Section 13: Progress on ESG

Our ESG Priorities Align with Our Corporate Vision

Our Vision: To Build A World-Class Bank in India

Guided by Ethics | powered by Technology | and be a force for Social Good

ESG @ IDFC FIRST Bank

FIRST ENSURE
Enabling Sustainability Responsibly

- High standards of corporate governance
- Dedicated ESG governance
- Globally aligned disclosures and commitments
- Reducing environmental footprint

- Creating social impact
- ESG-aligned business lines
- Progressively improving ESG ratings

ESG at IDFC FIRST Bank – Environmental and Green initiatives

Green infrastructure


EV charging infra for employees


Customer awareness


EV financing

Green buildings
- IGBC & LEED certification for four of our large offices across Mumbai, Delhi and Hyderabad
- IDFC FIRST Bank Tower HO (The Square, BKC) has been recertified with highest rating of IGBC Platinum
- EV charging infrastructure for employees in three offices

Green energy
- IDFC FIRST HO (The Square, BKC) is fully powered by Green Energy
- Adopted Motion Sensors for lights and introduced Internet of Things (IoT) in our AC systems in multiple offices

Water efficiency
- Optimization of water usage in facilities in key offices, saving over 4,300 KL water every year

E-waste management
- 8.67 tonnes e-waste processed responsibly in FY23

EV financing
- 1.47 lakh EV two wheelers financed (live portfolio)
- 3400+ EV 3 wheelers financed in Rural areas for last mile connectivity
- Leading financier with maximum finance tie ups; introduced industry first end-to-end digital journeys

Customer awareness
- Fully digitized customer journeys for multiple products to save paper
- In-store customer awareness for purchase of energy efficient appliances

Environment focused CSR initiatives
- Beach cleanup programme – 1150 kg of waste collected in two sessions (one session in each quarter)
- 1,300+ saplings planted till date
- Swachh Worli Koliwada programme – Over 113 tonnes dry and wet waste processed in Q1 + Q2 FY24

ESG at IDFC FIRST Bank – Social and Governance initiatives

Social


Employee engagement


Community impact


Customer-first

Employee learning and engagement
- ~9.9 lakh learning hours in H1 FY24
- Holistic employee wellbeing programmes covering physical, mental and financial health

Responsible and inclusive lending
- Consciously increasing lending to socially inclusive and environmentally responsible sectors
- ~60% of all rural borrowers are women

CSR and community programmes*
- 4492 volunteers activated in H1 FY24, positively impacting 11481 people
- Shwetdhara programme that helps create farmer livelihoods expands total footprint to 550 villages
- 23 children supported under Paediatric Cancer Care Program
- 694 scholars awarded MBA Scholarships
- 51 young adults with autism supported for special education
- 52 municipal school students provided with Social Emotional Learning sessions
- 10 female football players supported for sports scholarships
- 23 women with intellectual disabilities supported under stipend program
- 109 children with intellectual disability supported for early intervention program
- 9690 households serviced under waste management and sanitation program

Impact numbers cumulative for Q1 + Q2 FY 2024

Growing geographical coverage for customer access
- Universal bank with 862 branches (and growing)

Governance


Diverse leadership


Strong governance


Information security

Strong and experienced Board
- Independence: Independent Directors constitute 55% of the Board
- 11 Board Committees; majorly chaired and constituted by Independent Directors
- Management committees are mapped to respective Board Committees
- Diverse and relevant skill sets of Board members
- Highly competent Board with over 30 years of average experience
- Dynamic and engaged Board, with high frequency of Board meetings
- 100% average Board attendance

Being customer first
- Unique customer-friendly services, including fee-free services for savings account customers

Quality of portfolio
- Stringent Credit and Provisioning Policy
- Strong Capital Adequacy, LCR, PCR, Credit Rating

Risk governance
- Strong Risk Management Framework
- Strong Vigilance Mechanism

Information security
- IDFC FIRST Bank Certified with ISO 27001 (Information Security Management System)

ESG Commitments, Ratings and Governance

ESG Commitments

- FY 2023 annual disclosures published through the Bank's first **Integrated Report**, aligned with **Int'l IR framework, GRI and SASB**
- Official Participant of **United Nations Global Compact (UNGC)**
- One of the initial official supporters of **Task Force on Climate-Related Financial Disclosures (TCFD)** in the Indian Banking sector

ESG Ratings

★	Sustainalytics	
2023	26.6 Lower is better	↑
2022	38.3	

★	MSCI	
2023	A	↑
2021	BBB	

★	Refinitiv	
2022	60 (B)	↑
2021	50 (B-)	

★	CRISIL
2022	66 (B) Started 2022
2021	-

★	DJSI	
2022	44	↑
2021	19	

ESG Governance Structure

Board Level Committee

- Board Committee: Stakeholders Relationship, ESG and Customer Service Committee - Chaired by an Independent Board member

Management Level Committee

- Chaired by MD & CEO
- Drives the strategic integration of sustainability within the Bank
- Constitutes executive members including heads of Group functions

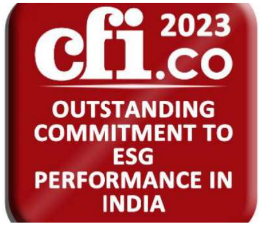
Steering Committee and Working Group

- Specific working groups with cross-functional composition and expertise responsible for delivering on the ESG agenda
- Facilitated by a dedicated ESG team

Recognitions for ESG Efforts

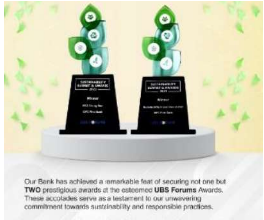
Institute of Directors India

Golden Peacock Award in ESG Sep 2023 (National)



CFI.co - Capital Finance International

Outstanding Commitment to ESG Performance in India Sep 2023



UBS Forums

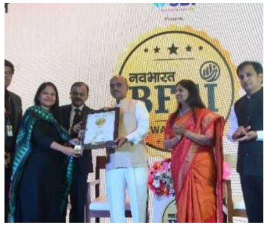
ESG Rising Star & Sustainability Impact Award May 2023

Transformance Forums

Best Bank Leading the Way in ESG Apr 2023

Economic Times BFSI Excellence Awards

Best CSR Sustainability Award Feb 2023



Navabharat BFSI Award

Best Sustainable Bank Strategy Oct 2022

The European

Social Impact Bank of the Year Sep 2022

World Finance Organisation

Best Corporate Governance, India Jun 2022

Inclusive Finance India Awards

Breaking Ground in WASH Financing Dec 2021

Water.org & Sa-Dhan Awards

Excellence in Water and Sanitation Financing Oct 2021