



Aavas Financiers Limited

Social Bond Utilisation Report

Introduction

Aavas is a Jaipur (Rajasthan) headquartered housing finance company, which primarily provides housing loans in rural and semi-urban areas. Company is present in 12 states and 1 UT, with a network of 321 branches and AUM of Rs.13,089 Crore as on December 2022.

The typical borrower profile of the company includes low-and-middle income self-employed & salaried customers in semi-urban and rural areas, individuals/ enterprises involved in basic and essential economic activities like grocery shop, dairy product, garment shops, saloons, services such as drivers, carpenters, electricians, and plumber etc.

Aavas business model has been woven around a sustainable fabric. In line with the guidelines for United Nations for governments, NGOs and private companies, the business of Aavas is linked with 17 Sustainable Development Goals (SDGs). The core of Aavas comprises SDG 11 on Sustainable Cities and Communities. Company's business of affordable home loans to the low-income and middle-income groups is in direct alignment with SDG target 11.1 - of ensuring access to adequate, safe and affordable Housing for All. This proves that company's business is not only an economic catalyst but socially relevant as well.

Aavas SDG commitment coupled, with operating discipline, has been responsible for business sustainability in 11 years of its operations. At a time when servicing the documented customers would have been easier, Aavas selected to service the mortgage financing needs of the unserved, underserved and undocumented. At a time when it would have been easier to stay within an urban comfort zone, Aavas provided affordable housing finance to the middle- and low-income groups across rural and semi urban India. At a time when it would have been easier to fund male members, Aavas engaged with women and empowered them through home ownership.

The result is that Aavas do not see its role only as mortgage finance providers but as social catalysts helping build an equitable society.

Social Bonds Key Metrics

(as on December 2022)

Social Bond Utilization Matrix

ICMA SBP	UN SDG Goal	S. No.	Particulars	Amount (in Rs Cr)	%
Socioeconomic advancement and Affordable housing targeted to Women and/or Unserved	SDG 5: Gender Equality	1	Women owned property loan portfolio	256.00	71%
	SDG 8: Decent work and Economic growth	2	Unutilised	104.00	29%
Total				360.00	100%

Social Bond Impact Report

- 1) Overall Women owned property loan portfolio in company's total loan portfolio increased by around Rs.1200 Crore in last 12 months from Rs.4800 Crore in December 2021 to Rs.6000 Crore in December 2022. It also leads to increase the overall % age of Women-owned property loan portfolio in company's total loan portfolio to 45.5%
- 2) Number of women-owned property loans in overall company's loans increased by 17k in last 12 months to 71k in December 2022 as compared to 54k in December 2021.

Note :- "Women-owned property loan portfolio" for this report is defined as loans provided by Aavas that are collateralised by property either jointly or solely owned by women.

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