providers. • Developing contingency procedures and alternative verification channels where critical external data or digital services become unavailable. • Applying data-quality, consent, privacy and security requirements across relevant third-party arrangements. • Monitoring changes in digital identity, payment and consent-based data-sharing ecosystems and updating the Company's architecture and controls accordingly. • Conducting periodic independent review of high-impact data flows, interfaces and third-party dependencies.

Aspects	Emerging Risk 2
Name of the emerging risk	AI-Enabled Fraud, Impersonation and Misinformation
Category	Technological
Description	The rapid evolution and increasing accessibility of Generative Artificial Intelligence enable external actors to produce highly convincing fake text, voice recordings, images, videos and financial documents at speed and scale. These capabilities could be used to impersonate CA Grameen, its employees or customers; create fraudulent loan offers and payment instructions; manipulate customer documentation; and deliver personalized phishing or social-engineering attacks. The risk is particularly relevant to CA Grameen because the Company serves a large base of underserved and new-to-digital-finance customers through a growing combination of physical and digital channels. As Generative AI capabilities continue to evolve, distinguishing authentic communications from synthetic content may become increasingly difficult, and the future nature and scale of AI-enabled fraud remain uncertain.
Impact	• AI-generated impersonation could expose customers to fraudulent loan offers, false payment instructions or identity misuse.

	• Payments could be diverted and repayments delayed where customers act on fraudulent or misleading communications. • Synthetic documents or identities could weaken customer verification, onboarding and fraud-detection processes. • Fraudulent content circulated in CA Grameen's name could reduce customer trust and damage institutional credibility. • Increased fraud losses, customer complaints, investigation costs and regulatory scrutiny could affect financial and operational performance. • CA Grameen may need to redesign elements of customer authentication, digital onboarding, payment confirmation and customer communication before further scaling digital services.
Mitigating Actions	• Applying multi-factor authentication, biometric verification and cross-channel validation to relevant customer-onboarding and transaction processes. • Communicating verified loan, repayment and service information through trusted customer channels. • Providing periodic awareness and training to employees and customers on AI-generated impersonation, phishing, fraudulent loan offers and payment diversion. • Strengthening fraud-monitoring and early-warning processes to identify unusual customer, document and transaction patterns. • Enhancing verification of customer identities, loan documents and payment instructions before processing sensitive transactions. • Monitoring emerging AI-enabled fraud methods and updating authentication, communication and incident-response controls accordingly. • Evaluating appropriate detection capabilities for synthetic documents, images and voice-based impersonation.

Business Ethics

Whistleblowing Mechanism

CA Grameen's Vigil Mechanism provides employees, directors and other stakeholders with a formal channel to report suspected fraud, unethical conduct, legal or policy violations and other wrongdoing. Disclosures may be submitted to the **Chairperson of the Audit Committee or the designated Nodal Officer**, including anonymously without providing the whistleblower's name or contact details.

The mechanism provides for:

- **Confidentiality:** The whistleblower's identity and details of the disclosure are shared only with people involved in the assessment, investigation or resolution of the matter.
- **Protection against retaliation:** Retaliation, harassment, victimisation, threats and other unfavourable treatment against persons reporting concerns in good faith or supporting an

investigation are prohibited. Any retaliation is subject to appropriate disciplinary action under applicable Company policies.

- **Investigation:** Disclosures are recorded and assessed for credibility. Where an investigation is warranted, relevant information and evidence are examined through an objective and unbiased process under the oversight of the Audit Committee. Appropriate corrective or disciplinary action is taken based on the findings, after which the matter is documented and closed.
- **Training and awareness:** Employees receive periodic training and communications on the Vigil Mechanism, available reporting channels, anonymous reporting, confidentiality and protection against retaliation.

Detailed procedures are provided in CA Grameen's [Vigil Mechanism \(Whistleblower Policy\)](#).

Reporting on Breaches

Reporting Areas	FY 2025-26
Corruption or bribery	0
Discrimination or harassment	5
Customer privacy data	0
Conflicts of interest	0
Money laundering or insider trading	0

All five cases reported under 'Discrimination or harassment' pertained to sexual harassment complaints, which have been duly investigated and stand closed as at the end of the reporting period.

During the reporting year, no fines related to corruption or bribery were imposed, and there were zero convictions, reaffirming our strong adherence to integrity and compliance standards.

Policy Influence

Contributions & Other Spending

The Company was a member of various industry associations during FY2025-26. The largest contribution was made to MFIN (Microfinance Industry Network), the principal industry association for the microfinance sector in India, representing approximately 80% of the Company's total trade association contributions during the reporting year.

The company has made the following financial or in-kind contributions including membership fees in the reporting year FY 2025-26.

S. No	Name of Industry Associations	FY 2025-26 (INR)
1	Association of Karnataka Microfinance Institutions	5,55,000
2	Association of Microfinance Institutions - West Bengal	3,89,500
3	Microfinance Industry Network (MFIN)	71,39,830
4	Odisha State Association (OSAFII)	2,50,000
5	Uttar Pradesh Microfinance Association (UPMA)	3,00,000
6	Kerala State Association of Financial Inclusion	3,00,000
Total		89,34,330

Our monetary contribution for political campaigns, political organizations, lobbyists or lobbying organizations, trade associations, and other tax-exempt groups

	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Lobbying, interest representation or similar	0	0	0	0
Local, regional or national political campaigns / organizations / candidates	0	0	0	0
Contribution to industry associations (INR)	88,97,200	88,22,800	86,94,400	89,34,330
Other (e.g. spending related to ballot measures or referendums)	0	0	0	0

Lobbying and Trade Associations - Climate Alignment

CA Grameen engages with industry associations and other stakeholders on **public policy initiatives** supporting financial inclusion, **climate adaptation** and **disaster resilience**. At the management level, the Company participates in relevant initiatives through the Microfinance Industry Network, or MFIN, a self-regulatory organisation.

CA Grameen supported MFIN's collaboration with the Asian Development Bank to develop and pilot a climate-related parametric insurance product for low-income rural households exposed to climate change and natural catastrophes. The Company contributed to field studies and provided customer-level insights on exposure to floods and other climate-related risks.

Company position on climate-related public policy

CA Grameen supports climate-related public policy positions and trade association activities that advance climate adaptation, disaster resilience and the financial protection of vulnerable communities. The Company does not knowingly support public policy engagement intended to impede climate action or undermine the objectives of the Paris Agreement.

Governance and oversight

CA Grameen's climate-related public policy and trade association engagement is undertaken at the management level and considered within the Company's broader environmental and social commitments. The Company recognises the importance of establishing a formal management system for lobbying activities, public policy engagement and trade association memberships, including:

- governance and clear accountability up to the executive level;
- alignment of the Company's climate-related public policy position with the Paris Agreement;
- a periodic reviewing and monitoring process for relevant trade association climate policy positions and activities;
- a clear framework for identifying, escalating and addressing misalignment between a trade association's climate position and CA Grameen's own climate position;
- public reporting on climate-related direct lobbying activities, where applicable, and the climate policy positions and activities of relevant trade associations; and
- application of the framework across the jurisdictions covered by the programme.

Information Security

Information Security Governance

CA Grameen maintains Board-level oversight of information security and cybersecurity through the Information Technology Strategy Committee and the Risk Management Committee of the Board. The **Information Technology Strategy Committee** reviews information security, cybersecurity and technology risks, IT strategy, technology governance, major technology initiatives, IT investments and the governance of outsourced IT processes. The Board-level Risk Management Committee oversees information security and cybersecurity risks as part of the Company's enterprise risk management framework.

The Board has members with information security expertise, supporting informed oversight of cybersecurity and technology-related risks. As of March 31, 2026, **all four Board members serving on the Information Technology Strategy Committee possessed information security expertise.**

At the executive level, dedicated responsibility for managing information security issues is maintained by the **Chief Information Security Officer (CISO)**, supported by the Chief Technology Officer. The CISO is responsible for information security governance, cybersecurity risk management, security controls and regulatory compliance, and supports the Board and relevant Board Committees in overseeing information security and cybersecurity risks

For additional information refer to [Annual Report FY 2025-26](#), IT Strategy Committee Page 159, 356, and Skills/ Expertise/ Competence Page 154, 156

Information Security Management Programs

Information security-related business continuity plans

The Company maintains information security-related Business Continuity Planning (BCP) and Disaster Recovery Planning (DRP) processes to ensure the continuity of critical business operations following cybersecurity incidents or disruptive events. BCP and DRP arrangements are developed based on business impact assessments and are designed to support the timely recovery of systems, data, and business services. The plans are tested periodically, and at least annually, to evaluate their effectiveness and readiness. Outcomes of testing exercises are reviewed, and corrective actions are implemented, including updates to the BCP and DRP frameworks where required. The status of business continuity and disaster recovery activities is reported to relevant levels of management and the Board, supporting ongoing oversight and resilience of the Company's information security environment.

Information security vulnerability analysis

The Company has established a vulnerability management framework to identify, assess, and remediate vulnerabilities across its digital and cyber infrastructure, with the objective of preventing and mitigating cybersecurity risks and incidents. Vulnerability assessments are conducted periodically and at least annually in accordance with the Company's vulnerability management strategy. Identified vulnerabilities are evaluated, prioritized, and addressed through defined remediation plans, with actions tracked through to closure. The status of vulnerability management activities, including remediation progress and risk mitigation measures, is monitored on an ongoing basis and reported to the appropriate levels of management to support effective cybersecurity governance and oversight.

Information escalation process

CA Grameen's Cyber Crisis Management Plan establishes defined channels for employees to promptly report cybersecurity incidents, vulnerabilities and suspicious activities to the Information Security team and relevant management personnel.

Reported incidents are assessed based on their significance and escalated to the Chief Technology Officer, who, in consultation with the Information Security team and senior management, determines whether a cyber crisis should be formally declared. Significant incidents are further escalated to the Cyber Crisis Management Team, comprising the CTO, CISO, CRO, CCO and senior IT leaders.

The Cyber Crisis Management Team coordinates containment, response, recovery, stakeholder communication, regulatory engagement and remediation. Escalation protocols are reviewed at least annually and updated based on testing outcomes, evolving threats and lessons learned.

In FY 2025-26, there were zero breaches related to information security and cyber security.

Information security awareness training

The Company conducts regular information security awareness and cyber risk training programs to strengthen employee awareness and promote secure digital practices across the organization. During FY 2025-26, these programs covered approximately 25,000 unique employees. Training topics included cybersecurity awareness, business email compromise, misinformation and fake news, digital fraud prevention, secure digital behaviour, and UPI security, with a focus on practical measures to identify and mitigate cyber threats and safeguard information assets.

For additional information refer to [Annual Report FY 2025-26](#), IT Risk-Mitigation Plan, Page 42

Internal and External Audit of IT Infrastructure

CA Grameen conducts internal audits of its IT infrastructure and information security management processes, including cybersecurity and data privacy controls. The audits assess control design and operating effectiveness, identify control weaknesses, and support corrective actions and remediation.

The Company's IT environment is subject to independent external vulnerability assessments and penetration testing. Physical security controls at the Company's data centres are implemented in accordance with ISO/IEC 27001:2013 requirements

For additional information refer to [Investor Presentation](#), Cybersecurity and data privacy audits Page 35, and [Annual Report FY 2025-26](#), IT Risk-Mitigation Plan, Page 42

Sustainable Finance

Sustainable Financing Products & Services

Product category description	FY 2025-26 (INR)
Sustainable loans and mortgages	7,099,249,000
Total consumer finance value	194,906,769,041
Percentage of sustainable value over total	3.64

Note - Sustainable loans and mortgages consists of WASH loans (Water & Sanitation) disbursed. Total consumer finance value consists of Income Generating Loans & WASH loans disbursed

Environment

Energy

CA Grameen continues to pursue energy efficiency across its operations, including the progressive adoption of energy-efficient lighting and equipment at branches and head office, and employee awareness measures to promote responsible energy use at the workplace. The Company has a dedicated Energy Management Policy in place, which governs its approach to responsible energy consumption across all branch and head office locations.

Energy Consumption

Parameter (MWh)	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Total non-renewable energy consumption	5,865	6,191	6,698	7,083
Total renewable energy consumption	0	0	0	0
Data Coverage (as a % of revenue)	83	100	100	100

Waste & Pollutants

CA Grameen generates no plastic or hazardous waste in the course of its operations and maintains a robust waste management system across all locations, governed by a dedicated waste management policy. E-waste is disposed of safely through CPCB-authorised recyclers. The Company continues to pursue waste reduction initiatives, including measures directed towards reducing the consumption of tissue paper and plastic bottles.

Waste Disposal

Parameter (metric tonnes)	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Total waste recycled / reused	1.87	1.87	0.50	0
Total waste disposed	-	-	41.22	5.54
– Waste landfilled	-	-	-	-
– Waste incinerated with energy recovery	-	-	-	-
– Waste incinerated without energy recovery	-	-	-	-
– Waste otherwise disposed	-	-	-	-

Parameter (metric tonnes)	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
– Waste with unknown disposal method	-	-	41.22	5.54
Data Coverage (as a % of revenue)	100	100	100	100

Water

CA Grameen monitors water consumption across its operational footprint and promotes responsible usage practices at branch and office levels. Awareness on water conservation is integrated into its ESMS framework, and community level water and sanitation initiatives are supported through CSR programs.

Water Consumption

Parameter (Million cubic meters)	FY 2025-26
Water withdrawal (third-party sourced, excluding saltwater)	0.781
Water discharge (to third parties, excluding saltwater)	0.624
Total net freshwater consumption	0.157
Data Coverage (as a % of revenue)	100

Climate Strategy

GHG Emissions – Scope 1

Parameter (metric tonnes CO2 equivalents)	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Scope 1	144.51	124.29	83.12	108.32
Data Coverage (as a % of revenue)	83	100	100	100

GHG Emissions – Scope 2

Parameter (metric tonnes CO2 equivalents)	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Scope 2	4,061.79	4,294.04	4,725.33	4,908.76

Parameter (metric tonnes CO2 equivalents)	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Data Coverage (as a % of revenue)	83	100	100	100

GHG Emissions – Scope 3

Parameter (metric tonnes CO2 equivalents)	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Scope 3	8,813.36	12,990.11	27,56,436.52	30,27,921.31

Breakdown of Scope 3 Emissions for FY 2025-26

Scope 3 category (metric tonnes CO2e)	FY 2025-26	Emissions calculation methodology or rationale for exclusion
1. Purchased goods and services	-	As a rural focused inclusive financing platform, CA Grameen's core activity is the provision of micro-loans and does not involve manufacturing or the resale of goods. However, the Company does procure goods and services to run its branch and administrative operations including IT and software services, office stationery and consumables, printing, and professional/ outsourced services. This category is therefore considered relevant. It has not yet been calculated as the Company has, in its initial Scope 3 inventory, prioritised its most material categories (Business travel, Employee commuting and, most significantly, Investments/ financed emissions). CA Grameen intends to develop a spend- or supplier-based estimate for this category in future reporting cycles.
2. Capital goods	-	Capital goods are relevant to CA Grameen's operations and comprise IT hardware (servers, computers, networking equipment), office equipment, -furniture and branch infrastructure acquired to support the expansion of the branch network. This category has not yet been quantified because the Company first prioritised its most material Scope 3 categories. CA Grameen plans to calculate capital-goods emissions in future cycles, subject to the availability of granular asset-purchase data.
3. Fuel-and-energy-related activities (not included in Scope 1 or 2)	-	This category covers upstream (well-to-tank) emissions from the extraction, production and transportation of the fuels and grid electricity consumed by the Company, together with

Scope 3 category (metric tonnes CO2e)	FY 2025-26	Emissions calculation methodology or rationale for exclusion
		transmission and distribution (T&D) losses associated with purchased electricity. As CA Grameen consumes grid electricity and fuel across its branch network, this category is considered relevant. It has not yet been calculated; the Company intends to quantify it in future cycles using appropriate well-to-tank and grid-loss emission factors applied to its reported Scope 1 and Scope 2 activity data.
4. Upstream transportation and distribution	-	As a financial-services provider, CA Grameen does not procure, manufacture or move physical goods requiring inbound transportation and distribution. This category is therefore not applicable to the Company's operations.
5. Waste generated in operations	-	Waste generated in operations is relevant to CA Grameen, arising principally as e-waste (end-of-life IT hardware and electronic equipment) and paper waste from branch and administrative activities. The Company tracks the quantity of waste generated and ensures responsible disposal. In FY 2025-26, the e-waste generated was sold to an authorised vendor. However, the associated greenhouse-gas emissions for this category have not yet been calculated, as the Company has, in its initial Scope 3 inventory, prioritised its most material categories (Business travel, Employee commuting and, most significantly financed emissions). CA Grameen intends to quantify emissions from waste generated in operations in future reporting cycles using appropriate waste-type emission factors.
6. Business travel	15,272.49	We have calculated our Scope 3 business travel emissions related to various modes of travel - air, auto, bus, train, metro, bike and hired cabs, with emission factors sourced from the Indian GHG Program. We have used distance-based method as defined in the GHG protocol to calculate business travel emissions
7. Employee commuting	612.40	The emissions have been calculated based on the responses received from our employees. We collected distance-based data for the different modes of transport used by them to travel to the office namely- cars, bikes, metro, cab, auto-rickshaw etc. The emission factors were used from DEFRA and the India GHG Program.

Scope 3 category (metric tonnes CO2e)	FY 2025-26	Emissions calculation methodology or rationale for exclusion
8. Upstream leased assets	-	CA Grameen's leased branch offices are accounted for under the operational-control approach used to define the inventory boundary. Their energy consumption is therefore already captured within the Company's Scope 1 and Scope 2 emissions. There are no upstream leased assets outside this boundary.
9. Downstream transportation and distribution	-	CA Grameen's services (loans) are delivered directly to customers and do not involve the physical transportation or distribution of goods downstream. This category is therefore not applicable.
10. Processing of sold products	-	As a financial-services provider, the Company's "sold product" is a loan, which does not undergo any further physical processing by intermediaries. This category is therefore not applicable.
11. Use of sold products	-	The Company's products are loans, which do not consume energy or emit GHGs during their use. This category is therefore not applicable.
12. End-of-life treatment of sold products	-	The Company's products are loans, which do not require end-of-life treatment. This category is therefore not applicable.
13. Downstream leased assets	-	The Company has no downstream leased assets within the scope of its operations. This category is therefore not applicable.
14. Franchises	-	The Company has no franchises. All branches are operated by the Company, and their emissions are captured within Scope 1 and Scope 2. This category is therefore not applicable.
15. Investments	3,012,036.41	For all portfolios other than transportation, financed emissions were estimated under the GHG Protocol Corporate Value Chain (Scope 3) Standard. For the transportation portfolio, the PCAF Global GHG Accounting and Reporting Standard for the Financial Industry was applied. As primary activity data is unavailable from individual micro-borrowers, emissions were modelled using economic activity-based factors. Adjusted emission factors were sourced from the US EPA Supply Chain GHG Emission Factors database.

Notes-

Scope 1 Emissions

CA Grameen's Scope 1 emissions declined from 124.29 tCO₂e in FY 2023-24 to 83.12 tCO₂e in FY 2024-25, before increasing to 108.32 tCO₂e in FY 2025-26. This trend was primarily driven by fluctuations in refrigerant gas consumption (fugitive emissions) across the branches and office network.

Scope 2 Emissions

Scope 2 emissions comprise CO₂ emissions arising from grid electricity consumption across CA Grameen's branches and head office. Emission factors are sourced from the Central Electricity Authority's (CEA) CO₂ Baseline Database for the Indian Power Sector. In FY 2023-24, the Company adopted the weighted average emission factor for the Indian Grid inclusive of renewable sources (0.716 tCO₂/MWh, Version 19), in place of the emission factor excluding renewable sources (0.81 tCO₂/MWh) applied in FY 2022-23. To maintain consistency and comparability across reporting periods, the FY 2022-23 Scope 2 emissions were recalculated by applying the revised emission factor of 0.716 tCO₂/MWh.

Scope 3 Emissions

- *Category 6: The emission factor for car travel (petrol sedan, <2500cc) was revised to 0.163 kg CO₂/km in FY 2023-24 from 0.176 kg CO₂/km (inclusive of a 10% uplift) applied in FY 2022-23, and the methodology for deriving train and metro travel distances from ticket fares was similarly updated, with prior-year figures recalculated for consistency.*
- *Category 7: Employee commute emissions have been calculated based on the responses received from our employees. We collected distance-based data for the different modes of transport used by them to travel to the office namely- cars, bikes, metro, cab, auto-rickshaw etc. The emission factors were used from DEFRA and the India GHG Program.*
- *The Scope 3 emissions figure for FY 2024-25 has been revised from 33,49,894.23 tCO₂e to 27,56,436.52 tCO₂e. This revision pertains to Category 15 (Financed Emissions) and reflects a correction in the classification codes assigned to disbursed loans, aligning the data more precisely with the underlying purpose of lending.*

Climate Governance

Board-level oversight of climate-related issues rests with the **CSR & ESG Committee of the Board**, which is chaired by the MD & CEO and includes Independent and Non-Executive Directors. The Committee's Terms of Reference give it accountability for the Company's ESG and climate agenda across both its own operations and its lending portfolio. During FY 2025-26, the Committee reviewed climate-related risks and opportunities, approved and monitored ESG and ESMS policies, oversaw the setting of environmental targets, and reviewed the Company's climate-related disclosures. Climate-related issues are a standing item on the agenda of the Board of Directors, which reviews them at least annually as part of its broader oversight of environmental, social, and governance (ESG) matters.

The **cross-functional ESG Working Group**, led by the CFO, briefs the Committee at least annually, and progress is placed before the full Board through quarterly ESG reports. The Risk Management Committee led by the CRO, supports the Board on climate-related risk. Where relevant, the Board weighs trade-offs, for example, balancing the cost of strengthening ESMS

screening and staff capacity against the longer-term benefit of a more climate-resilient loan portfolio. The full Board retains ultimate accountability.

Management-level responsibility for climate-related issues is vested in the Chief Risk Officer. This position works in close coordination with the cross-functional ESG Working Group and provides periodic updates to the Board-level CSR & ESG Committee, ensuring that climate-related management actions remain aligned with the Board's strategic direction and risk appetite.

Climate-Related Management Incentives

CA Grameen links a defined portion of senior management remuneration to environmental and climate-related performance through a monetary incentive applicable at Board and executive level. The component relating specifically to climate-related and other environmental objectives represents approximately 10% of the total monetary incentives provided to C-suite and Board-level executives.

The incentivised KPIs span resource use and efficiency, company performance against climate-related sustainability indices such as CSA and the CDP Climate Change, energy efficiency improvement, implementation of emissions reduction initiatives and employee awareness or training programs on climate-related issues, increased engagement with clients and customers on climate-related issues, increased supplier compliance with climate-related requirements, progress towards climate-related targets, and reduction in emissions intensity. This incentive forms part of the Company's wider ESG-linked remuneration framework.

Climate Risk Management

The climate change risk management process includes the assessment of climate-related risks and opportunities, covering emerging regulatory, technology, market and reputational risks, together with acute and chronic physical risks across the Company's own operations, downstream activities and client portfolio. Risks are evaluated across short-, medium- and long-term time horizons, with the outcomes informing branch-level and product-level credit decisions, portfolio provisioning and the design of financial products. The assessment is conducted as a part of the Company's broader risk management framework. Details of the process and its outcomes are disclosed in the Integrated Annual Report FY 2025-26 (Pages 78-83).

Financial Risks of Climate Change

CA Grameen has identified climate-related risks with the potential to affect its business operations, revenue and expenditure.

Risks driven by changes in regulation:

Risk Description	In February 2024, the RBI issued a draft Disclosure Framework on Climate-related Financial Risks for public consultation. The consultation indicates an evolving regulatory focus on structured climate-risk governance and disclosure in the Indian financial sector. Any future finalisation, modification or expansion of regulatory requirements could require CA Grameen to enhance its climate-risk assessment, data systems, governance processes and disclosures, potentially
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	resulting in additional compliance, technology, assurance and capability-building costs.
Estimated financial implications of the risk before taking action	The Company's lending portfolio carries negligible exposure to carbon-intensive or stranded-asset sectors, and its Environmental and Social Management System (ESMS) excludes the financing of new fossil-fuel expansion. Transition risk is accordingly quantified at less than 1% of Gross AUM, with no material estimated financial implication before action over an average time frame of five years.
Average estimated time frame (in number of years) for financial implications of this risk:	5 years
Mitigating Actions	Regulatory developments are monitored on an annual basis within the enterprise-wide risk management framework. Climate-related disclosures are prepared in alignment with the TCFD recommendations and the GRI Standards, and Scope 1, Scope 2 and Scope 3 emissions are subject to third-party assurance under ISAE 3410. The ESG Working Group, led by the Chief Financial Officer, reports to the Board-level CSR & ESG Committee on a quarterly basis.

Risks driven by change in physical climate parameters:

Risk Description	As India's leading rural-focused inclusive financing platform serving low-to-middle income households across 451 districts, CA Grameen is exposed to acute extreme-weather events such as floods and high-intensity precipitation that strike specific geographies within a season, damaging crops, livestock and livelihoods and disrupting the cash-based doorstep collection model. The organisation-specific concern is a localised spike in delinquency and write-offs concentrated in impacted districts, monitored as district-level risk incidents within the Enterprise Risk Management framework.
Estimated financial implications of the risk before taking action	The Company assesses the financial exposure of its loan portfolio in districts affected by floods and other extreme-weather events. In these contiguous affected districts, the total loan portfolio is approximately INR 5,456 crore, equivalent to about 18% of Gross AUM of INR 29,590 crore (March 2026), which places this risk in the 11-20% band. For each affected district, the predicted exposure to loss (aggregating to INR 3,108 crore) is compared against losses actually written off over an 18-month period following the event (INR 247.4 crore). On this basis, write-offs have averaged around 8% of predicted exposure across the affected districts, rising to approximately 14-17% in the most severely impacted districts (Kolhapur ~17%, Kanchipuram ~16% and Thiruvapur ~15%). Against this exposure, the Company holds maximum risk capital of INR 395 crore and a minimum of INR 264 crore.
Average estimated time frame (in number of years)	5 years

for financial implications of this risk	
Mitigating Actions	Managed through diversification and provisioning: district-level exposure caps keep 96% of 451 districts below 1% of gross AUM, limiting localised weather losses. Events are recorded as risk incidents, quantified and reviewed by the management-level risk committee at least annually, with provisions via a management overlay. Branch-opening climate-risk screening informs the scale of operations per district. Costs are absorbed within normal operating costs.
Estimated costs of these actions:	No separate or incremental cost is incurred. The response actions such as district-level exposure caps, geographic diversification, logging and review of extreme-weather events as risk incidents, branch-opening climate-risk screening, and loss provisioning through a management overlay are all carried out within the Company's existing Enterprise Risk Management and normal operating processes and budgets and are absorbed as business-as-usual.

Physical Climate Risk Adaptation

CA Grameen has an overall plan to adapt to potential physical climate risks, with relevant adaptation measures targeted for implementation within a timeline of less than five years. The Company assesses the vulnerability of its portfolio to climate risk, and at the time of opening any new branch, the Risk Team undertakes an initial climate risk screening to identify relevant physical climate risks and evaluate their potential impact on operations and borrowers. The outcome of this screening determines the intensity and scale of operations planned within the district, including the number of branches to be established. Historical climate events, together with relevant local climate-risk information, are assessed to inform branch-level and product-level credit decisions, portfolio provisioning discussions, and the design and adaptation of financial products. Through this approach, the Company remains committed to supporting borrowers through appropriate financial services while integrating climate-related risks into its credit and portfolio management processes. The key climate related physical risks are disclosed in the Integrated Annual Report FY 2025-26 (Pages 80-81).

Decarbonization Strategy

Scope 3 Financed Absolute Emissions

Parameter (metric tonnes CO2 equivalents)	FY 2024-25	FY 2025-26
Total Scope 3 financed absolute emissions	2,741,737.95	3,012,036.41
Data Coverage (as a % of revenue)	100	100

Financed Emissions breakdown by Country

Country (metric tonnes CO2 equivalents)	FY 2024-25	FY 2025-26
India	2,741,737.95	3,012,036.41

Financed Emissions breakdown by Sector

Sector (metric tonnes CO2 equivalents)	FY 2025-26
Food, Beverage and Agriculture	2,715,425.68
Manufacturing	90,312.72
Retail	119,838.88
Infrastructure	57,384.71
Transportation Services	16,236.63
Services	12,837.8

Financed Emissions breakdown by Asset

Asset (metric tonnes CO2 equivalents)	FY 2024-25	FY 2025-26
Loans	2,741,737.95	3,012,036.41

Note-

The FY 2024-25 Scope 3, Category 15 (Financed Emissions) figure of 3,335,195.66 tCO₂e, as originally disclosed in the Integrated Annual Report FY 2024-25, has been restated to 2,741,737.95 tCO₂e in the Integrated Annual Report FY 2025-26. This restatement follows an internal data-quality review to align the data to relevant purpose of lending in the industry classification codes (NAICS codes) assigned to disbursed loans; each loan has since been re-mapped to the emission factor corresponding to its actual purpose of lending. The restated figure has also been adopted as the base year value for financed emissions reporting going forward. The restatement reflects a data-quality correction only and does not indicate any change in the size, composition, or lending activity of the Company's portfolio.

Social

Labor Practice Indicators

Labour Practices Programs

CA Grameen operates programs designed to ensure employees receive **adequate wages**. Base pay is benchmarked against applicable **state-wise statutory minimum wages** (basic plus dearness allowance) and refreshed periodically, and against peer NBFC-MFIs through annual participation in the Aon Salary Increase & Turnover Survey and the Aon Executive Compensation Study. **Equal remuneration between male and female employees** is governed by the Remuneration Policy, which commits the Company to equitable, **gender-non-discriminatory pay** under Board and Remuneration Committee oversight, with **median remuneration by gender** monitored and disclosed annually in the BRSR Report. Beyond cash compensation, employees are supported through a range of **employee benefits**, including medical insurance, maternity benefits and other benefits.

Working hours are monitored monthly through the Company's HRIS, and **overtime**, where it arises, is compensated in accordance with applicable statutory requirements. To ensure employees **utilize their annual leave entitlements**, leave utilization is tracked and reported to management monthly, enabling proactive identification of leave patterns that may indicate **employee fatigue or burnout**; Earned Leave carry-forward is capped at 120 days, beyond which excess leave is automatically encashed, discouraging indefinite accumulation.

The Company maintains **formal mechanisms to engage employees** on working conditions and workplace concerns. The "Your Voice" **Grievance Redressal** Cell provides a dedicated mailbox, a defined escalation path from the Grievance Redressal Officer to the Head-HR and the Managing Director & CEO, and a three-working-day response commitment; concerns may also be raised through the Board-overseen **Whistle-blower Policy and Vigil Mechanism**.

Structured training and reskilling programs support employees in **adapting to technological, digital, industry, product and process change**. These include refresher training and dedicated process-change training on the introduction of new products, technologies or processes, delivered through classroom sessions and the Learning Management System, supplemented by periodic cybersecurity and digital-risk awareness programs that build capability in **managing emerging digital risks and responsible technology use**.

Workforce Breakdown: Gender

Diversity indicator	FY 2025-26	Target	Target year
Share of women in total workforce	20.89%	16%	2026
Share of women in all management positions (junior + middle + top)	20.89%	16%	2026
Share of women in junior management positions	26.80%	16%	2026
Share of women in top management positions (max. two levels from CEO)	11.90%	16%	2026
Share of women in management positions in revenue-generating functions	26.35%	16%	2026
Share of women in STEM-related positions	18.40%	16%	2026

Workforce Breakdown: Race / Ethnicity & Nationality

Breakdown	Share in total workforce	Share in all management positions, including junior, middle and senior management
	(as % of total workforce)	(as % of total management workforce)
Indian	100	100

CA Grameen operates only in India. No foreign nationals are employed.

Gender Pay Indicators

Employee level	Average women salary (INR)	Average men salary (INR)
Executive level (base salary only)	69,88,494	1,41,54,423
Executive level (base salary + other cash incentives)	78,71,023	1,60,35,321
Management level (base salary only)	30,50,924	29,91,843
Management level (base salary + other cash incentives)	34,02,784	33,27,598
Non-management level (base salary only)	2,10,616	2,83,475

Workforce Trade Union and Collective Bargaining Coverage

CA Grameen encourages employees to exercise their right to union membership; however, there are currently no employee unions or collective bargaining agreements. Employee concerns are addressed through the 'Your Voice' Grievance Redressal Cell, the Board-overseen Whistle-blower Policy/Vigil Mechanism, and structured engagement channels including branch visits and focus group discussions.

Metric	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
% of employees represented by an independent trade union or covered by collective bargaining agreements	0	0	0	0

Human Rights

Human Rights Due Diligence Process

CA Grameen's human rights due diligence **extends beyond its operations and business relationships, including employees, women, children, migrant workers, third-party and contract workers, local communities, customers, suppliers, vendors, contractors, and other potentially vulnerable groups.** Lending customers are screened against the IFC exclusion list, which covers **forced labour and child labour**, prior to establishing new relationships.

The Human Rights Policy is **reviewed annually by senior management**, with changes approved by the Board, while the **CSR & ESG Committee periodically reviews ESG risks**, including human capital aspects, to reflect evolving business activities and stakeholder expectations. The due diligence process specifically addresses **forced labour, human trafficking, child labour, freedom of association, discrimination, human dignity, abuse of managerial authority, and safe and healthy working conditions.**

To strengthen human rights compliance across the value chain, the Supplier Code of Conduct establishes binding requirements on forced labour, child labour, fair wages, non-discrimination, safe working conditions, and grievance mechanisms, and acceptance of the Code is **mandatory for all new supplier and vendor onboarding.**

Human Rights Assessment and Mitigation

CA Grameen **mitigates identified human rights risks** through targeted mechanisms across its operations and business activities: a POSH Policy and Internal Committee for sexual harassment; a Board-overseen Whistle-blower Policy and Vigil Mechanism for reporting discrimination, forced labour and other violations; age and background verification at hiring to prevent child labour; and the 'Your Voice' Grievance Redressal Cell.

The Supplier Code of Conduct binds suppliers and vendors to defined human rights standards, with breaches liable to termination of the business relationship. The **Human Rights Mitigation Plan applies pan-organisation across all offices and branches.** Where an **actual or potential impact is identified**, the concern is investigated by the relevant committee or department, with remediation including disciplinary action up to termination, **corrective action plans**, and support

to the affected individual; POSH cases additionally follow a reporting trail to the Board-level Stakeholders' Relationship Committee.

Reinforcing this mitigation architecture, CA Grameen conducted an internal **gap assessment** of its compliance readiness against the four new Labour Codes: The Code on Wages, 2019, The Industrial Relations Code, 2020, The Code on Social Security, 2020, and The Occupational Safety, Health & Working Conditions Code, 2020. The outcome of this was presented to the Board. The assessment confirmed compliance across the majority of applicable requirements safeguarding wages, social security, industrial relations and workplace safety, as summarised below.

The Company has incorporated applicable provisions into its policies and operating processes, and the human rights framework is **reviewed periodically to identify emerging risks** and strengthen controls.

Labour Code	Key Aspects Assessed	Status
Code on Wages, 2019	Wage definition, equal & non-discriminatory remuneration, statutory bonus, monthly wage disbursement by the 7th	Compliant
Industrial Relations Code, 2020	Standing Orders, disciplinary inquiries concluded within 90 days with subsistence allowance	Compliant
Code on Social Security, 2020	ESI coverage, statutory gratuity for Fixed-Term Employees after one year of service	Compliant
OSH & Working Conditions Code, 2020	Health and safety standards, mandatory appointment letters, leave entitlements	Compliant

Human Capital Management

Training & Development Inputs

Metric	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Average hours per FTE of training and development	74	57	59	57
Average amount spent per FTE on training and development (INR)	7,506	8,246	8,453	8,894

Average training hours per FTE are calculated as the total eligible training and development hours completed during the financial year divided by the total number of FTEs covered. Average training expenditure per FTE is calculated as total expenditure on eligible training and development programmes divided by the same FTE population. The expenditure excludes salaries and operating expenses of the Learning and Development function. The reported KPIs covers 100 % of total FTEs.

Average hours per FTE of training and development by management level, gender and age

Management level	Category	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Senior management	Male	13	17	8	8
	Female	18	14	17	7
	<30	16	49	-	2
	30–50	13	15	9	8
	>50	18	18	8	8
Middle management	Male	26	22	19	20
	Female	19	12	19	9
	<30	20	17	15	14
	30–50	27	22	20	21
	>50	15	18	17	14
Junior management	Male	71	63	60	62
	Female	88	83	73	72
	<30	80	71	67	69
	30–50	28	38	37	36
	>50	12	14	19	21

Employee Development Programs

CA Grameen adopts a blended employee development approach that combines structured training with **on-the-job learning, coaching, mentoring and peer-based knowledge sharing**. Experienced leaders build capability through **coaching and mentoring**, while **peer-learning networks and knowledge-sharing** forums enable employees across geographies and functions to exchange practical insights, replicate best practices and shorten time-to-competency in customer-facing and critical roles. Cross-functional interactions, branch visits and **cohort-based learning** further strengthen experiential learning by exposing employees to diverse operating environments, customer contexts and business challenges.

Leadership Development Architecture

The organisation's **leadership development** architecture includes:

- Inspirational Leadership Program
- People Management Program
- Area Manager and Branch Manager development tracks

These programs strengthen leadership effectiveness, strategic thinking, people management, decision-making, customer orientation and execution capability at successive levels of the management pipeline supporting internal succession and reducing dependency on lateral hiring for critical roles. Capability-building is reinforced through functional and role-specific interventions, and periodic refresher training, keeping employees equipped as business requirements evolve.

Leadership Development in Practice: Improved Branch Manager Retention

The Area Manager leadership development track was designed around evidence-based attrition drivers identified through structured exit interviews conducted by an external consulting firm. The geography-specific insights from these interviews enabled the programme to move beyond broad leadership principles to location-level guidance, equipping Area Managers with the specific behaviors and interventions needed to address root causes in their respective geographies.

Parameter	FY 2023-24	FY 2024-25	FY 2025-26
Attrition	26.38%	24.23%	18.92%

The sustained year-on-year decline in Branch Manager attrition reflects the effect of pairing diagnostic insight with leadership capability, reinforcing that capability-building is most effective when grounded in evidence of actual field-level attrition drivers.

Cultural and Behavioural Capability Building

CA Grameen places emphasis on **cultural education** and behavioural capability building, covering inclusion, mutual respect, customer sensitivity, workplace dignity and responsible conduct. These are reinforced through mandatory refreshers rather than one-time onboarding modules, reflecting the customer-facing, community-embedded nature of microfinance operations, and are intended to strengthen a consistent employee experience and reinforce organisational values across the workforce.

Extension to Contractual Employees

Training is not limited to employees on the rolls. Induction, refresher and role-specific programs are **equally extended to contractual employees**, helping ensure that critical operating standards, customer practices and expected behaviours are understood consistently across the workforce a material consideration given the field-intensive, high-headcount nature of last-mile lending operations.

Digital Transition and Future-Readiness

A significant focus area has been **digital transition** and future-readiness. Employees are being equipped with capabilities in AI Assistants, Agentic AI, digital ways of working and SDLC practices, enabling teams to understand and adopt technology-led changes in their day-to-day work. The approach is oriented towards practical application rather than technology awareness alone, encouraging employees to identify opportunities to simplify processes, improve turnaround times, reduce manual effort and enhance accuracy.

Employee Transition Support

Transition support is provided to employees who are retiring, being redeployed or exiting the organisation. Employees have access to outplacement support including career coaching, CV development assistance, access to employment opportunities and training webinars, a structured mechanism supporting employees through career transitions, reflecting the organisation's broader emphasis on responsible people practices.

Learning Effectiveness

The effectiveness of learning interventions is tracked internally through the Kirkpatrick evaluation framework, covering Levels 1–4, from learner reaction and knowledge acquisition through to behavioural application and business outcomes. Additional quantitative indicators tracked include

training spend against budget, programme completion rates, assessment scores, early attrition and **business outcomes such as employee productivity and portfolio quality assessing** not only participation in training, but the extent to which learning translates into improved workplace effectiveness and operational outcomes.

Digital Transition in Practice: Incentive Automation Tool

One tangible outcome of this **digital capability-building** agenda is the internally developed incentive automation tool, which has moved monthly incentive processing from a manual, spreadsheet-dependent exercise to a governed, automated workflow.

Parameter	Detail
Employees covered (monthly)	~19,800
Roles in scope	12
Departments	Group Lending, Retail Finance
Calculation vectors/parameters	16
Efficiency gain	27 man-hours saved per cycle ($\approx$ 3.5 productive days)
Calculation error rate	Reduced to Nil

By replacing a largely manual activity with an automated, standardised process, the tool saves the equivalent of 3.5 productive working days per monthly cycle for redeployment towards higher-value activities. Beyond the direct productivity gain, bringing calculation errors down to Nil strengthens employee trust in the incentive structure, reducing the compliance and audit burden on HR operations.

CA Grameen's capability-building approach connects learning with business priorities: developing leaders, strengthening organisational culture, enabling digital adoption, improving operational efficiency and preparing employees for future skill requirements. The combination of structured learning, experiential development, digital enablement and outcome-based measurement moves the organisation beyond training delivery towards measurable capability and productivity enhancement.

Human Capital Return on Investment

Metric (INR)	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
(a) Total revenue	35,50,79,00,000	51,72,65,00,000	57,56,14,00,000	60,62,54,00,000
(b) Total operating expenses	24,45,37,00,000	32,33,46,80,000	50,47,26,91,000	50,29,34,20,000
(c) Total employee-	5,15,24,00,000	6,69,43,00,000	7,30,36,00,000	8,79,10,00,000

Metric (INR)	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
related expenses				
Resulting HC ROI = $(a - (b - c)) / c$	3.14545	3.89677	1.97058	2.17529
Total employees (denominator)	16,759	19,395	20,970	21,941

Hiring

Metric	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Total number of new employee hires	11,906	13,294	13,522	13,685
% of open positions filled by internal candidates	7.34%	7.8%	8.5%	4.7%

New employee hires by management level, gender and age

Management level	Category	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Senior management	Male	8	10	8	7
	Female	1	1	1	2
	<30	0	0	0	0
	30–50	8	11	9	9
	>50	1	0	0	0
Middle management	Male	681	599	464	813
	Female	29	37	23	32
	<30	339	282	185	280
	30–50	371	354	302	565
	>50	0	0	0	0
Junior management	Male	8,450	9,739	9,661	9,420
	Female	1,557	2,908	3,365	3,411
	<30	9,922	12,179	12,231	11,929
	30–50	85	468	795	902
	>50	0	0	0	0

Employee Turnover Rate

Turnover rate	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Total employee turnover rate	35.4%	30.8%	33.5%	29.4%
Voluntary employee turnover rate	33.3%	29.5%	31.7%	27.8%
Coverage (% of all FTEs globally)	100%	100%	100%	100%

Employees turnover rate by management level, gender and age

Management level	Category	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Senior management	Male	12.87%	6.96%	7.97%	5.90%
	Female	9.09%	0.00%	0.00%	11.11%
	<30	0.00%	0.00%	0.00%	0.00%
	30–50	13.40%	5.41%	4.80%	6.64%
	>50	7.69%	12.12%	25.00%	5.56%
Middle management	Male	31.50%	24.45%	21.11%	16.25%
	Female	29.67%	20.31%	21.38%	15.01%
	<30	36.72%	26.54%	23.49%	17.84%
	30–50	27.96%	22.94%	19.82%	15.35%
	>50	45.00%	18.18%	17.14%	10.26%
Junior management	Male	37.29%	34.94%	39.60%	36.70%
	Female	43.08%	33.44%	44.77%	38.36%
	<30	38.74%	35.74%	41.84%	37.90%
	30–50	33.14%	29.46%	34.50%	33.61%
	>50	97.44%	27.27%	16.67%	19.05%

Type of Performance Appraisal

CA Grameen follows a hybrid appraisal model combining **Management by Objectives** annual goal sheets with weighted goals across Business, Process, Compliance/Risk, Customer and Learning & Development perspectives with **multidimensional 360-degree feedback** for the Top and Senior Management team, weighted across subordinate, peer and supervisor inputs against defined competencies, supported by **agile conversations** through regular manager–reportee check-ins. **Feedback discussions are held monthly** via Management Review Meetings, while

formal appraisals are conducted annually under the Performance Management System cycle, with 360-degree feedback undertaken for Top and Senior Management within the same cycle.

Appraisal execution is cascaded department-wise under a common PMS framework but calibrated to the nature of each function. Every employee's annual goal sheet carries weighted sub-goals across the Business, Process, Compliance/Risk, Customer and Learning & Development perspectives, with the Business (financial) perspective excluded for employees in control functions to preserve their independence from revenue-linked outcomes. Ratings move through a defined chain viz. self-appraisal, validation by the reporting officer, and review by the next-level reviewer, after which Functional/Department Heads, Head-HR, the COO and the MD & CEO normalize scores within each department so that grading remains consistent across teams before the department-wise, grade-wise distribution is placed for NRC approval.

Control functions are appraised through an additional layer of independence. Consistent with the RBI guidance, performance appraisals of the Heads of Internal Audit, Compliance and Risk is documented through a dedicated note covering key achievements, the recommended performance-linked reward, and is reviewed and approved by the relevant Board Committee before being recommended to the Board, ensuring these roles are evaluated free of managerial influence from the functions they oversee.

Long-Term Incentives for Employees

CA Grameen provides a **Cash Long-Term Incentive Plan**, structured as a performance-linked deferred cash bonus, to eligible employees in **Grade D and above**, including eligible employees below senior management. The programme is intended to retain key talent and align employee decision-making with the Company's longer-term strategic, business and sustainability priorities.

Awards under the Cash LTIP are deferred and **paid in three tranches over three years**, subject to applicable eligibility and performance conditions. Based on the Company's workforce classification, the programme **covers 5.23% of employees below senior management**, calculated as eligible employees below senior management divided by the total workforce below senior management.

Performance under the Cash LTIP includes sustainability-related targets. Eligible employees are assessed against defined social and sustainability objectives under the Customer Perspective of the performance framework. These include measurable objectives associated with customer protection, financial inclusion, responsible lending, customer satisfaction and social impact, reflecting sustainability matters that are integral to CA Grameen's inclusive-finance business model. Performance against the applicable sustainability targets contributes to the assessment used to determine Cash LTIP outcomes, thereby linking a portion of long-term variable compensation to sustainability performance.

Employee designations eligible below senior management	Average payout period	% of workforce below senior management covered	Sustainability targets included in the LTI
Eligible Grade D and above employees below senior management	3 years	5.23%	The annual performance review framework includes social goals (Customer protection, financial inclusion, responsible lending, customer satisfaction and social impact) into overall performance evaluation.

Employee Support Programs

CA Grameen's employee wellbeing framework brings together health, flexibility and family care.

Physical health, mental wellbeing and stress management are supported through annual **health check-up reimbursement**, **Group Personal Accident insurance**, and **structured mental-wellness sessions** covering stress management, anxiety awareness and coping strategies, complemented by fitness and health-awareness initiatives.

Recognizing that wellbeing extends beyond the workplace, **flexible work arrangements** are made available, including **work-from-home** for a mutually agreed period following maternity leave, one remote day a week for mothers of infants up to 18 months, and **flexible working hours or part-time options** considered case-by-case in line with business requirements.

Families are supported through **family-floater health insurance** covering spouse and children with maternity and newborn benefits and optional parental cover, a Child Gift on the birth of the first or second child, and interest-free or subsidized loans for children's education, medical and family needs. **Creche facilities** are available at the head office to help employees with children balance work and childcare responsibilities. For employees returning from maternity leave, **nursing support includes 90 minutes of additional daily break time** and **one work-from-home day each week**, easing return-to-work after maternity leave.

Paid parental leave extends to both caregivers, with primary caregivers entitled to **26 weeks** of fully paid maternity leave for the first two children (**12 weeks** thereafter, and for adoptive and commissioning mothers) and non-primary caregivers to 10 calendar days of paternity leave (5 days for trainees and probationers). Wider caregiver support is addressed through dedicated Infant Care and Elderly Care policies and **Menstrual Health Leave of 6 days a year**.

Trend of Employee Wellbeing

CA Grameen assesses employee engagement and workplace experience through structured listening mechanisms, including branch visits, focus group discussions, Management Review Meetings, and third-party exit interviews. These channels provide ongoing insights into employees' engagement, wellbeing, and overall workplace experience, while helping identify areas for improvement. Employee feedback is also captured through surveys covering key parameters such as **job satisfaction, sense of purpose, happiness, and stress**, enabling the

organisation to understand employee sentiment and identify opportunities to strengthen the employee experience.

Core Focus: Employee Satisfaction	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	Target
% of employees with top level of engagement, satisfaction	86	85	84	89	90
Coverage - % of employees who responded to the survey	86%	79%	87%	92%	100%

Employee satisfaction is measured through a scaled employee survey. The reported result represents the percentage of respondents falling within the highest satisfaction category under the Company's survey methodology. Survey coverage represents the percentage of eligible employees who submitted responses, rather than the percentage invited to participate.

Occupational Health and Safety

Occupational Health and Safety Programs

CA Grameen identifies and assesses **OHS risks and hazards** across branches, offices and field operations through established workplace safety practices and operational controls, including provisions under the ESG Policy and Code of Conduct relating to a safe and conducive workplace and field-specific safety guidelines for employees in field-based roles.

Identified risks are prioritised according to their potential impact on employee safety and the nature of the work environment and translated into preventive and **corrective actions** through applicable policies, guidelines and management oversight. **Emergency situations** are addressed through established operational protocols and location-specific safety practices, with escalation and support based on the nature of the incident, supported by Group Personal Accident insurance covering eligible work-related injuries.

OHS criteria are embedded in procurement and contractual requirements through the Supplier Code of Conduct. **OHS training and awareness programs are provided to employees and other relevant parties**, including induction and periodic refresher sessions on workplace and safety practices and emergency response protocols.

Progress against OHS objectives is reviewed through ongoing operational and management oversight, including monitoring of reported incidents and safety concerns to identify preventive and corrective actions. **Work-related injuries, illnesses and safety incidents** are reported, investigated and documented through escalation to relevant management channels and the Group Personal Accident insurance claims process, where applicable, with reported incidents reviewed to enable appropriate support and corrective action.

Absentee Rate

	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Employees - % of total days scheduled	7.08	6.36	4.79	4.84
Data Coverage - % of employees	81	100	100	100

Financial Inclusion

Financial Inclusion Commitment

CA Grameen's commitment to **financial inclusion** is anchored in its **Board-approved Code of Conduct and Fair Practices Code**, reflecting the Company's mission of providing financial services to economically weaker sections through a commercially viable and socially relevant microfinance model. The **Board** approves these policies and periodically reviews the efficacy of the Fair Practices Code.

The Company's inclusion model is designed as a pathway rather than a single product. Customers typically enter through group-based microloans under the traditional Grameen model, often as first-time formal borrowers, and progress to larger individual retail finance products as they build a credit history and their needs evolve. Guided by its **"Follow the Customer" philosophy**, CA Grameen designs products to match customers' lifecycle needs, with retail finance now comprising around 20% of AUM, driven by the retention and graduation of customers with a strong repayment track record. Graduation is governed by eligibility criteria linked to **repayment behaviour and repayment capacity**, so that larger loans support customers' growth without increasing the **risk of over-indebtedness**.

Product development is informed by **market research and client feedback**, including in-house research (1.0% of the customer base) in FY 2025-26. Delivery is tailored to the needs and preferences of the target group: **weekly Kendra meetings remain the cornerstone of customer engagement for microfinance clients**, supported by **vernacular assistance**, while graduated customers are served through [individual relationship management / branch-based and digital channels]. **Staff are trained to prevent aggressive sales techniques and disrespectful treatment of targeted groups**, supported by cultural education on inclusion, respect and customer sensitivity.

Beyond credit, the Company promotes the **financial well-being of underserved groups through the digital Jagruti programme**, which covers **financial literacy, health, and community awareness**. This is complemented by CSR deployment of ₹251.53 million in FY 2025-26, reaching 392,518 beneficiaries.

Clients have access to an easily reachable complaint mechanism through a **dedicated Customer Grievance Redressal Cell**, where queries are handled by the Member Support Team and complaints are escalated for corrective action. CA Grameen also works with **NGOs and local development bodies** to expand reach and develop the inclusive finance market. Its client protection practices are validated through Client Protection Certification (Cerise + SPTF) at Gold Level.

Financial Inclusion Products & Services

Products & Services	Targeted clients	Number of clients reached	Number of transactions/contracts
Loans	- Poor and/or low-income individuals - Individuals in rural or hard-to-reach areas - Women	44,18,054	44,70,979
Microinsurance	- Poor and/or low-income individuals - Individuals in rural or hard-to-reach areas - Women	3,46,456	3,46,456

Financial Inclusion - Non-Financial Support

Non-financial support	Targeted clients	Quantitative social impact KPI
Financial or digital literacy training CA Grameen provides need-based financial and digital literacy training to poor and low-income individuals and people living in rural or hard-to-reach areas. The training is designed to strengthen participants' financial knowledge and support informed and responsible financial decision-making. Depending on the identified needs of the participants, the sessions cover savings and money management, responsible borrowing and use of credit, appropriate use of insurance, and awareness	- Poor and/or low-income individuals - Individuals in rural or hard-to-reach areas	Number of individuals who received financial and digital literacy training during FY 2025-26: 60,000

of digital frauds and safe digital financial practices.		
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Customer Relations

Customer Relationship Management

CA Grameen offers customers multiple support and feedback channels: a **toll-free helpline**, a **customer-care email** (yourvoice@cagrameen.in), **written communication to the Grievance Redressal Officer** (Principal Nodal Officer) at the head office, **in-person support via the branch Complaint Register and monthly Grievance Redressal Days** (second Monday of each month), and digital channels including the **MAHI mobile app and a WhatsApp channel** for borrowing-related details.

These are published on the Company's website and Mahi app, branch notice boards, Kendra meeting minutes books and customer passbooks. Customer feedback is **incorporated through outbound awareness calls** by the E-Connect team, with inputs shared with management and reflected in product and service improvements. **Customers needing additional assistance** are supported by **vernacular-speaking field staff through weekly or bi-weekly visits, with documentation and helpline interactions in the local language.**

The complaint process covers registration (**ticket raised and complaint number sent via SMS**), investigation with the concerned department, classification, resolution and closure communicated by call, with unresolved cases escalated to the Internal Ombudsman and any override referred to the MD & CEO. Timelines are communicated to customers, **with a standard 30-day turnaround** (15 days for insurance complaints) against an **average handling time of 7 days.**

Customer Satisfaction Measurement

	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	Target
Percentage of satisfied customer	98	99	99	99.9	100%
% of Customers covered	4	2	1	1	1%

Privacy Protection

Privacy Policy: Systems/ Procedures

CA Grameen has measures in place to ensure effective implementation of its privacy policy. The Company maintains a publicly available Client Data Privacy Policy governing protection of

personal data of customers availing its financial products and services. As part of its DPDP implementation roadmap, this is being expanded into an Internal Privacy Policy **with organization-wide applicability**, covering all categories of Data Principals and **all relevant processing activities, including personal data processed through third-party service providers and suppliers**. The draft policy is proposed for formal adoption following requisite management and Board approvals, in alignment with the DPDP Rules timelines.

The **CISO Office is the designated function responsible for privacy, data protection**, information and IT security, with a broader organizational privacy governance structure currently being formalized. The Company applies a **zero-tolerance approach to breaches**- any violation may subject employees, consultants or contractors to **disciplinary action, up to and including termination**.

The proposed Internal Privacy Policy further provides for **periodic internal audits and third-party audits** and independent assessments to evaluate **compliance with the Company's privacy and data protection requirements**, to be operationalized under its privacy governance framework in accordance with the DPDP Act and DPDP Rules.

Customer Privacy Information

CA Grameen has a policy to inform customers regarding privacy protection issues, publicly available as the Client Data Privacy Policy and the Policy for Protecting Personal data of Aadhaar Number Holders. The policies disclose the **nature of information captured** such as Personal Information covering family, health, living conditions, contact and location details, and Financial Information covering business, income, expenses, repayment history and credit, and the **use of the collected information**, with Aadhaar identity information limited to authentication, e-KYC, verification at enrolment and data clean-up, and use beyond the stated purpose prohibited without consent.

Customers can decide how their private data is collected, used, retained and processed: opt-in consent is required for sharing with Credit Bureaus and for use of client photographs and testimonials, and Aadhaar number holders may **request access to data held by the company** through a defined access-request and grievance redressal process. **How long the information is kept on corporate files** is governed under the Aadhaar policy, and **how the information is protected** is addressed through physical, electronic and procedural safeguards spanning data storage, back-ups, staff access, transmission and archiving, together with an Aadhaar Data Vault, Hardware Security Modules and a prohibition on transferring identity information outside India.

The **third-party disclosure policy** covers **private entities** Credit Bureaus, lenders and insurance partners, limited to the minimum information required and transmitted securely and **public entities**, where sharing is required by law, with violations subject to disciplinary action up to termination.

The company monitors the percentage of users whose customer data is used for secondary purposes. **In FY 2025-26, the percentage of customers whose data was used for secondary purposes were zero.**