

Annual Business Responsibility Report (2019-20)

PART A: GENERAL INFORMATION ABOUT THE COMPANY

Corporate Identity Number (CIN) of the Company:	L65922DL1988PLC033856
Name of the Company	PNB Housing Finance Limited
Registered address:	9th Floor, Antriksh Bhawan, 22, K G Marg, New Delhi-110001 Tel: 011-23445200, Fax: 011-23736857
Website:	www.pnbhousing.com
E-mail id:	Investor.services@pnbhousing.com
Financial Year reported:	2019-20

Sector(s) that the Company is engaged in (industrial activity code-wise):

Group	Class	Sub-class	Description
641	6419	64192	Activities of specialised institutions granting credit for house purchases that also take deposits

List three key products/services that the Company manufactures/provides (as in balance sheet)

- Housing Loan
- Deposit
- Non-housing loan

Total number of locations where business activity is undertaken by the Company

- Number of International Locations (Provide details of major 5): None
- Number of National Locations: 105 branches, 28 outreach office, 23 hubs, 2 corporate office

Markets served by the Company- Local/State/National/International: National

SECTION B: FINANCIAL DETAILS (CONSOLIDATED)

Paid up Capital (₹)	₹ 168.19 crores
Total Turnover (₹) for the Year ended March 31, 2020	₹ 8,489.54 crores
Total profit after taxes (₹) for the Year ended March 31, 2020	₹ 646.24 crores
Total spending on Corporate Social Responsibility (CSR)	₹ 26.35 crores

List of activities in which CSR expenditure has been incurred: -

- Skilling of construction workers –On the Job and at source training
- Establishing and running holistic day care centres for the children of construction workers
- Ensuring social security benefits to construction workers
- Ensuring formal education to the underprivileged children
- Providing scholarships for supporting students pursuing higher education
- To enhance infrastructure of government hospitals
- Supporting Cancer patient helpline and clinic
- Supporting health and hygiene awareness and vocational skills development for adolescent females and young women
- Supporting a welfare home for the elderly
- Addressing healthcare needs of economically weaker section (EWS) elderly through mobile health van
- Imparting skills training to unemployed youth (EWS) facilitating and employment opportunities as geriatric caregivers
- Supporting environmental conservation
- Promoting holistic development of children through sports
- Supporting scientific research to combat COVID-19 pandemic
- Supporting COVID-19 relief efforts by donating to PM-CARES fund

SECTION C: OTHER DETAILS**Does the Company have any Subsidiary Company/ Companies?**

As on March 31, 2020, PNB Housing has two wholly-owned subsidiaries, namely, PHFL Home Loans and Services Limited and PEHEL Foundation.

Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such Subsidiary Company(s)

PHFL Home Loans and Services Limited has its own BR initiatives, however, ethos towards CSR are aligned with the PNB Housing which aims to be catalyst to enable the marginalised community to become capable and self-reliant. Further, PEHEL Foundation is a non-profit subsidiary of the Company to carry out various CSR activities of PNB Housing and PHFL.

Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

PNB Housing engages with its key stakeholders (e.g. suppliers, employees, lenders, investors, community etc.) and communicates its BR initiatives to the concerned stakeholders.

SECTION D: BR INFORMATION

a) Details of the Director/Directors responsible for implementation of the BR policy/ policies.

1. DIN Number: 07053788
2. Name: Mr. Neeraj Vyas
3. Designation*: Managing Director & CEO

* on interim basis

b) Details of the BR head

Mr. Sanjay Jain
Company Secretary and Head Compliance
9th Floor, Antriksh Bhawan,
22, Kasturba Gandhi Marg,
New Delhi – 110001
Ph.: 01123445206
E-mail: sanjay.jain@pnbhousing.com

Company Profile

PNB Housing is a registered housing finance company with the National Housing Bank. The Company was promoted by Punjab National Bank as a wholly owned subsidiary and commenced its operations on November 11, 1988. The Company came out with an IPO and got listed on the Indian stock exchanges ie NSE and BSE on November 7, 2016. PNB continues to be the promoter of the Company and currently holds 32.65%.

The Company is primarily engaged in the business of providing housing loans. It is the 4th largest housing finance company in terms of loan assets. The Company also provide non-housing loans to individuals and non- individuals against mortgage of property.

The underwriting of loans is performed in specialised hubs located across the country. The Company follows comprehensive underwriting process for all its loan products by using well-trained in-house teams of underwriters, technical, legal and fraud control.

The Company has a large distribution network of branches across India. As on March 31, 2020, the Company has pan India presence through 105 branches, 28 outreach locations, totaling to 133 distribution outlets. The Company has no overseas branch.

The Company sources its loan business through its distribution subsidiary as well as through outside sourcing agents (DSA). The Company publishes a business responsibility report (BRR) on an annual basis. The BR report is a part of the Annual report and is placed on the website of the Company i.e. www.pnbhousing.com

The requisite policies have been developed based on the best practices or as per the regulatory requirements in consultation with relevant stakeholders which may include a combination of internal policies of the Company which are accessible to all internal stakeholders and the policies are placed on the Company's website.

Further, the policies are internally evaluated by various department heads, business heads and the management on a continuous basis and principal wise details are available in Section E of the Report.

The 9 principles outlined in the National Voluntary Guidelines are:

P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability: Yes
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle: Yes
P3	Businesses should promote the well-being of all employees: Yes
P4	Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised: Yes
P5	Businesses should respect and promote human rights: Yes
P6	Businesses should respect, protect and make efforts to restore the environment: Yes
P7	Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner: Yes
P8	Businesses should support inclusive growth and equitable development: Yes
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner: Yes

PRINCIPAL 1

Business should conduct and govern themselves with ethics, transparency and accountability:

Ethics (Does the policy relating to ethics, bribery and corruption cover only the Company? Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?)

The Company makes no compromise on professional ethics. The Company is transparent and compliant with the laws of the land. The Company follows zero tolerance for bribery and corruption. The Company has formulated code of conduct for its non-executive directors, executive directors and members of senior management. These codes have been placed on the website of the Company.

PNB Housing has put in place a policy on ethics, transparency and accountability that applies to all internal stakeholders through the Employees' Code of Conduct.

Code of Conduct

The Employees' Code of Conduct, which is applicable to all its employees, enunciates principles for ethical business conduct and acceptable employee behavior. The Code mirrors, Company's core values and covers aspects related but not limited to ethics, bribery and corruption. The code has been made available as a part of the Employees' Handbook.

Failure to comply with the code leads to disciplinary action. All the employees have been provided with a copy of Code of Conduct. The e-copy of Code of Conduct is available on employees' platform on Company's website. There are regular training programmes for the employees on Code of Conduct. Every new joiner is also trained on Code of Conduct and is provided with a copy.

PNB Housing has put in place a Whistle Blower Policy, which provides a neutral and unbiased forum for the Directors, Employees and Business Partners of the Company to voice their concerns in a responsible and effective manner.

PNB Housing has also adopted Code of Conduct with respect to the Board of Directors and Senior Management to guide the Board members and senior management for ensuring highest ethical standards in managing the affairs of the Company.

The Company has also adopted following other codes and policies. These codes and policies have been adopted by the Company towards efficient functioning, ethical decision making, risk management, governance and transparency;

- Fair Practice Code
- Know Your Customer Policy

- Code of Conduct
- Policy on Related Party Transaction
- Insider Trading Code
- Code of Practice for Fair Disclosure of Unpublished Price Sensitive Information
- Corporate Social Responsibility Policy
- Whistle Blower Policy
- Policy for Protection of women against Sexual Harassment.

The policies have been formulated in consultation with the relevant stakeholders. These policies confirm to the best practices in the industry. The Policies wherever required have been approved by the Board. The Board has several Committees to oversee the functioning of various policies. The policies have been placed on the website of the Company for communication to internal and external stakeholders. The Policies are internally reviewed from time to time in line with business, regulatory and statutory requirements. The Company has an internal structure to ensure implementation of the policies.

The Company has a full-fledged grievance redressal mechanism to address grievances of different stakeholders at different levels. The Business Responsibility Report forms part of annual report of the Company and is published annually. The report is also available at www.pnbhousing.com.

Transparency

The Company adheres to all the applicable governmental and regulatory rules. Any breach is viewed very seriously by the management and appropriate disciplinary action is taken against the errant employee.

The Board has constituted various committees such as: Audit Committee, Risk Management Committee, Credit Committee of the Board, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee. These committees meet periodically to supervise, review and advice on the relevant/ respective matters. All the policies of the Company are subject to review.

Corporate Governance

The Company follows high standards of corporate governance, ethical corporate behavior, integrity and transparency in conducting its business. Over the years, the Company has built long-term relationships with its borrowers, channel partners, depositors, agents and shareholders. The Company

is committed towards highest standards of governance through transparency, accountability and integrity.

Stakeholders' Complaints

The Company has a large family of loan customers, depositors, shareholders, debenture holders and channel partners. The Company has put in place a mechanism for recording and redressing complaints raised by each of these stakeholders.

Customers are most important to the Company. The Company uses digital platform for enhancing customer experience, such as customer service mobile app, customer service web portal, inbound contact centre etc. All the requests and complaints received from the customers are recorded in CRM system. During the year, the Company has received over 7.5 lakhs service requests from loan and deposit customers. Majority of requests were handled within the turnaround time specified by the Company. During the year, the Company had received 2,267 escalations from loan customers, which were all resolved in the standard turnaround time

The Company has Head of Customer Service to deal with day to day customer service requests and escalations. The complaints forwarded by the regulatory and supervisory authorities are tracked separately electronically. A grievance redressal procedure recommended by National Housing Bank (NHB) is also available on Company's website. An escalation matrix for grievance received from the investors is also available on the website of the Company.

During the year, the Company has received 3 complaints from the shareholders, which were resolved on time. In addition to this, the Company has received few requests for physical copy of annual report and revalidation of dividend warrants, which has been closed.

The Company places status of requests/ complaints received, redressed and outstanding from its customers and stakeholders along with the nature of complaints and their mode of redressal, to the senior management and every quarter to the Audit Committee of the Board.

The Company has a robust investor outreach programme and the Investor Relations team continue its close connect with market participants across geographies. All the information viz quarterly results, half yearly results, annual results and other material information is intimated to the stock exchanges and uploaded on the website. The information's are also emailed to the market participants and shareholders, along with the press release and a detailed investor presentation.

PRINCIPAL 2

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

Environment

The Company provides and maintains a clean, safe, and healthy work environment for employees, customers, investors and other stakeholders. The Company encourages paperless methods of conducting business to maintain environment and save cost. The Company has introduced technologies, which encourage paperless operations and customer services. The Company is in service industry and does not engage itself in any kind of manufacturing activities as per NHB regulations.

The Company conducts legal and technical assessment of properties and projects financed by it. The Company ensures that the projects directly funded by it have environmental clearances. The loan documentation has a clause mentioning that the construction would be as per the guidelines of the National Building Code.

As a responsible corporate citizen, Company has taken multiple initiatives during the year, towards green & sustainable environment like: adoption of Cloud Computing Technology, promoting Virtualisation, Datacentre energy optimisation, Work from home/Teleworking platform, Paperless processing, replacing physical customer correspondence with e-Communication, etc.

The Company has, through its various CSR initiatives contributed to environment protection. The Company has rationalised consumption of electricity and usage of natural resources to save energy.

The waste generated at the Corporation's offices is managed as per the waste disposal process.

PRINCIPAL 3

Business should promote the wellbeing of all employees:

As on March 31, 2020, the Company had a total of 1,549 full time employees on its rolls. The Company has 284 women employees, which constitute 18.33% of the total workforce. There was no employee with permanent disability.

The Company provides safe and hygienic environment for its employees. The Company has not employed any child labour at any of its offices. The Company has a Policy for Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace and has constituted an Internal Complaints Committee, which is in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013. The said policy is in line with relevant Act passed by the Parliament in 2013. The Company, through the policy ensures that all such complaints are resolved within defined timelines. During the year, 2 cases were investigated and disposed off. Further, the Company has not received any complaints relating to child labour, forced labour, and involuntary labour.

The Company always look to attract and retain the best talent available in the industry. The recruitment process of the Company is built at fair and effective procedure, which is consistent with employment legislation and the Company's equal opportunities policies and practices.

The Company has a whistle blower mechanism, under its Whistle Blower Policy. The policy has been uploaded on the website and communicated to all the employees. The policy has empowered employees to fearlessly voice their concerns on various matters pertaining to any malpractice, actual/suspected fraud, abuse of power and authority by any official or any other act. There is also a Managing Director (MD) post, where an employee can directly write to the MD without disclosing his/her identity on any suspected fraud/ malpractices/harassment etc.

In addition, the MD addresses every employee at least once every quarter, where he briefs about the performance of the Company and also invite their suggestions, views and concerns.

The Company encourages its employees to regularly participate in sports, picnics, outings, get togethers, team building programmes, etc. The Company has an In-house magazine, Vibes, which provides a medium for employees and their family members to know about colleagues and the latest happenings within the Company.

The gaps in competencies, job specific knowledge gaps, skills and attitudes are identified during the performance appraisal process and also on the basis of dynamic business requirements. The Company conducts regular training programmes for its employees, which are aimed at skill development, behavioral competence and other learning and development programmes, in house as well as in association with various reputed institutes. These training programmes are based on our philosophy of Organisational Needs, Functional Needs and Individual Needs.

Employees are nominated for various skill development programmes to enhance their effectiveness and for improved productivity levels. Various types of trainings such as On-the-job training, cross-functional training, workshops by industry experts and MDPs at reputed national and international universities are organised for employee capability development. The organisation has also nurtured in-house training expertise in the form of dedicated trainers and subject matter experts from the core functional and business teams.

During FY 19-20, various training programs were conducted on various functional areas including Selling skills, Credit Appraisal techniques, Fraud containment and Loan Lifecycle Management. On the behavioural side, the programs were designed around Talent-pool Development, Succession Planning, Leadership Skills, Customer Centricity and many more.

During the year, the number of classroom trainings increased by 19% to 270 trainings and number of employees trained went up by 35% to 2,558 employees. However, with the focus on more digital form of trainings, the number of training man days reduced to 1.84 man days per employee from 2.6 man days in FY 2018-19. Please note the employee number is not unique.

We have also been leveraging technology, by using our web-based e-learning platform called “eGuru” and its mobile app, which provides our employees with the ease to learn on-the-go. Various e-learning modules are available on the platform to help employees enhance their knowledge on products, policies and processes. Various knowledge enhancing courses were launched during the year on functional areas like Affordable Housing, Loan against Property, Fixed Deposits and Information Security & Awareness which were very well received by the employees.

The online platform is extensively used to conduct compliance based e-learning modules on topics such as Prevention of Sexual Harassment at Workplace for Women, Prohibition of Insider Trading, Employee’s Code of Conduct and Anti-money Laundering & KYC.

PNB Housing Finance is committed towards employee well-being and their health and safety is of utmost importance to the organisation. During the year, various workshops were conducted on topics such as Cervical Cancer Awareness Session, Managing Workplace Relationships and Mastering Art of Good Parenting amongst others. During these COVID-19 times, regular health and hygiene tips were being shared with employees to educate them about the safety and preventive measures.

S. No	Category	Coverage details
1	Permanent employees to whom training has been imparted	2,558
2	Permanent women employees to whom training has been imparted	432
3	Total training man days	4,710

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

Has the Company mapped its internal and external stakeholders?

The Company’s key stakeholders are promoters, employees, customers, business associates, investors (including shareholders), lenders, suppliers, regulatory agencies, CSR implementing agencies etc. The Company values the support of all its stakeholders and respects their interest and concerns. The Company has continuous engagement with its various stakeholders to understand their concerns, assess their requirements and respond to their needs in an effective manner.

Out of the above, has the Company identified the disadvantaged, vulnerable & marginalised stakeholders?

The Company fully endorses and supports the government’s endeavour towards its flagship scheme, Pradhan Mantri Awas Yojana. The Company during the year, got a funding of USD 175 million from IFC (International Finance Corporation) and SMBC (Sumitomo Mitsui Banking Corporation) with focus on affordable housing projects.

The Company through its CSR activities has partners with outside agencies towards projects aimed at underprivileged and marginalised sections of the society. The Company is running two major programmes; skilling of construction workers and day care centres for the children of construction workers.

The Company in partnership with developers and NGOs, has established and supported day care centres at the construction sites for the children of construction workers. The programme was initiated with Mobile Creches and has now expanded to other partners to establish new day care centres.

Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders?

Through our CSR initiatives, we are committed to design and implement projects that work towards socio-economic upliftment of construction workers and their immediate families. In partnership with CREDAI CSR Foundation, we have conducted construction workers skill development

trainings Pan India. We have also extended support towards following social issues;

- Ensuring formal education to underprivileged children
- Improving access to health care
- Skilling of unemployed youth.

PRINCIPLE 5

Businesses should respect and promote human rights:

Does the policy of the Company on human rights cover only the Company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

Protection of human rights and prevention of violations are fundamental under all circumstances, and the Company remains committed in its efforts in this direction. The Company respects and adheres to all the human rights laws framed under the Constitution of India and all other statutes which embodies the principles of human rights such as prevention of child labour, forced labour, woman empowerment etc. The Company maintains cordial and transparent relations with all its stakeholders including its employees.

Every customer, employee and other stakeholders are treated with dignity irrespective of his/ her position. It advocates as well as practices fair and transparent business conduct which is clearly embodied in its systems and policies. The Company has adopted guidelines and procedures, which are aimed at respecting human rights. The Company will continue to conduct its business in a manner that respects the rights and dignity of all the people, complying with all legal requirements. The employees are trained to respect human rights while doing business.

The Company has not received any complaint pertaining to violation of human rights from stakeholders in this regard.

PRINCIPLE 6

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

Does the policy related to Principle 6 cover only the Company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / others.

The Company promotes green environment and in minimum use of paper. The Company has adopted electronic mode of communication internally and with all the stakeholders to a very large extent. The Company uses technology that helps in environment protection. The Company uses equipment and technologies that reduces waste, consume less electricity and are energy efficient. The Company shall comply with all legal / regulatory requirements related to environment protection, management and sustainable development.

As part of CSR initiative, the Company constantly contribute towards environment protection under the project environment conservation. The Company has developed and maintained green areas as part of CSR initiative. The Company will continue to work in this direction.

The Company believes that 'Nature' is the most important customer today. It is our responsibility to conserve the rapidly depleting natural wealth of planet Earth and hence the Company makes all the efforts to restore the environment. The Company has developed and maintained a green belt in

the National Capital Region (Faridabad) as part of the CSR initiative. In Bangalore city, two public spaces-Gayathridevi Park and Agara Lake, have been selected to create green, sustainable playscapes by using eco-friendly and recycled material. The Company will continue to work in this direction

Does Company have strategies / initiatives to address global environmental issues such as climate change, global warming, etc.?

The Company recognises the risks associated with the climate change and global warming. The Company as a part of its CSR activities does activities directly related to the environment.

In light of the increasing number of cases of COVID-19, the World Health Organisation (WHO) on March 11, 2020 declared novel coronavirus as a pandemic. The Government of India decided to treat COVID-19 as a notified disaster and clarified that funds spent by the corporate houses towards providing aid and succor for combating COVID-19 shall be eligible to be considered as funds spent for CSR activities.

Amidst many priorities, as a socially responsible corporate, the Company came forward to support the nation. The Company allocated around ₹ 2.04 crores towards COVID-19 relief in the Country. The support was on the following:

- Partnered with National Centre for Bio-Sciences for research on developing washable PPE, COVID diagnostic tests and supporting clinical assessment for rapid screening of new drugs
- Contributed to the PM relief fund and PM CARES fund
- Supported provision of 'essentials kit' to migrant worker families
- Undertaken a research & development program (Partner-IIT Delhi) on development of sustainable PPE material.

Does the Company identify and assess potential environmental risks?

Yes, the Company is aware of the direct and indirect environmental impact of its operations and considers them in decision making. The Company encourages housing projects, which are environmentally safe and secure.

Further, the recent rapid spread of the COVID-19 virus has taken its economic toll due to shut down in most parts of the world from quarter 4 onward which had a huge impact on people and communities around the world. The organisations are also facing significant disruptions and challenges in the times of crisis.

PNB Housing as advised by the Government, complied with all the advisories issued in this regard. To mitigate the said crisis risk, the Company immediately activated its well-defined Business Continuity Plan (BCP) which inter alia deals with processes, transactions, reporting and customer services. The Company has also constituted BCP Committee comprising of members of Senior Management and support groups to regularly monitor the situation arising out of COVID-19 on a real time basis. The Company also adopted work from home policy during the lockdown period.

The Company ensured adequate hygiene and safe distancing protocols are met. The offices are regularly sanitised, thermal

screening is done for all the employees and visitors, masks, and sanitisers have been made available for employees at each office. The teams are working on rotation basis to ensure business continuity. The Company has put in place strict monitoring mechanism for safety and precautions in terms of the guidelines issued by the Government.

Further, the Company leveraged on its robust technology to ensure that there is no disruption in its business operations and able to remain customer centric in the time of crisis as well. The Company will continue to navigate through this challenging environment with a focus on the wellbeing of its employees and business continuity, while ensuring least impact on the business-related routine activities.

The Company will keep all its stakeholders updated on significant developments pertaining to impact of COVID-19 on its business.

Does the Company have any project related to Clean Development Mechanism?

The Company does not have any project related to Clean Development Mechanism.

Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.?

All our initiatives are towards clean technology. We use hardware in our offices, which uses optimum energy and saves in energy consumption. The Air conditioning equipment is maintained regularly thereby saving energy and costs. The Company has taken multiple initiatives during the year, towards green & sustainable environment like: adoption of Cloud Computing Technology, promoting Virtualisation, Datacentre energy optimisation, Work from home/Teleworking platform, Paperless processing, replacing physical customer correspondence with e-Communication, etc. The Company also encourages paperless process not only internally but also among the customers. With the use of technology, the Company has empowered its customers to use self service features on the customer portal mobile app which has seen a 70% penetration amongst the asset customers. Further, the Company encourages its customers to use digital services through app and web-based applications for loans.

Are the Emissions/ Waste generated by the Company within the permissible limits given by CPSB/ SPCB for the financial year being reported?

Not applicable.

Number of show cause/ legal notices received from CPSB / SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

NIL.

PRINCIPLE 7

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

The Company recognises that the housing and real estate industry play an important role in the Indian economy. The Company will continue to support and advocate for the development of housing and work towards promoting home ownership. The Company continues to make recommendations/ representations before various regulators,

forums and associations relevant to further promote the housing industry.

Is your Company a member of any trade and chamber or association?

The Company is a member of Confederation of Real Estate Developers' Associations of India (CREDAI). CREDAI is the apex body representing private Real Estate developers. CREDAI is a not-for-profit company which seeks to create a favourable policy climate to ensure housing for all.

2. Have you advocated/ lobbied through above associations for the advancement or improvement of public good?

Yes, the Company, through its association with CREDAI has promoted above objectives. CREDAI is one of the CSR arm for Skill Development, Education Scholarships and Swachh Bharat as its thematic areas.

Further, highly experienced members of the Board, Senior Management and Executives of the Company are associated with various committees constituted by the government, regulators and industry bodies from time to time for constructive discussions to strengthen the development of the housing industry and other related areas.

PRINCIPLE 8

Businesses should support inclusive growth and equitable development:

Does the Company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes, details thereof:

The Company is engaged in an important business activity, which is housing finance. It is one of the fundamental requirement of a human being and a basic need for a family. The Company is participating in Pradhan Mantri Awas Yojana (PMAY), and has partnered with the nodal agency in distribution of interest subsidy under Government's Credit Linked Subsidy Scheme (CLSS).

Through its CSR activities, the Company is changing the life of thousands of construction workers and their families. In association with CREDAI CSR Foundation and NAREDCO, the Company is engaged in the development and execution of social and charitable projects with focus on construction workers. The Company has so far ensured skill training of over 13,400 construction workers pan India. In association with Mobile Creches, the Company has supported holistic development of thousands of children of construction workers. In partnership with Aajeevika Bureau Trust, the Company has also undertaken the initiative to facilitate social welfare linkages for wellbeing of construction workers at two sites in Gujarat, by means of supporting worker registrations and enrollment under key government schemes (Ujwala-LPG subsidy scheme, Pradhan Mantri Awas Yojna, Pradhan Mantri Suraksha Bima Yojna, others). Regular health check-ups and referrals for advanced disease amelioration are also supported under this program for construction workers and families.

The Company is also supporting two primary schools for under privileged children. Further, under the flagship scholarship program- Protsahan, 49 students have been awarded merit-cum-need based financial support for higher education. Healthcare is another important area of support. The Company has provided critical life-saving equipment to government

hospitals- AllMS Delhi, ensured well-being of Cancer patients and their families through helpline and OPD services and promoted female health and hygiene across select villages in Uttar Pradesh.

In the current COVID-19 pandemic situation, the Company has also stepped up efforts by contributing significantly towards combating the disease by means of supporting national scientific level research and development and relief efforts. Other areas of inclusive growth and equitable development include-elderly care, environmental conservation and promotion of sports.

2. Are the programmes/ projects undertaken through in-house team/ own foundation / external NGO / Government structures / and any other organisation?

As part of the CSR interventions of the Company, we have partnered with various implementing agencies such as CREDAI CSR Foundation, NAREDCO, Mobile Creches, Mumbai Mobile Creches, Tara Mobile Creches Pune, Vidya-Integrated Society for Youth and Adults, CanSupport, National Centre for Bio-Sciences, etc. With the implementing agencies, we have designed and executed various programmes on the key thematic areas such as skilling of construction workers, day care centres for the children of construction workers, ensuring education to underprivileged children, enabling access to health care, COVID-19 relief work, etc.

We have also implemented a few projects directly as well such as; Swachh Bharat Abhiyan and this year we have contributed significantly towards the PM-CARES central government fund for COVID-19 emergency response and relief work in the country.

3. Have you done any impact assessment of your initiative?

Monitoring and evaluation is a very critical part of all the programmatic interventions that the Company executes. We have detailed implementation strategies which help us evaluate the project progress at regular intervals. The implementation agencies also submit their report with details of all those beneficiaries who have benefitted from the project and also the overall implementation of the project. The Company conducts field visit to the project site to assess the overall feasibility of the project, which is considered to be funded. In FY 20, we partnered with various external agencies and consultants as well to strengthen implementing agencies' reporting and monitoring capabilities for the larger goal of improving the program.

What is your Company's direct contribution to community development projects – Amount in INR and the details of the project undertaken?

Under the CSR programme we have

- **Skilling of construction workers** - PNB Housing in partnership with CREDAI conducts on-site and off-site training programs for construction workers. Through this collaboration, we worked on skill up-gradation of over ten thousand construction workers, in the trade for masonry, bar bending, painting, electrical, plumbing and shuttering. The training is being provided with an aim to not only enhance their professional capabilities, but also to improve quality of life of construction workers. The

trainings have also led to reduction of wastage of material and a distinct improvement in the quality of work. The programme also includes soft skill trainings, health and sanitation awareness, aspects of workers' safety etc. In FY 20, we expanded the scope of this intervention by also partnering with NAREDCO to address skilling needs of more construction sector workers.

- **Day care centres for children of construction workers** - Our partnership with Mobile Creches and allies has recognised the interconnectedness of the lives of women, children and infants and pioneered a solution to positively impact their lives: a childcare facility at a construction site for the children of migrant construction workers. The infants would be cared for in the creche, the older children and mothers will be able to attend school and work respectively.

Our day care centres address the multi-dimensional needs of the child through an eight-hour programme, conducted over six days a week. This is an age appropriate intervention for infants, toddlers and school going children to cater for nutrition, health and learning. Today, the Company has a footprint in 10 states through its 40+ day care centres. We have partnered with 5 implementing agencies and 7 grassroots organisations. On an average through each centre, we reach out to 3,600 children every quarter.

- **Ensuring education to underprivileged children** - Bal Vihar School- For past four years, we have been supporting the operational cost of running two schools in partnership with Vidya, a NGO pioneering in the field of education. Through this intervention, we have ensured not just formal education to the children but also invested in the overall development of the academic systems in the schools.
- **Ensuring health care (Supporting cancer patients)** - In partnership with a NGO "Can Support", in FY 19 we continued our support towards the operational cost of the cancer patients 24X7 helpline and also supported an outpatient clinic/day-care facility for cancer patients and caregivers. The helpline and the outpatient clinic/day-care facility together provided services to over 8,000+ cancer patients and caregivers.

Besides the interventions listed above, we have also invested in sports for development, elderly care, developing infrastructure in government hospitals and environment conservation. The Company on a consolidated basis has spent nearly ₹ 26.36 crores on these programmes during FY 20.

Have you taken steps to ensure that this community development initiative is successfully adopted by the community?

Yes, the Company has partnered with such implementation agencies, while extending its CSR contribution, for a regular track record. The Implementation agencies submit their report with details of all those beneficiaries who have benefitted from the project and also the overall implementation of the project. The Company conducts field visit to the project site to assess the overall feasibility of the project.

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

Customer centric is one of the core values of the Company. In this direction, the Company has taken a number of initiatives with a promise of providing omni channel experience to the customers which integrates various modes of communication with the customers for better experience and faster resolution. Our 'customer service operations' are now ISO 9001:2015 certified. The Company has introduced non-branch/alternate channels of communication, which customers can use to interact and transact seamlessly. Through mobile application, the users can get information on loans and deposits and can avail multiple other services. Through loan application tracker, customers can track the step by step status of loan application.

The Company has been constantly investing in upgrading technology and in acquiring new technology.

The Company has started digitisation of documents. Customers can get their loan documents images on various digital interfaces i.e. mobile app and the web portal. PNB Housing is aggressively strengthening its footprint to reach out to more customers through pan India presence. 3 branches were made operational during the year, totalling 105 branches across 64 cities. The hub-and-spoke operating model is the backbone of operations and we are strengthening it through continuous investments in analytics, technology enhancements and digitalisation.

We are dedicated to enriching the customer experience at every touchpoint. We empathise with our customers and want to make their journey of owning a home as seamless as possible with value addition. Our policies are fair and transparent at every step for the customers. The CRM system even allows on-the-job training and improvement for the relationship management team, incorporating the suggestions and feedback received from customers.

What percentage of customer complaints/ consumer cases are pending as on the end of the financial year?

The Company has various modes to communicate with the customers at any point of time. At the end of the year, there are 13 customer complaints pending in the system. Due to COVID-19, the last few days of the financial year the teams were working from home. In spite of that the teams were able to resolve almost all the customer complaints.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws?

The Company is a housing finance company and hence this question is not applicable. However, features of housing loan

schemes are disclosed to the applicant before financing. The Company also displays the information pertaining to its products at each of its branch offices across India. The details of the product attributes, relevant information on the products and services offered, fees and charges, benchmark interest rates, and other important notifications like 'Most Important Terms and Conditions', grievance redressal mechanism is available in all the offices and also available on the website of the Company.

The Company has formulated the Fair Practice Code which applies to all the Products & Services offered with an objective to promote good and fair practice by setting reasonable standards in dealing with the customers. The performance and financial highlights of the Company, which are disclosed to the stock exchange, are also available on the website of the Company.

The Company strives to ensure that transparent, correct and relevant information, pertaining to its products and services, is disseminated through its advertising material and the information displayed on the digital platforms owned by the Company. The Company encourages responsible and responsive communication towards all its stakeholders be it customers, media, investors, analysts, regulatory authorities, vendors and other stakeholders. The Company is a strong proponent of true and fair advertising and as such, discourages all kinds of means and activities that are unethical.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.

There is no such instance.

4. Did your Company carry out any consumer survey/ consumer satisfaction trends?

The Company on a continuous basis measures the advocacy and satisfaction levels of customers across various products and digital touch points. As part of this exercise, the customer's recommendation and satisfaction levels with the product and transaction experience are measured. This feedback is then analyzed and the insights from the same are implemented to improve products and processes and enhance the service quality to the customers. In addition, extensive diagnostic research in specific areas is conducted on a regular basis. The focus of the research is to identify areas of improvement in the products and services offered to the customers and define appropriate action points for improvement.