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### HOW DOES IDFC FIRST BANK INCORPORATE ESG PRACTICE INTO ITS STRATEGY AND OPERATIONS?

From its inception, IDFC FIRST Bank's vision has incorporated the ethos of Digital, Ethical and Social Good. Our ESG practices are a direct derivative of these principles. The core of our operations revolves around 'Always You First' customer philosophy, which urges us to do the right things for the customer. A unique proposition in this regard is our offering of 28 fee-free banking services, standing testimony to our ethical banking. We also believe that good governance is the cornerstone of good business. Towards this extent, we have a diverse and illustrious Board, which directs our overall strategy, together with our Management.

Given our focus on social good, inclusive finance and responsible lending, we operate in areas that are ESG compliant. For



### ALWAYS YOU FIRST

example, we have a large rural banking portfolio that serves 85,000+ villages and 12,000+ pin codes, accelerating financial inclusion and reaching over 8 million households. We also lend actively towards Water, Health and Sanitation (WASH), where we have built a high-quality book that creates far-reaching impact. Under WASH financing, we have disbursed about 3.5 lakh loans. Similarly, our early focus on building an EV portfolio has helped us be a leading player in the two-wheeler EV financing, with a current live portfolio of over 1.9 lakh units.

### IN WHAT WAYS IDFC FIRST BANK'S SUSTAINABILITY INITIATIVES ARE INFLUENCING ITS CUSTOMERS AND STAKEHOLDERS TO ACT WITH RESPONSIBILITY?

For customers, we offer products such as EV and WASH loans, that can help them adopt a more sustainable and healthier lifestyle. Further, we are introducing products such as bicycle loans and retail solar products financing. We are also creating awareness on energy efficient products and are encouraging customers to make a difference. On the wholesale front, we have a strong E&S Framework for evaluating our large clients, enabling responsible lending and risk mitigation.

We are also committed to building a culture of sustainability within the Bank. Our in-house ESG identity, 'FIRST ENSURE', integrates all our ESG efforts and engagements for employees. We are also building a group of ESG Champions and Ambassadors to accelerate sustainability in the Bank.

We continue to uphold best-in-class ESG reporting, helping them understand the Bank's progress on ESG. We are also externally evaluated by ESG rating agencies, where we continue to improve our scores, testifying the positive impact of our efforts.

### HOW DOES IDFC FIRST BANK PLAN TO CONTINUE TO ACHIEVE ITS ESG GROWTH OBJECTIVES?

The Bank is committed to accelerating its ESG journey through multi-faceted initiatives. Some of our target areas for ESG include charting our decarbonization roadmap, pursuing opportunities in transition financing, building a culture of sustainability, assessing climate risk and continuing to maintain high governance standards. These focus areas clearly align with our long-term priorities, and are designed to create positive impact for the Bank and the society at large. ■

