HDFC
ASSET MANAGEMENT COMPANY LIMITED

Business Responsibility and Sustainability Report 2021-22

Foreword

For HDFC AMC, sustainability goals form an inseparable part of the Company's drive to achieve its financial goals. As such, they are integrated into both the qualitative and quantitative aspects of Environment, Social and Governance (ESG) that guide and inform the Company's operations. The Company is also cognizant of the fact that climate change is not just an environmental issue but also a business risk. The erosion of natural capital poses significant risks to both businesses and society.

HDFC AMC is into a service-oriented business, and primarily involved in the flow of information and financial transactions. The Company's carbon footprint is therefore limited to the use of consumables, such as paper, plastic, office equipment, water and energy, among others. However, as a responsible corporate citizen, the Company endeavours to reduce its carbon footprint and minimise its energy usage.

The Company is glad to publish its maiden Business Responsibility & Sustainability Report. BRSR is voluntary for FY 21-22 and mandatory from FY 22-23 onwards for the top 1,000 Indian listed companies by market capitalisation.

Due credit must be given to the Securities and Exchange Board of India (SEBI) for taking the lead in putting together the BRSR framework. The framework calls for measurable, quantitative metrics to facilitate better benchmarking.

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Section A – General Disclosures

I. Details of the listed entity:

Sr. No.	Particulars	Details
1.	Corporate Identity Number (CIN) of the Company	L65991MH1999PLC123027
2.	Name of the Listed Entity	HDFC Asset Management Company Limited
3.	Year of Incorporation	1999
4.	Registered Office Address	HDFC House, 2nd Floor, H.T. Parekh Marg, 165-166, Backbay Reclamation, Churchgate, Mumbai – 400 020.
5.	Corporate Address	HDFC House, 2nd Floor, H.T. Parekh Marg, 165-166, Backbay Reclamation, Churchgate, Mumbai – 400 020.
6.	E-mail	shareholders.relations@hdfcfund.com
7.	Telephone	+91 22 66316333
8.	Website	www.hdfcfund.com
9.	Financial Year for which reporting is done	FY 21-22
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited (BSE) & National Stock Exchange of India Limited (NSE)
11.	Paid-up Capital	₹ 106.64 Crore
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Kartik Parekh Chief Manager – Investor Relations Telephone No. – +91 22 66316333 E-mail – kartikp@hdfcfund.com
13.	Reporting boundary	As the Company does not have any subsidiary or an associate company or a joint venture company, the disclosures made in this report pertain only to HDFC Asset Management Company Limited.

II. Products/Services

14. Details of Business Activities

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover
1.	Financial & Insurance Service	Fund Management Services	99.4
2.	Financial & Insurance Service	Financial Advisory, Brokerage & Consultancy Services	0.6

15. Products/Services sold by the entity

Sr. No.	Product/Service	NIC Code	% of Turnover contributed
	The Company offers a comprehensive suite of savings and investment products across asset classes catering to the needs of a large and diverse customer base. The Company also provides portfolio management and segregated account services.	65991	100%

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated

Location	Number of Plants	Number of Offices	Total
National	NA*	227	227
International	NA*	1#	1

* The Company is into financial services and does not undertake any manufacturing activity.

Representative Office in Dubai.

17. Markets served by the entity

a. Number of locations

Locations	Number
National (No. of States)	Pan-India
International (No. of Countries)	Various International Markets

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Revenue from outside India contributed 0.45% to the total turnover of FY 21-22.

c. A brief on types of customers

The Company has played an integral role in shaping the investment management industry in India. The Company offers a comprehensive suite of savings and investment products across asset classes, which provide income and wealth creation opportunities to retail and institutional customers. We are a one-stop shop for individuals, families, corporates and institutions when it comes to their investments. Nearly one out of every six mutual fund investors in India is invested with the Company.

The Company closed FY 21-22 with 58 Lakh unique customers, 99 Lakh live accounts serviced through 228 Investor Service Centres (ISCs), of which 150 are in B-30 cities. By Monthly Average Assets Under Management (MAAUM), individual investors and institutional investors contribute about 62% & 38% respectively; around 17% of MAAUM is from B-30 cities whereas 83% is from T-30 cities. It would be worth a mention that the Company is amongst the preferred choice of individual investors, with a market share of 12.5% of the individual MAAUM.

IV. Employees

18. Details as at March 31, 2022

a. Employees (including differently abled):

Particulars	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (C)	% (C/A)
Permanent (D)*	1,151	814	71%	337	29%
Other than Permanent (E)	1,101	921	84%	180	16%
Total employees (D + E)	**2,252**	**1,735**	**77%**	**517**	**23%**

* active employees

b. Differently abled employees

Particulars	Total (A)	Male		Female	
		No. (B)	% (B/A)	No. (C)	% (C/A)
Differently Abled Employees					
Permanent (D)	-	-	-	-	-
Other than Permanent (E)	-	-	-	-	-
Total differently abled employees (D + E)	**-**	**-**	**-**	**-**	**-**

19. Participation/Inclusion/Representation of women

Particulars	Total (A)	No. & % of Females	
		No. (B)	% (B/A)
Board of Directors	11	2	18.18%
Key Management Personnel	3	1	33.33%

Note: Details as at March 31, 2022

20. Turnover rate for permanent employees and workers

Particulars	FY 21-22			FY 20-21			FY 19-20		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	16%	23%	18%	6%	8%	6%	9%	14%	11%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures (As at March 31, 2022)

Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity
1	Housing Development Finance Corporation Limited (HDFC)	Holding Company	52.6%

Does the entity indicated at column A above, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)

The Holding Company has its own Business Responsibility (BR) initiatives and generally do not participate in BR initiatives of the Company.

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover: ₹ 2,115.36 Crore

(iii) Net worth: ₹ 5,530.04 Crore

VII. Transparency and Disclosures Compliances

23. Complaints/ Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGRBC)

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 21-22			FY 20-21		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	-	-	-	-	-	-	-
Investors (other than shareholders)	-	-	-	-	-	-	-
Shareholders[1]	Yes	4	1	-	7	0	-
Employees and workers[2]	Yes	1	0	-	0	0	-
Customers[3]	Yes	2,598	8	-	3,164	22	-
Distributors (Value Chain Partners)[4]	Yes	2	-	-	-	-	-

[1] https://www.hdfcfund.com/information/shareholders-information-and-helpdesk

[2] Internal polices placed on the intranet and some of the policies guiding company's conduct with its stakeholders on https://www.hdfcfund.com/about-us/governance/codes-policies.

[3] https://www.hdfcfund.com/contact-us/relationship

[4] Distributors can write to us at partners@hdfcfund.com or mfonlinefeedback@hdfcfund.com Investors and Shareholders can also write to grievance redressal officer: gro@hdfcfund.com and shareholders.relations@hdfcfund.com respectively.

24. Overview of the entity's material responsible business conduct issues

Various material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to the Company's business are as indicated below:

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Financial Literacy	Opportunity	Indians have predominantly saved money in traditional fixed income instruments/ lockers which may or may not be able to deliver positive inflation adjusted returns or in unregulated instruments which may be high risk to capital.	The Company aims at inculcating the financial saving mindset by encouraging Indians to invest in mutual funds against traditional methods by launching investor awareness campaigns like **'#BarniSeAzadi'**, which help women investors shift idle money from Barnis (Canisters) to more growth-oriented instruments like mutual funds. The Company also launched **#LaxmiForLaxmi**, an exclusive end-to-end women-led financial empowerment initiative that connected women investors to a woman financial expert.	Positive: – Wealth creation for every Indian – Connect with wider audience – Increase in financial literacy, especially for the marginalised ones
2	Data Security & Customer privacy	Risk	The Company relies heavily on its technology infrastructure. As majority of transactions are processed digitally, it increases cyber/information security risk	– The Company has a strong Cyber Risk Management framework wherein cyber risk and its mitigation are monitored by the Information Technology & Security Committee and Risk Management Committee of the Company. – The Company has increased efforts through sensitisation of employees, customers and other stake holders on cyber frauds, data privacy etc.	Negative: – Reputational risks – Data privacy issues may lead to litigation risks/ financial risks – Regulatory risk in terms of fines, penalties, etc.
3	Digitisation	Opportunity	The demand for and acceptance of digital transactions is increasing due to low-cost internet data, high smartphone penetration and India's biometric identity card.	The Company has consistently invested in technology and built a robust digital environment in the organisation to ensure minimum use of paper-based transactions and communications.	Positive: – Cost efficiencies – Better customer reach & service through digital operations – Increased penetration in B30 cities
4	Climate change & Governance	Risk/ Opportunity	Climate change has originated new material risks and has increased reputational risks for businesses. – Increase in shareholder activism on governance practices.	The Company's investment team monitors ESG related factors in investee companies. – The Company has adopted a stewardship code in line with the regulatory prescription. – The Company continues to identify and act on opportunities to reduce impact on the environment.	Negative: Physical and Transition risks. Positive: Drives better risk management and value creation.

Section B – Management & Process Disclosures

The National Guidelines on Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocates nine principles referred as P1-P9 as given below:

Principle 1:
Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Principle 2:
Businesses should provide goods and services in a manner that is sustainable and safe.

Principle 3:
Businesses should respect and promote the well-being of all employees, including those in their value chains.

Principle 4:
Businesses should respect the interests of and be responsive to all its stakeholders.

Principle 5:
Businesses should respect and promote human rights.

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

Principle 7:
Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Principle 8:
Businesses should promote inclusive growth and equitable development.

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

Policy and Management Processes

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Ethics & Transparency	Product Responsibility	Human resources	Responsiveness to Stakeholders	Respect for Human Rights	Environment Protection	Public Policy Advocacy	Inclusive Growth	Customer Engagement
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	No [1]	Yes	Yes	Yes	Yes	No [2]	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes (as applicable)								
c. Web Link of the Policies, if available	https://www.hdfcfund.com/about-us/governance/codes-policies Some policies being internal documents are available to the employees through the company's intranet.								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes (as applicable)								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	The Company has not mandated any vendors, suppliers, business partners etc. to participate in the BR initiatives of the Company. However, they are encouraged to adopt BR initiatives and follow the model expected from responsible business entities								
4. Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle	Not applicable								

Principle-wise Polices

Principle	Particulars	Policies
P1	Ethics & Transparency	• Whistle Blower Policy • Policy on Conflict of Interest • Social Media Policy • Anti-Bribery & Anti-Corruption Guidelines* • Code of Conduct for Directors & Senior Management • AML/CFT & KYC Policy • Policy for Determination of Materiality of Events • Policy on Related Party Transactions • Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information • Outsourcing Policy • Stewardship Code • Information Security Policy • Fraud Prevention Policy Other internal policies that elucidate ethical behaviour, transparency and accountability
P2	Product Responsibility	As the nature of business of the Company is providing comprehensive suite of savings and investment products, at a corporate level, consumption of resources is limited to running of operations. However, the Company keeps sustainability in mind while performing day-to-day operations.
P3	Well-being of Employees	In addition to the Code of Conduct, other policies include: • Policy on Sexual Harassment of Women at Workplace • Whistle Blower Policy • Board Diversity Policy • Nomination & Remuneration Policy
P4	Responsive to stakeholders, particularly the marginalised	• Corporate Social responsibility Policy • Stewardship Code
P5	Respect for Human Rights	• Policy on Sexual Harassment of Women at Workplace • Whistle Blower Policy • Equal Opportunity Policy • Board Diversity Policy
P6	Environmental Protection	• Business Continuity Policy The Company is in financial services industry and hence does not consume high levels of energy. However, regular efforts are made to adopt appropriate energy conservation measures. The employees are also sensitised to prevent wasteful usage of natural resources.
P7	Public Policy Advocacy	The Company may share its expertise to help in the formulation of public policy, but it does not directly engage in advocacy activities. The Company actively engages in investor education programmes for mutual funds in line with AMFI guidelines. In addition, the senior leadership team takes active part in various committees of AMFI and SEBI aimed at spreading financial literacy, increasing investor awareness, among others. Also, the Company has advocated through AMFI, various governance, administration, economic and educational reforms.
P8	Inclusive Growth	The Company's CSR policy covers activities focused on the marginalised and vulnerable sections of the society.
P9	Customer Engagement	• Customer Query & Grievance Redressal Policy • Information Security Policy • Business Continuity Policy • Cyber Security Policy • Social media Policy • Cyber Crisis Management Policy

* Part of Employee manual

5. Specific commitments, goals and targets set by the entity with defined timelines.

- The Company recognises its role in creating a positive impact in the lives of communities by identifying the core focus areas and achieving these commitments and goals through investor awareness programmes and corporate social responsibility activities.
- The Company promotes inclusive environment at the workplace and does not treat anybody differently based on their gender, race/caste, religion/beliefs, disability, marital status or any other category and at the same time believes in hiring the right talent based on merit.
- The Company is committed towards reducing its carbon footprint.
- The Company believes in up-skilling the work force for the holistic development of its employees and to align with the changing business environment.

6. Performance of the entity against the specific commitments, goals and targets along with reasons in case the same are not met.

Inclusive Growth

- The Company launched #BarniSeAzadi campaign on the 75th Independence Day. It has conducted 400+ investor awareness programs with the intent of promoting financial independence among women.
- The Company launched #LAXMIforLAXMI, a women-led financial empowerment initiative under which ~10,000 women expressed interest for taking their first step towards financial liberation.
- The Company has contributed towards healthcare, education, environment sustainability and sports development through its CSR activities.

Workforce Diversity

~30 % of the Company's permanent work force are women.

Digital Environment

The Company has consistently invested in technology and built a robust digital environment in the organisation to ensure minimum use of paper-based transactions and communication.

- 76% transactions are supported by integrated online platform.
- The Company's digital transactions have grown at a CAGR of 31% since FY 16-17.

Energy & Waste management

There is a pressing need to conserve water, energy and manage waste in an eco-friendly manner. The Company has taken several initiatives towards conserving the environment, some of which are described below:

- 831 kg of e-waste processed in an environment friendly manner.
- A tree was planted for every equity SIP, which was registered in digital mode for a specific tenure under 'Nuture Nature' campaign.
- Rejuvenation of pond, urban foresting using Miyawaki technique and a butterfly park over a 50,000 sq feet area in the heart of Mumbai (under CSR Project).
- Deployment of timers for signage boards to save electricity.

Up-skilling

- 1,100+ employees completed CFA investment foundation course which covers various aspects of investment management. The Company believes such large initiatives will enhance the overall skill level of the industry, with immense benefits percolating to the large mutual fund distribution network and even to mutual fund investors.
- The Company also conducted 6 ethics workshops in partnership with the CFA Institute, which covered most of its employees. Ethics has always been the corner stone of the organization and these workshops further reinforced the organization's commitment to creating an ethical work place. The workshops included real life case studies and equipped employees to deal with ethical dilemmas.
- Enrolled 157 partners for wealth manager course certification.
- Motivated employees to achieve 950 NISM certifications which is over and above the mandatory requirements.

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility & sustainability report

HDFC AMC believes that sustainability goals are part and parcel of its financial goals and the Company has, accordingly, integrated ESG considerations into its business decisions and operations. The Company is focused on executing a strong ESG proposition by working with all stakeholders, and this commitment to sustained value creation is reflected in its mission "To be the wealth creator for every Indian".

The Company also recognises that climate change is not just an environmental issue, and that it has broader implications for the business and its ability to create value for its stakeholders. Aware of its social and environmental responsibility, the Company continues in its endeavour to reduce its carbon footprint. Towards this objective, it has been consistently investing in technology and building a robust digital environment and undertaking various other measures that are covered in the report.

The Company believes that the success of ESG should not be measured in terms of the amount ESG funds garner from the market, but on how ESG parameters get mainstreamed by integrating ESG in the entire investment process. The Company's investment team monitors ESG-related factors in investee companies while also engaging with the management of these companies on issues such as executive compensation, dividend distribution policies, capital allocation, related party transactions, among others.

Sustainability is critical to ensuring the long-term success of businesses and creating shared value. HDFC AMC would like to congratulate the regulators for integrating sustainability into the reporting parameters in a steadfast manner, and for thinking far ahead of the times.

Particulars	Details
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies)	Mr. Navneet Munot Managing Director & Chief Executive Officer DIN: 05247228
9. Does the entity have a specified Committee of the Board/ Director responsible for decision-making on sustainability related issues? (Yes / No). If yes, provide details	The Executive Director as stated above is in charge of the decision making on sustainability related issues

10. Details of Review of NGRBCs by the Company

Subject for Review	Review of Principles Undertaken and their Frequency
Performance against above policies and follow up action	Relevant policies of the Company are reviewed periodically or on a need basis. The necessary changes to policies and procedures are implemented accordingly.
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company is in compliance with the extant regulations as applicable.

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

The processes and compliances are subject to audits and inspections as applicable. The policies are reviewed on a periodical basis by the respective departments, and updated accordingly. The updated policies with changes recommended by the management of the Company are placed before the Board for its approval, as applicable. An internal assessment of the workings of the policies has been carried out as stated above.

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)		Note 1					Note 2		
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

Notes

1. As the nature of business of the Company is providing comprehensive suite of savings and investment products, at a corporate level, consumption of resources is limited to running of operations.
2. The Company may share its expertise to help in the formulation of public policy but it does not directly engage in advocacy activities and hence does not have a specific policy for this purpose. The Company actively engages in investor education programmes for mutual funds in line with AMFI guidelines. Also, the Company has advocated through AMFI, various governance, administration, economic and educational reforms.

Section C – Principle-wise Performance Disclosures

Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

UN SDGs

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	The Company conducts orientation programmes after the appointment of new Directors on its Board, wherein the management of the Company makes presentations to familiarise the Directors with the mutual fund business/ industry practices, systems and policies adopted by various departments of the Company, especially the governance practices and compliance process adopted by the Company. During the year, the Board of Directors of the Company spent approximately 9 hours on various familiarization programs comprising matters relating with changes in the regulations, policies impacting the business of the Company through its periodical updates inter-alia, overview of the mutual fund industry, regulatory developments, overview and outlook of Indian economy, markets update and trends, risk management mechanism.		100%
Key Managerial Personnel	The Company has a Code of Conduct for senior management personnel which covers topics like ethical conduct, bribery and corruption, conflict of interest, transparency, safety & health of employees, etc.		100%
Employees other than BOD and KMPs	The Company conducted 6 ethics workshops for its employees in partnership with the CFA Institute. Employees also undergo various training programmes, some modules are mandatory for the new recruits viz, prevention of sexual harassment, information security, prohibition of insider trading etc.		100%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year,

Monetary Type	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	NA	NA	NIL	NA	NA
Settlement	NA	NA	NIL	NA	NA
Compounding fee	NA	NA	NIL	NA	NA

Type	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	NA	NA	NA	NA
Punishment	NA	NA	NA	NA

It may be noted that the Company receives administrative warnings/deficiency letters in the regular course of its business pertaining to Mutual Funds, Portfolio Management Services pursuant to regulatory inspections conducted by SEBI from time to time. Necessary corrective actions in this regard are taken by the Company.

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
	Not Applicable

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web link to the policy.

Yes, anti-corruption and anti-bribery guidelines are part of the employee manual and are available to internal stakeholders. The Company is committed to conducting business by following the highest ethical standards. All forms of bribery and corruption are prohibited. The Company conducts its business in adherence to all statutory and regulatory requirements.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Case Details	FY 21-22	FY 20-21
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL

6. Details of complaints with regard to conflict of interest:

Particulars	FY 21-22		FY 20-21	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	-	NIL	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	-	NIL	-

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions on cases of corruption and conflicts of interest.

Not applicable

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year

Particulars	Topics/ principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
Total number of awareness programmes held	The Company conducts regular product training for its distributors	

2. Does the entity have processes in place to avoid/ manage conflict of interest involving members of the Board? (Yes/No) If yes, provide details of the same.

The company has Conflict of Interest Policy (CoI) policy to avoid conflict of interest involving Board and KMP. Further, pursuant to listing regulations, senior management confirms to the Board of Directors that there was no material, financial and commercial transactions, where they have personal interest that may have a potential conflict with the interest of the Company at large.

The Company has CoI Policy to enable compliance with the provisions of the acts and regulations applicable to its business.

The Company has Conflict Resolution Committee (CRC), which includes the Managing Director and Chief Executive Officer, Chief Compliance Officer, Company Secretary and the respective Head of Departments based on the subject matter of the Conflict of Interest for managing and dealing with CoI situations within the Company.

The Company has also formulated the policy on related party transactions for providing guidelines in relation to identification of related parties.

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

UN SDGs

Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

Particulars	FY 21-22	FY 20-21	Details of improvements in environmental and social impacts
R&D	Refer note below		
Capex			

Note: The Company is primarily into financial services, hence the relevance of the above is largely restricted to capital expenditure towards information technology. Capital expenditure incurred towards IT hardware and software (excluding Right of Use assets) was 78.85% of total capital expenditure investments in FY 21-22 vs 76.19% in FY 20-21.

The Company intends to continue identifying and acting on opportunities to reduce its impact on the environment. It has consistently invested in technology and built a robust digital environment in the organisation. Over the last 5 years, electronic transactions have grown at a CAGR of 31%.

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

As the nature of business of the Company is providing a comprehensive suite of savings and investment products, consumption of resources is limited to running of operations.

The Company, however, remains cognisant of reducing its resource consumption by procuring energy efficient equipment. The major suppliers of hardware are green standard compliant and data centres are certified under Environmental Management System ISO 14001:2015.

2. b. **If yes, what percentage of inputs were sourced sustainably?**

Refer response to point 2.a.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) Other waste**

Given the nature of the business, the Company has limited scope on these parameters, however, the Company realises that there is a pressing need to manage waste in an eco-friendly manner. To achieve these objectives, the Company, encourages reuse/recycle wherever possible and monitors improvement. The Company engages with certified e-waste handlers for the disposal of e-waste. The Company has also replaced plastic garbage bags with bio-degradable bags.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Not applicable

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

The primary business activity of the Company is asset management. It is a service-oriented business primarily involved in managing the investment of retail and institutional investors across asset classes and servicing their requirements across the life cycle of their journey with the Company.

The investment life cycle is a sequential process ranging from sourcing clients to onboarding them, providing curated investment solutions and hassle-free customer service to the clients during their journey with us. A brief description of the client life cycle is provided below:

Sourcing:

Clients can invest in our schemes either directly or through the distribution partners. They can transact through the physical mode or through our electronic portal. A client can submit his/her physical applications at multiple touch points like our investor service centres, CAMS branches or to the distribution partners. The Company works with a diverse set of distribution partners and currently has over 75,000 empaneled distributors which include mutual fund distributors, national distributors, banks, investment advisers and fintech firms. While we continue to source business

across channels, the focus is on driving the adoption of digital platforms. The Company has witnessed significant growth in electronic transactions vis-à-vis physical paper-based transactions. The Company provides end-to-end digital onboarding solutions for investors and its distributors. The Company has enabled its partners with both tools and educational webinars on digital medium and it also runs extensive education series for its partners on how to build digital presence.

Onboarding:

As a first step to beginning transactions with us, clients have to be KYC compliant. Clients have access to multiple options where they can complete their KYC while providing their investment applications. The Company has tied up with the KYC Registration Agencies (KRA) to update and access client KYC information which provides a seamless experience for the customer. The Company uses CKYCR, which is a government authorised registry where it can access as well as update customers KYC records. With Aadhaar based e-KYC service, the Company has provided investors with the option to complete KYC online and start investing directly through digital channels.

Transactions:

The Registrar and Transfer Agent (RTA), CAMS, forms the backbone for transaction processing, assisted by an able front office team at the head office/branches. Investment in cutting-edge technology has enabled increased scale and speed in processing transactions and digital fetch tools help in faster authentication of supporting documentation. Transaction bot and WhatsApp have now been added to provide instant access for transactions.

Service:

The Company supports service requests from clients such as change of bank account details, nominee updating, change of tax status etc. both physically as well as electronically throughout the life cycle of the client. We also proactively send reminders to the clients to update contact details, and conform to changing regulatory requirements like FATCA/CRS, PAN Aadhaar linking etc. from time to time.

Grievance Redressal Mechanism:

As part of the Grievance Redressal Policy, the Company has a Complaint Management Platform to record and redress grievances/feedback from customers, which help in ensuring standard operating procedures and enhanced service standards. The Corporate Client Service (CCS) team is responsible for ensuring that customer grievances are addressed in a timely manner and that responses sent are appropriate and meets the requirements of customers.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Not applicable

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Not applicable

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format.

Particulars	FY 21-22			FY 20-21		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	-	-	-	-	-	-
E-waste (in kgs)	-	-	831	-	-	623
Hazardous waste						

As the Company is into financial services, there are no hazardous waste generated.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not applicable	

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

UN SDGs

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	Total (A)	Health Insurance		Life/ Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	814	814	100	814	100	NA	NA	NA	NA	Refer note below	
Female	337	337	100	337	100	337	100	NA	NA		
Total	**1,151**	**1,151**	**100**	**1,151**	**100**	**337**	**100**	**NA**	**NA**		
Other than Permanent Employees											
Male	921	921	100	921	100	NA	NA	NA	NA	Refer note below	
Female	180	180	100	180	100	180	100	NA	NA		
Total	**1,101**	**1,101**	**100**	**1,101**	**100**	**180**	**100**	**NA**	**NA**		

Note: In compliance with the provisions of the Maternity Benefit Act

2. Details of retirement benefits for current and previous financial year

Benefits	FY 21-22		FY 20-21	
	No. of employees covered as a % of total employees	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	Deducted and deposited with the authority (Y/N/N.A.)
PF	**100%**	**Y**	100%	Y
Gratuity	**100%**	**N.A.**	100%	N.A.
ESI	**100%**	**N.A.**	100%	N.A.
NPS*	**100%**	**8% ***	N.A.	N.A.

* NPS was made available for employees in FY21-22 and 8% of them opted for it.

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Most of the offices are located in commercial premises which may be on the ground floor or have elevators and infrastructure for differently abled persons; 75% of the Company's offices have facilities for easy movement of differently abled visitors/ employees. Most of the office washrooms are specially abled friendly, as per the guidelines provided in RPWD act.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, conspicuously displayed at all business locations in accordance with the provisions of the Act.

5. Return to work and retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees	
	Return to work rate in %	Retention rate in %
Male	NA	NA
Female	85%	87%
Total	**85%**	**87%**

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Particulars	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Employees	Yes
Other than Permanent Employees	

The Company has always followed an open-door policy, wherein any employee irrespective of hierarchy have access to the business heads, HR, Legal & Compliance, senior management or other such members.

The Company has adopted a third-party web-based reporting tool which provides a secure and confidential platform to report genuine concerns and can be accessed by all employees/ Directors/ stakeholders for lodging a complaint or expressing genuine concerns.

In addition to that, a Whistle-Blower Policy has been formulated for employees and Directors to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Business Conduct and Ethics Policy.

The Company has zero tolerance for sexual harassment at the workplace and is compliant with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company also has various online training modules and awareness programmes which sensitise its employees on such issues.

The Company is committed to redressing every grievance of its employees in a fair and just manner. The Company provides various channels of grievance redressal and safeguards employees against any form of victimisation.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity.

Category	FY 21-22			FY 20-21		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Male	The Company does not have any employee associations.					
Female						
Total						

8. Details of training given to employees

Category	FY 21-22					FY 20-21				
	Total (A)	On Health and Safety Measures		On Skill Upgradation		Total (D)	On Health and Safety Measures		On Skill Upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Male	**814**	**1,003**	**87%**	**803**	**99%**	870	**191**	**15%**	706	81%
Female	**337**			**327**	**97%**	376			311	83%
Total	**1,151**			**1,130**	**98%**	**1,246**			**1,017**	**82%**

9. Details of performance and career development reviews of employees

Category	FY 21-22			FY 20-21		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Male	**791**	**791**	**100%**	809	809	100%
Female	**315**	**315**	**100%**	317	317	100%
Total	**1,106**	**1,106**	**100%**	**1,126**	**1,126**	**100%**

Remuneration for employees is as per the Nomination & Remuneration Policy of the Company. Further, the criteria for the evaluation of remuneration for all non-managerial personnel is based on an appraisal process which is conducted on a semi-annual basis. The increase in remuneration is also dependent on the overall performance of the Company and not only on individual performance.

10. Health and Safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such system?

There are no occupational health and safety risks considering the nature of the business. Employee well-being and psychological safety continue to be a priority of the Company. Periodic trainings on fire safety and fire-fighting equipment are provided along with the evacuation drills.

In the business environment dominated by the COVID-19 pandemic, the Company adhered to all the government directives and issued travel and health advisories to its employees. The Company advised all its employees to work from home as required or on a rotational basis to ensure employee safety and business continuity.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

This is not directly applicable given the nature of business. However, to minimise risks in light of the pandemic, the Company installed thermal scanners and also took necessary precautions to identify the risks associated with the pandemic.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

This is not directly applicable given the nature of business. However, in light of the pandemic, the intimation of symptoms/infections by employees and their family members was done as per the process. The Company also organised vaccination camps for its employees to ensure employees' safety is not compromised during this pandemic.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

The Company provides facilities like medical consultations and regular health check-ups. The Company has partnered with a health care service provider, which offers 24x7 online medical consultations, fitness and well-being programmes. Additionally, the Company organises regular health check-up for its employees. The Company provides its employees with group term life and personal accident cover in addition to medical insurance.

11. Details of safety related incidents, in the following format:

Safety Incidents/Numbers	Category	FY 21-22	FY 20-21
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	NIL	NIL
Total recordable work-related injuries			
No. of fatalities			
High consequence work-related injury or ill-health (excluding fatalities)			

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

Employee well-being and psychological safety continue to be a priority for the Company. Fire drills and quality assurance audits are conducted in the office premises to ensure the maintenance of safety standards.

In the business environment dominated by the COVID-19 pandemic, the Company continued to assist employees and their families on all fronts to fight and overcome this serious challenge.

The Company assessed the health, safety, and environment performance across all offices, which included sanitisation of all office premises, removal of biometric scanners, installation of thermal scanners, daily updates, restricted movements in common areas, closure of recreational facilities and avoidance of large gatherings.

Detailed SOPs and guidelines/advisories were issued periodically to the employees of the Company. The Company adhered to directives issued by the government/local authorities pertaining to COVID-19. The Company also created a safe environment with necessary protocols in place for its essential employees and those who needed to work from the office/branches whenever required. The Company organised vaccination camps for its employees to ensure their safety is not compromised during the pandemic.

Indoor air quality treatment is carried out to mitigate biological contamination to ensure better and hygienic indoor environment. This ensures preventive maintenance against any air and surface contamination.

The Company installed Coronaguards at HO, which acts as a complementary solution along with the use of PPE (personal protective equipment) to reduce the burden of indefinite social distancing. The device attenuates and disables 99.9% of the corona family of viruses and prevents its spread in the enclosed spaces.

13. Number of complaints on the following made by employees and workers

Type	FY 21-22			FY 20-21		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	NIL	NIL	-	NIL	NIL	-
Health & Safety	NIL	NIL	-	NIL	NIL	-

14. Assessments for the year

Type	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%*
Working Conditions	Nil

*The Company has entered into preventive periodic maintenance contracts which includes fire fighting equipment. The Company has also appointed quality assurance auditors.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of Health & Safety practices and working conditions.

This is not directly applicable given the nature of business. However, in view of the pandemic situation, the Company took various measures, which are covered in response to point no 12.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)

Yes, the Company provides its employees with group term life, personal accident cover, future service gratuity liability in addition to medical insurance. Benefits like provident fund, gratuity, etc., are settled on a priority basis. The Company has, in some cases, also extended support to families of deceased employees in the form of giving employment opportunity to the spouses.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company expects its value chain partners to follow business responsibility principles and values of transparency and accountability and, accordingly, expects that statutory dues as applicable to the transactions within the remit of the Company are deducted and deposited in accordance with the regulations. The organisation has appointed an independent auditor to audit monthly statutory dues.

3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Category	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 21-22	FY 20-21	FY 21-22	FY 20-21
Employees	NA	NA	NA	NA
Workers	NA	NA	NA	NA

There were no work-related injuries.

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

The Company has not undertaken any retrenchment of employees owing to business exigencies or employees not having the requisite skills to do the required job. In line with the spirit of applicable law, as and when such step is required to be taken due to business environment or force majeure circumstances, the Company will actively consider undertaking such activities for outgoing employees.

The Company believes in hiring well qualified talent on merits and continuously upskills the work force to align with the changing business environment. In light of this, the need for this transition assistance programmes are not envisaged currently.

5. Details on assessment of value chain partners:

Type	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	These parameters are currently not explicitly assessed or measured.
Working Conditions	

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Not applicable

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

UN SDGs

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

The Company believes healthy stakeholder relationships are key to long-term value creation. Any individual or group of individuals or institution that adds value to the business chain of the Company or who are impacted by us are identified as a core stakeholder.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Key Stakeholder	Whether identified as Vulnerable & Marginalised Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other*	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	Yes, as based on demographics	Branch assistance, emails, website, advertisements, newspaper and other digital platforms, customer helplines and toll-free numbers, customer satisfaction surveys.	Ongoing and need based	Superior customer service throughout the life cycle. To stay abreast of product features, benefits and risks.
Employees	No	Direct, email, CEO town halls, team meetings.	Ongoing and need based	Performance appraisal and rewards. Training and career development. Wellness & safety measures.
Shareholders	No	Quarterly earnings calls, emails, SMS, newspaper, advertisement, notices, website, Annual General Meeting, intimation to stock exchanges, annual/ quarterly financials and investor meetings / conferences, investor presentation, press release, annual reports, audio recording of earnings call, transcripts etc.	At least quarterly and need based	To stay abreast of developments in the Company, Performance of the Company and the sector, address concerns/grievances
Distributors	No	Physical, emails and other digital platforms.	Ongoing and need based	Enhanced reach/Trainings
Regulatory Bodies	No	Emails, one-on-one meetings, conference calls, video conferencing, websites.	Need based	Discussions with regard to various approvals, circulars, guidelines, suggestions, amendments, etc.
AMFI	No	Emails, one-on-one meetings, conference calls, video conferencing, websites.	Need based	Discussions with regard to various guidelines/investor education and reporting
Communities & Implementing Agencies/ NGOS	Yes	Emails, physical meetings, website and other digital platforms.	Need based	Monitoring & implementing the CSR projects and activities
Registrar and Transfer Agent	No	Emails, physical meetings, website, and other digital platforms.	Ongoing and need based	Ensure seamless operations, data and integrity, compliance.
Vendors, Bankers, Custodians and others in value chain	No	Emails, physical meetings, website, and other digital platforms.	Ongoing and need based	Product & Service quality and support, contract commercial and technical terms & conditions, custodial services, statutory compliances
Media	No	Newspaper, advertisement, email, annual reports, website, transcripts conference and other meetings	Need based	To stay abreast on the developments of the Company

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   The Company encourages constant and proactive engagement with its stakeholders to better communicate its strategies and performance. The Board is kept well-informed on various developments and feedback on the same is sought from the Directors.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Customer complaints/grievances are reviewed for a root cause analysis, which also gives an opportunity to improve its services. At the same time, the Company recognises that it is still in a learning phase on various evolving aspects and hence stakeholder interactions are important. The Company tries to engage with consultants and experts in this field, which helps to better understand expectations of stakeholders.

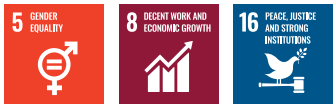
3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups.**

   As an investment manager, with the aim to serve the bottom-of the-pyramid customers, the Company has started SIP arrangement of as little as ₹ 300 depending on factors such as income, risk appetite and financial goals.

   The details of the Company's CSR initiatives project/programmes and activities are provided in Annexure of the Annual report. The CSR Policy of the Company is uploaded on its website and can be viewed at https://www.hdfcfund.com/about-us/corporate/csr.

Principle 5: Businesses should respect and promote human rights

UN SDGs



Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy (ies) of the Company:**

Category	FY 21-22			FY 20-21		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Permanent	1,151	1,151	100%	1,246	1,246	100%
Other than permanent	1,101	1,101	100%	1,127	1,127	100%
Total Employees	**2,252**	**2,252**	**100%**	**2,373**	**2,373**	**100%**

The Company promotes a culture of fairness and inclusion. It is the policy and practice of the Company to provide equal employment opportunity to all persons. The Company's value system encourages dignity of labour. Its policies and managerial framework ensure that all fundamental and human rights of employees are fully protected.

Policies and processes like POSH, Whistleblower, Grievance Redressal, Equal Employment Opportunity, Code of Conduct etc. are in place to protect human rights of employees.

The Company policies are well defined and are educated, trained, and disseminated through the electronic medium.

2. Details of minimum wages paid to employees and workers:

Category	FY 21-22					FY 20-21				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Permanent	**1,151**	**-**	**-**	**1,151**	**100%**	1,246	-	-	1,246	100%
Male	**814**	**-**	**-**	**814**	**100%**	870	-	-	870	100%
Female	**337**	**-**	**-**	**337**	**100%**	376	-	-	376	100%
Other than Permanent	**1,101**	**726**	**66%**	**375**	**34%**	1,127	726	64%	401	36%
Male	**921**	**717**	**78%**	**204**	**22%**	942	717	76%	225	24%
Female	**180**	**9**	**5%**	**171**	**95%**	185	9	5%	176	95%

3. Details of remuneration/salary

Category	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors				
Executive Directors^	1	7,36,83,376	-	-
Non-Executive Directors^^	7	38,00,000	2	29,50,000
Key Managerial Personnel	1#	1,81,43,952	1	92,94,608
Employees other than BoD and KMP*	738	10,61,785	287	6,46,512

^ MD & CEO

^^ Includes only directors who have received the remuneration during FY 21-22.

* Includes only employees who have worked for the entire 12-month period.

Represents aggregate salary of KMPs who have worked for part of the financial year. During the year, Mr. Piyush Surana, ceased to be CFO of the Company w.e.f close of business hours of January 31, 2022 and Mr. Naozad Sirwalla was appointed as CFO w.e.f. February 1, 2022.

Note: Expenses towards gratuity and leave encashment provisions are determined actuarially on an overall basis at the end of each year and accordingly, have not been considered in the above information. Perquisite value of stock options is excluded.

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, there are various committees responsible for human rights impacts and issues. For instance, the Company has zero tolerance for sexual harassment at workplace and is compliant with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has appointed a Nodal Officer who acts as a single point contact related to human rights issues.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Respect for human rights is considered as one of the fundamental and core values of the Company. The Company strives to support, protect, and promote human rights to ensure fair and ethical business and employment practices are followed. There are committees and policies formed to handle grievances and complaints related to human rights issues. and the details are placed on the intranet of the Company.

The Company has zero tolerance towards and prohibits all forms of child labour, slavery, forced labour, physical, sexual, psychological, or verbal abuse.

6. Number of complaints on the following made by employees and workers:

Particulars	FY 21-22			FY 20-21		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	1	0	Note	NIL	NIL	-
Discrimination at Workplace	NIL	NIL	-	NIL	NIL	-
Child Labour	NIL	NIL	-	NIL	NIL	-
Forced Labor/ Involuntary Labour	NIL	NIL	-	NIL	NIL	-
Wages	NIL	NIL	-	NIL	NIL	-
Other Human Rights Related Issues	NIL	NIL	-	NIL	NIL	-

Note: The complaint received was disposed of within the prescribed timelines in line with the provisions and spirit of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company is committed to maintaining safe and harmonious business environment and workplace for everyone, irrespective of the ethnicity, region, sexual orientation, race, caste, gender, disability, work, designation, and such other parameters. The Company ensures sensitisation to important social factors like diversity and inclusion, workplace practices and prohibition of economic, racial, or physical inequalities. The Company strives to support, protect, and promote human rights to ensure fair and ethical business and employment practices are followed.

There are committees and policies formed to handle grievances and complaints related to human rights issues viz Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, Whistle Blower Policy, etc. and the details are placed on the intranet of the Company.

For instance, 6 (six) Internal Committees (IC) for different zones were constituted in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 with women employees being a majority and an external member. The Policy, IC Members' details and the penal consequences of violating the said Act/ Policy are displayed at all offices/ ISCs and on the intranet of the Company. Regular employee awareness sessions are conducted to generate awareness about the policy, reporting mechanism and prevention of sexual harassment at the workplace.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, in certain business agreements and contracts

9. Assessments for the year

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	7%
Forced Labour/Involuntary Labour	
Sexual Harassment	
Discrimination at workplace	
Wages	
Others	

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

Not applicable in view of point no 9.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

The Company creates awareness about the Code of Conduct/policies to sensitise its employees. Employees of the organisation undergo various training programmes and some of the modules are mandatory for the new recruits which cover guidelines on Prevention of Sexual Harassment (POSH), information security, etc.

The Company strives to support, protect, and promote human rights to ensure fair and ethical business and employment practices are followed, for instance 6 (six) Internal Committees (IC) for different zones were constituted in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, with women employees being a majority and an external member. The Policy, IC Members' details and the penal consequences of violating the said Act/ Policy are displayed at all offices/ ISCs and on the intranet of the Company.

2. Details of the scope and coverage of any Human rights due diligence conducted.

Refer response number 7 of essential indicators and 1 as above.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Most of the offices are located in commercial premises which may be on the ground floor or have elevators and infrastructure for differently abled persons; 75% of the companies' offices have facilities for easy movement of differently abled visitors/ employees. Most of the office washrooms are specially abled friendly as per the guidelines provided in RPWD act.

4. Details on assessment of value chain partners:

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	These parameters are currently not explicitly assessed or measured.
Discrimination at Workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Other Human Rights Related Issues	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not applicable in view of point no 4.

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

UN SDGs

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity:

Parameter	FY 21-22	FY 20-21
Total electricity consumption (A)	Refer response below	
Total fuel consumption (B)		
Energy consumption through other sources (C)		
Total energy consumption (A+B+C)		
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)		

Note: if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

The Company is into service-oriented business primarily involved in flow of information and financial transactions. The Company does not track the energy consumed. However, the Company realises that there is a pressing need to conserve energy and, accordingly the Company has taken various initiatives like deployment of timers for signage boards, replacing conventional lighting with LED in most of the offices, deploying sensor based lighting in some places at head office.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not applicable

3. Provide details of the following disclosures related to water:

Parameter	FY 21-22	FY 20-21
Water withdrawal by source (in kilolitres)	Refer response below	
(i) Surface water		
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed / turnover)		

Note: If any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Taking the nature of business into consideration, the Company's usage of water is restricted to human consumption purposes only. Efforts have been made that water is consumed judiciously in the office premises.

Water conservation, optimal utilisation and management of water are not only vital for economic development but also for the very survival of the living being. The Company has a STP (Sewage Treatment Plant) at its head office. The Company has installed sensors in taps at its head office, where water consumption is high and aerator taps in most of the offices.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

As the Company's usage of water is restricted to human consumption purposes only, the Company has not implemented a mechanism for zero liquid discharge. However, the Company has taken various initiatives as mentioned above to consume water judiciously.

5. Please provide details of air emissions (other than GHG emissions) by the entity

Note: If any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Not applicable

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity:

Parameter	Unit	FY 21-22	FY 20-21
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	Refer response below	
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent		
Total Scope 1 and Scope 2 emissions per rupee of turnover			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

The Company is into service-oriented business primarily involved in flow of information and financial transactions and at the same time realizes the adverse impact of direct and indirect emissions to the environment. The Company does not measure the same but has taken various proactive steps to keep the greenhouse gas emissions as low as possible. Please refer response to point no 7 below.

7. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

The Company is shifting towards green methods of conducting business, such as shifting towards electronic transactions by creating a robust digital infrastructure, eliminating paper reports and forms wherever possible, recycling and reducing waste in all premises, etc. form part of the Company's contribution towards this cause.

The Company launched the 'NurtureNature' campaign with an intent to increase awareness towards the environment. A tree was planted for every equity SIP which was registered in digital mode for a specific tenure.

The Company has installed inverter AC & VRF systems to meet 10% of its requirement. It maintains optimum temperature, which is in line with the guidelines of 'ASHRAE' for HVAC.

The Company's corporate office in Mumbai is LEED Gold' certified since 2014.

8. Provide details related to waste management by the entity

Parameter	FY 21-22	FY 20-21
Total waste generated & safely disposed (in kgs)		
Plastic waste (A)	-	-
E-waste (B) (in kgs)	**831**	623

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

E-waste generated by the company is processed in an eco-friendly manner and the Company has accordingly received the certificate from e-waste vendor 'Just Dispose Recycling Pvt. Ltd'.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

As the Company is into financial services, the Company does not require any hazardous and toxic chemicals. The Company's process of managing e-waste is validated by an external agency. The Company's head office has systems in place to convert wet waste into manure.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required.

Sr. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any
The Company does not have any offices in ecologically sensitive areas			

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant web link
Not Applicable					

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances.

Sr. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not applicable				

Leadership Indicators

1. Break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources

Parameter	FY 21-22	FY 20-21
From Renewable Sources		
Total electricity consumption (A)	Refer point no. 1 of essential indicators	
Total fuel consumption (B)		
Energy consumption through other sources (C)		
Total energy consumed from renewable sources (A+B+C)		
From Non-Renewable Sources		
Total electricity consumption (D)	Refer point no. 1 of essential indicators	
Total fuel consumption (E)		
Energy consumption through other sources (F)		
Total energy consumed from non-renewable sources (D+E+F)		

2. Details related to water discharged

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Refer point 3 of essential indicators for initiatives taken in this context.

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres)

Not applicable

4. Please provide details of total Scope 3 emissions and its intensity.

The Company is into service-oriented business primarily involved in flow of information and financial transactions and at the same time realises the adverse impact of direct and indirect emissions to the environment. The Company does not measure Scope 3 emissions.

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct and indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.

Not applicable

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives:

The Company is into service-oriented business primarily involved in the flow of information and financial transactions and hence the Company's carbon footprint is limited to the use of consumables, such as paper, plastic, office equipment, water and energy. The Company has taken some initiatives as described below in view of the same.

Sr. No.	Initiative undertaken	Details of the initiative (Web link, if any, may be provided along-with summary)	Outcome of the initiative
1.	The Company has consistently invested in technology and built a robust digital environment in the organisation; 76% of transactions were executed digitally in FY 21-22.		
2.	831 kgs of e-waste generated by the Company was processed in an eco-friendly manner.		
3.	Deployment of timers for signage boards.		
4.	Installation of low consumption, energy-efficient fittings, including automatic lighting, water aerators/sensor taps, air dryers, etc.		
5.	A tree was planted for every equity SIP which was registered in a digital mode for a specific tenure.		
6.	The Company has installed inverter AC & VRF systems to meet 10% of its requirement.		
7.	Replacement of plastic water bottles with glass/steel bottles.		

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, the Company has devised a robust disaster recovery and business continuity plan with strategies like utilising branches as alternate sites, work from home and IT disaster recovery site, which are tested on a regular basis. Critical data is replicated every hour to both the intra-city and inter-city sites, while non-critical user data is replicated every 24 hours to the Far DR site. All databases are replicated to DR site as per the RPO (Recovery Point Objective). These plans also cover the entire operations of the AMC, and these are periodically tested and placed before the Board of Directors for review.

During the COVID-19 pandemic, BCP plans were fully tested, and all the critical functions worked seamlessly from alternate sites, the Virtual Private Network connectivity ensured that all the critical functions not only worked seamlessly from home but also adhered to all regulatory timelines.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

Not applicable

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Not applicable

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

UN SDGs

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

The Company is member of three trade and industry chambers/associations.

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to:

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Association of Mutual Funds in India (AMFI)	National
2	Indian Association of Alternative Investments Funds (IAAIF)	National
3	Bombay Chamber of Commerce and Industry	State

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
No material instances reported		

Leadership Indicators

1. Details of public policy positions advocated by the entity:

Sr. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web link, if available
The Company actively engages in investor education programmes for mutual funds in line with AMFI guidelines. Also, the Company has advocated through AMFI, various governance, administration, economic and educational reforms.					

Principle 8: Businesses should promote inclusive growth and equitable development

UN SDGs

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not applicable*					

* Social Impact Assessments (SIA) w.r.t. Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity.

Sr. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not applicable						

3. Describe the mechanisms to receive and redress grievances of the community

Given the nature of the business, this is not applicable. Also, the Company carries its CSR activities through various implementing agencies.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers

Particulars	FY 21-22	FY 20-21
Directly sourced from MSMEs/ small producers	NA	
Sourced directly from within the district and neighbouring districts		

*Not applicable taking the nature of business into consideration

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above)

Details of negative social impact identified	Corrective action taken
Not applicable in view of Question 1 of Essential Indicators	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies

Sr. No.	State	Aspirational District	Amount spent (In INR)
1.	Madhya Pradesh	Vidisha & Khandwa	1,47,41,439
2.	Jharkhand	Garhwa, Chatra, Godda, Lohdarga, Latehar, Ramgarh, Khunti & Simdega	2,13,00,000

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

(b) From which marginalised /vulnerable groups do you procure?

(c) What percentage of total procurement (by value) does it constitute?

Given the nature of the business, purchases from suppliers under the above mentioned groups are limited. However during the year, the Company procured various articles that include laptop bags, etc. from NGOs like the National Association of Disabled's Enterprises (NADE), Jai Vakeel Foundation, etc. These organisations support and serve visually impaired, hearing/speech impaired, orthopedically and mentally challenged adults and children.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge

Sr. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
		Not applicable		

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the case	Corrective action taken
	Not applicable	

6. Details of beneficiaries of CSR Projects

Sr. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1.	**CSR Projects for Healthcare** • Indian Cancer Society – Cancer Support • Head and Neck Cancer Institute of India – Cancer Support Equipment • Deepshika – Cancer Support • Doctors For You – Vaccination Camps	Cancer Patients – 2,989 Attendants – 2,026 Vaccinations – 1,00,301 Doses	The objectives of the CSR projects is to reach underprivileged, low-income cancer patients, women and children who are highly vulnerable to exploitation, victimisation and trafficking, including orphans, street children, abandoned children, and extremely impoverished children from tribal areas.
2.	**CSR Projects for Education** • Ashoka University – Quality Infrastructure • Parivaar Seva Kutirs in Madhya Pradesh – Overall development & nutrition • Snehalaya – Foundational Learning & Life Skills • Muktangan – Foundational Learning & Life Skills • Sampark Foundation – Foundational Learning	Students – 4,98,767 Teachers – 68	
3.	**CSR Projects for Environment Sustainability** • Rotary Club of Bombay - Urban Forest Project • Aroehan – Livelihood • Rotary Club of Bombay – Water Lift Irrigation Project	Hamlets – 70 (Population of ~30,000) Households – 92	
4.	**CSR Projects for Sports** • Olympic Gold Quest – Training, Coaching, Equipment and Sports Science	113 Athletes 16 Para Athletes	

Note: Numbers indicate beneficiaries of CSR projects through the CSR partners during the FY 21-22.

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

UN SDGs

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

At HDFC AMC, providing excellent service has been the cornerstone of customer centricity. The Company always endeavours to raise those standards that truly reflect the brand. In a world where customers are increasingly better informed, it is imperative that company's frontline service support is agile, well-trained and customer centric. The Company relentlessly educates its staff on these objectives.

Mechanism to receive the Consumer complaints and feedback

As part of our endeavour in offering the very best of products and ensuring high service standards, we believe that our customers should be able to seamlessly contact us to offer their comments on our products/services and also to air their grievances. The Company has put in place a Customer Query & Grievance Redressal Policy and set up processes and technology supported infrastructure to support this function. As part of the policy, the management continuously reviews the grievances to systemically strengthen its processes leading to progressive reduction in complaints. The following are the various avenues for the customer to contact/write to us, depending on their convenience.

E-mail:

Investors can email us at our corporate email id - hello@hdfcfund.com for any queries, complaints or feedback they have. They can also post their grievances/feedback/queries/complaints on the 'Write to Us' link available on the website (https://www.hdfcfund.com/contact-us/get-in-touch). Alternatively, they can also write to the RTA CAMS on enq_h@camsonline.com.

Call centre:

Investors can call us from 9.00 am to 6.00 pm (Monday to Friday) and 9.00 am to 1.00 pm (Saturday) on the toll-free numbers 1800 3010 6767/ 1800 419 7676. Investors calling from abroad can call us on 91 44 33462406.

SMS:

Investor can SMS 'HDFCMF' to 56767.

Escalation:

Investors can also write to our Grievance Redressal Officer at the email ID - gro@hdfcfund.com in case they are not satisfied with our response.

In case the investor is still not satisfied with our responses, he/she can further lodge a complaint in electronic mode with SEBI on SEBI's portal – 'SCORES' (SEBI Compliant Redressal System), which is a centralised web based complaints redress system. These complaints are received by the Company for resolution, and the resolution is updated in the portal.

Mechanism to respond to consumer complaints:

All queries and complaints received across touch points are auto uploaded into a Complaint Management Platform which has a rule-based allotment to the branches and central staff who respond to customers. There are defined service levels assigned for each type of complaint.

The Company regularly undertakes Root Cause Analysis of the top complaint types with the help of the service team at branches who are supported by the Corporate Client Services (CCS) team at the corporate office. Regional Service Managers (RSMs), who focus on service delivery across various regional offices, conduct periodic visits to branches and engage with the staff and augment support to the branches, besides seeking feedback. The CCS team engages with these RSMs to work on the feedback and also trains them routinely. Service delivery and quality assessment are measured, using multiple parameters like turnaround time, repeat complaints, escalations etc. which are evaluated on a periodic basis to improve and provide seamless delivery.

The Compliance team also oversees redressal of customer grievances.

The Company has put in place a Stakeholders' Relationship Committee, which reviews the activities carried out by the Investor Service Centers (ISCs) / branches of the Company and their adherence to service standards, reviews the steps taken by the Company to redress the grievances of the investors and the cases, if any, pending before the Courts/ Forums/ Regulatory Authorities against the Company etc.

It is important that all stakeholders who work towards enhancing customer experience should work in tandem. The RTA, CAMS, forms the backbone of service delivery chain. The Company works closely with CAMS to ensure smooth operations and seamless client experience.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

Particulars	As a percentage to the total turnover
Environmental and social parameters relevant to the product	Not applicable
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

Particulars	FY 21-22			FY 20-21		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services	2,598	8	-	3,164	22	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-

4. Details of instances of product recalls on account of safety issues

Particulars	Number	Reasons for recalls
Voluntary recalls	NIL	NIL
Forced recalls		

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, the company has Board approved Information Security Policy, Cyber Security Policy, Cyber Crisis Management Policy and Business Continuity Policy. Given the rapid technological and digital advancement, cyber risks are inevitable. The Company has a strong Cyber Risk Management framework wherein cyber risk and its mitigation are monitored by the Information Technology & Security Committee and Risk Management Committee.

Key areas covered under the cyber risk management include strong adherence to the Board approved Information and Cyber Security policies, compliance with SEBI guidelines and ISO 27001 standards to ensure that the Company is in line with industry best practices. The Company maintains a robust cyber security architecture and has in place a cyber-resilience framework to protect the integrity of data and guard against breaches of privacy. The Company also trains employees on cyber security.

The Company ensures that cyber security controls and practices are embedded into the business process and it follows concept of 'Security by Design'. Enhanced cyber security practices and effective governance have resulted in matured cyber security frameworks. IT assets are reviewed and audited regularly by independent agencies. Systems are subject to intense scrutiny and validations in the systems audit. Proactive measures are taken to ensure that they are adequately protected against external threats.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

   No penalties/regulatory action has been levied or taken on the above-mentioned parameters.

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available)**

   The information on various products & services of the Company is available on:

   - Website: www.hdfcfund.com
   - Company's Mobile applications – HDFC MF Online – Investors, and HDFC MF Online – Partners
   - All leading Fintech Platforms
   - Distributors
   - MF Central: www.mfcentral.com
   - Call centre @ 1800 3010 6767 / 1800 419 7676
   - HDFC AMC Branches
   - CAMS Service Centres
   - CAMS investor portal: mycams.camsonline.com

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

   The Company complies with all disclosure requirements relating to its products and services, as per AMFI/SEBI guidelines on product labelling within risk and disclosure categories. The Company has annual disclosure of riskometers, which covers scheme-wise risks and is available on the Company's website. The Company also has product literatures which has a riskometer for various product schemes.

   For the safety of the customer, the Company sends communications to educate and advise customers on guarding themselves against financial frauds.

   As part of the Go Green initiative in mutual funds, and providing information to investors in a cost effective yet transparent manner, the following steps have been implemented:

   - We do not encourage printing of physical account statements at branches and instead request clients / distributors to opt for statements through electronic mode
   - Customers are able to raise and process most of their service requests electronically with the confirmations also being sent to them electronically
   - Latest NAVs of all schemes have been prominently disclosed under a separate head on our website and is also provided through SMS and call centre upon request
   - A tree was planted for every equity SIP which was registered in a digital mode for a specific tenure under 'Nurture Nature' campaign.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

   The Company has devised a robust Disaster Recovery (DR) and Business Continuity Plan (BCP) which covers its entire operations. Communications on any disruption/ discontinuation of essential services, albeit rare, are intimated to customers through emails, call centres, the Company's website and other modes of electronic communication.

   The Company continued to offer seamless service to its customers during the pandemic as the BCP was fully tested and all the critical functions worked without disruption from alternate sites, while adhering to all regulatory timelines.

   As part of the QRTA compliance, CAMS conducts BCP drill every six months including unannounced drills. The BCP has been successfully invoked over the years due to floods, cyclone etc. and also during the ongoing pandemic. The BCP is a part of the governance framework. As part of the plan, the workforce of 500+ employees (~30% of overall workforce) operates out of their alternative site in Coimbatore, thus ensuring that all critical services can operate independently from either site. Two DR Data Centres have been set up, one in Chennai (near site) which is the primary data centre and the other in Mumbai (far site). The management of both the AMC and CAMS regularly review the BCP and DR plans and strengthen these further in order to ensure that we continue to support our clients during any exigency.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.

The Company has always believed in being transparent with its customers by providing all the relevant details. Product communication is done through SMS, mails and other platforms. The Company also displays the following documents on the website:

- Fact sheet
- Scheme performance
- Product literature

Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

The Company seeks feedback from its customers at various stages and customer complaints/grievances are reviewed for a root cause analysis, which also gives opportunity to improve the services.

IVR CSAT (Interactive Voice Response Customer Satisfaction) survey is conducted by the call centre in order to record the pulse/experience of the investor. Once the query is resolved, the customer can rate his/her experience on the call via a short IVR survey. The survey is captured real time. As a follow up activity, those who have provided low ratings are called back to seek feedback on improvement areas.

5. Information relating to data breaches:

a. Number of instances of data breaches along-with impact

b. Percentage of data breaches involving personally identifiable information of customers

- The Company maintains a robust cyber security architecture to protect the integrity of data and guard against breaches of privacy.
- The Company is also aware of the human element of cyber security and data privacy. It sends communication to educate and advise customers on these practices to prevent any breaches at their end.
- The Company did not witness any instances of data breaches during the year. The Company also has cyber risk insurance policies.

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