

Living by **Customer** **First** Principles



ESG DATABOOK & SUMMARY
FY 2025-26

INDEX



1. About the Report

1.1 Basis of Presentation	01
1.2 Reporting Suite	01
1.3 Reporting Period	01
1.4 Reporting Boundary	01
1.5 Reporting Frameworks	01
1.6 Independent Assurance	01



2. Environment

2.1 GHG Emissions	02
2.2 Climate Incentives and Risks	04
2.3 Key Environment Policies	07



3. Social

3.1 Employees	08
3.2 Customers	14
3.3 Key Social Policies	15



4. Sustainable Finance

4.1 Wholesale Financing	16
4.2 Retail Financing	16
4.3 Key Policies	16



5. Governance

5.1 Corporate Governance	17
5.2 Advocacy and Industry Participation	18
5.3 Climate-aligned Public Policy Engagement	19
5.4 Responsible AI Governance Framework	22
5.5 Key Governance Policies	23



6. Indices

6.1 GRI Index	24
6.2 S&P Global CSA Index	27
6.3 Limited Assurance Statement	31

1. About the Report



1.1 Basis of Presentation

IDFC FIRST Bank is committed to reporting relevant, holistic and transparent information to its stakeholders. This ESG Databook & Summary (the “document”) consolidates the Bank’s key Environmental, Social and Governance (ESG) data from sources including its Integrated Report, Business Responsibility and Sustainability Report (BRSR), and other relevant documents.

1.2 Reporting Suite

Apart from this document, the following documents/publications contain the Bank’s key ESG information:

1. Integrated Annual Report 2025-26
2. Business Responsibility & Sustainability Report 2025-26
3. ESG Section in quarterly Investor Presentations
4. ESG Microsite

1.3 Reporting Period

The ESG information contained in the above reports/publications pertain to Financial Year (FY) 2025-26, i.e. from 01 April 2025 to 31st March 2026, unless stated otherwise. Specific disclosures may include multi-year data to provide a broader view of the Bank’s performance and progress over time.

1.4 Reporting Boundary

The information published by the Bank in the above reports/publications are on a ‘Standalone’ basis, covering the operational boundary of IDFC FIRST Bank Limited.

1.5 Reporting Frameworks

The ESG disclosures by the Bank are informed by/aligned to the following frameworks and standards:

1. International Integrated Reporting Framework
2. GRI Standards 2021
3. Business Responsibility and Sustainability Report (BRSR) Framework
4. Greenhouse Gas (GHG) Protocol

1.6 Independent Assurance

The Bank has obtained Reasonable Assurance on its key sustainability information (BRSR Core) and Limited Assurance on its GRI Index prepared with reference for FY 2025-26, from a Board-appointed independent third-party.

In addition, certain policies and standalone disclosures are also externally assured, all of which form part of the Bank’s BRSR. These are publicly available on the Bank’s website, together with the assurance certificates.

2. Environment



Environmental stewardship is an integral part of IDFC FIRST Bank's sustainability approach. The Bank monitors and manages key environmental parameters, including greenhouse gas emissions supported by robust policies and governance mechanisms. This section provides a summary of the Bank's environmental performance over the years.



2.1 GHG Emissions

2.1.1 Scope 1, 2 and 3 emissions

IDFC FIRST Bank actively measures and reports its Scope 1, 2 and 3 emissions, with FY 2022-23 to FY 2024-25 serving as the preparatory phase for baselining. The Bank commenced emissions reporting from FY 2022-23, and significantly enhanced the coverage of its GHG inventory the following two years. This encompassed inclusion of additional Scope 1 categories such as emissions from fire extinguishers and other fugitive sources, such as HVAC systems, alongside diesel consumption. Under Scope 2 emissions, the Bank also incorporated electricity consumption from data centres. In addition, it continues to report on relevant categories of Scope 3 emissions, the details of which can be found under Principle 6 of the Business Responsibility & Sustainability Report (BRSR) FY 2025-26.

GHG Emissions	Unit	FY 2023-24	FY 2024-25	FY 2025-26
Total Scope 1	tCO ₂ e	566.65	19,417.16*	9,107.77^
Total Scope 2	tCO ₂ e	36,270.07	42,284.12	40,285.63
Total Scope 3	tCO ₂ e	39,404.20	42,680.95	41,004.59

Note: Scope 1 and Scope 2 emissions have been externally assured by an independent third-party on a reasonable basis FY 2023-24 onwards, while Scope 3 emissions have undergone limited external assurance FY 2024-25 onwards.

* Scope 1 emissions reporting boundary increased from FY 2024-25 onwards and more categories, i.e., Fugitive emissions from Fire Extinguishers and AC Gas Refilling, were added to the scope in addition to emissions from DG Sets.

^ In FY 2024-25, the total AMC charges from air conditioning was considered for estimating the fugitive emissions. For FY 2025-26, actual refrigerant refill quantities were obtained for 57 locations and then extrapolated across the remaining 1,432 locations (including offices, asset outlets, and branches) to improve accuracy.

Scope 3 emissions (category-wise)

Category	Unit	FY 2023-24^	FY 2024-25	FY 2025-26
Cat.1-Purchased goods and services	tCO ₂ e	2,080.60	428.69	368.47
Cat.6-Business travel	tCO ₂ e	35,871.30	40,812.14	39,300.49
Cat.7-Employee commuting	tCO ₂ e	1,452.40	1,440.12	1,335.63
Total Scope 3	tCO₂e	39,404.20	42,680.95	41,004.59

^ Scope 3 emissions reporting boundary increased from FY 2023-24 onwards and more categories, i.e., Paper Purchased (under Cat.1), Local Conveyance (under Cat.6) and Work from Home and Shuttle Services (under Cat.7), were added to the scope in addition to emissions from Air Travel.

2.1.2 Emissions Reduction Targets

IDFC FIRST Bank has established an absolute Net Zero target covering its Scope 1 and Scope 2 greenhouse gas emissions. Using FY 2024-25 as the baseline year, the Bank aims to achieve Net Zero emissions across these operational scopes by 2050. The Bank's total reported baseline emissions across Scope 1, Scope 2 and relevant Scope 3 categories were 1,04,382.23 tCO₂e in FY 2024-25. Scope 1 and Scope 2 emissions covered by the target represented 59.11% of the Bank's total reported emissions in the baseline year.

In determining the coverage of this target, Scope 3 emissions were estimated and reported based on the availability and relevance of underlying data. Accordingly, the proportion of emissions covered by the target was calculated using the Bank's FY 2024-25 emissions baseline and disclosures. The Bank will periodically and progressively enhance its Scope 3 emissions inventory by expanding category coverage and strengthening calculation methodologies, particularly as the measurement and coverage of financed emissions continue to evolve.

2.1.3 Internal Carbon Pricing

The Bank has established a glide path to achieve Net Zero across Scope 1 and 2 emissions by 2050, using FY 2024-25 as the baseline year. In FY 2025-26, Scope 2 emissions accounted for approximately 83% of the Bank's total reported Scope 1 and Scope 2 emissions. The table below presents the Bank's electricity consumption and associated Scope 2 emissions across offices, branches and asset outlets.

Electricity Consumption	FY 2025-26 (in GJ)	Scope 2 (tCO ₂ e)
From renewable sources	15,085.73	NIL
From non-renewable sources	2,04,265.00	40,285.63
Total electricity consumed	2,19,350.73	40,285.63

Of the total electricity consumed during the year, 15,085.73 GJ was sourced from renewable electricity through four large offices connected to the green power grid, resulting in the avoidance of 2,975.24 tCO₂e of emissions.

To support its decarbonisation journey, the Bank procures green power at a premium of ₹0.25 per kWh. Based on the emissions avoided through renewable electricity procurement, the Bank's implicit carbon price for Scope 2 emissions is estimated at ₹352.12 per tCO₂e.

The Bank's current internal carbon pricing approach is based on the incremental cost of renewable electricity procurement. As it progresses towards its Net Zero target, the Bank will continue to evaluate additional decarbonisation measures, including expanded renewable energy sourcing through grid-based procurement and power purchase arrangements, alongside the use of Renewable Energy Certificates (RECs), where appropriate. For residual Scope 1 emissions, the Bank may also assess the suitability of credible carbon offset mechanisms as part of its long-term transition strategy.



2.2 Climate Incentives and Risks

2.2.1 Climate-Related Management Incentives

The Bank integrates sustainability considerations into performance-linked incentive structures for the Head of ESG, who forms part of the Bank's senior/mid-management. Monetary incentives are linked to the achievement of sustainability objectives, including reductions in Scope 1 and Scope 2 emissions intensity, measured as emissions per rupee of revenue, and growth in green and climate-aligned finance, measured through the value of disbursements and the outstanding portfolio. These indicators support the Bank's operational decarbonisation efforts while encouraging the mobilisation of capital towards environmentally sustainable and climate-aligned activities.

Performance against these parameters is assessed through the Bank's annual performance evaluation process and is considered in determining variable pay outcomes. This approach strengthens accountability for delivering measurable sustainability outcomes, embeds ESG priorities within management performance, and supports the effective implementation of the Bank's ESG strategy, climate commitments and long-term sustainability objectives. The framework is periodically reviewed to maintain relevance and alignment with evolving priorities.

2.2.2 Financial Risks of Climate Change

In FY 2025-26, the Bank has identified both transition risks and physical risks that may adversely impact lending portfolios, asset quality, profitability, capital requirements and business operations. These risks are assessed through climate stress testing and are incorporated into the Bank's ICAAP (Internal Capital Adequacy Assessment Process) framework. The ICAAP quantifies the combined climate risk stressed impact at ₹716 crore, comprising ₹453 crore physical risk impact and ₹264 crore transition risk impact, for which the Bank has set aside capital. The physical risk assessment has been conducted using publicly available historical data on district-wise vulnerabilities arising from climate change hazards.

Risks driven by changes in regulation

Description and methods used to manage the risk	The Bank has identified transition risk arising from regulatory, policy and market changes associated with the transition to a low-carbon economy. The risk is concentrated in carbon-intensive sectors such as metals, chemicals, petroleum products, plastics, cement, thermal power, paper, leather and rubber. These sectors may face increased compliance costs, technology shifts, changing customer preferences and tightening climate regulations, which could adversely affect borrowers' creditworthiness. To manage the risk, the Bank conducts transition-risk stress testing, monitors exposures to identified sectors through its Risk Appetite Framework, maintains exposure caps, undertakes sector-level assessments and continues to diversify its wholesale portfolio.
Estimated financial implications of the risk before taking action	Under the Bank's baseline climate stress scenario, transition risk could result in a stressed capital requirement of ₹264 crore, comprising ₹189 crore P&L impact and ₹75 crore additional capital requirement arising from increased risk-weighted assets.
Average estimated time frame for financial implication	Medium-term (3-10 years). Transition risks are expected to crystallize progressively as climate regulations, market shifts and decarbonization requirements evolve. The Bank's ICAAP notes that potential transition-related losses are unlikely to occur within a single financial year.
Estimated costs of these actions	Not separately quantified. Risk mitigation measures include climate risk assessments, portfolio diversification, sector exposure limits and ongoing monitoring through the Risk Appetite Framework.

Risks driven by changes in physical climate parameters

Description and methods used to manage the risk	The Bank has identified physical climate risks arising from extreme weather events including floods, droughts and cyclones. These events may lead to disruption of borrower operations, loss of income, deterioration in collateral values and increased credit losses in vulnerable geographies. The Bank assesses district-level climate vulnerability using the CEEW Climate Vulnerability Index, performs physical-risk stress testing on its retail portfolio, evaluates physical risks during credit underwriting for eligible borrowers.
Estimated financial implications of the risk before taking action	The Bank's physical climate stress test has accounted for a stressed provisioning impact of approximately ₹453 crore across the retail portfolio under the extreme weather scenario.
Average estimated time frame for financial implication	Short- to medium-term (5-10 years). Financial impacts may materialize following acute weather events such as floods, cyclones and droughts affecting vulnerable districts and borrower segments.
Estimated costs of these actions	Not separately quantified. Mitigation measures include climate-risk assessments during credit appraisal, portfolio monitoring, vulnerability mapping, insurance coverage for collateral and ongoing climate stress testing.

2.2.3 Physical Climate Risk Adaptation

The Bank recognises that physical climate risks may influence borrower credit quality, collateral values, business continuity, and the overall performance of its lending portfolio. As part of its climate risk management and adaptation strategy, physical climate risks are integrated into the credit appraisal process and assessed for eligible borrowers (excluding NBFCs and MFIs) seeking fresh term loans with a tenor exceeding three years and aggregate term loan exposure above ₹100 crore.

For this assessment, the Bank considers both the proposed facility and existing term loans with a residual tenor exceeding three years. In addition, the Bank evaluates the resilience of its operational footprint and lending portfolio to climate-related hazards, including floods, droughts, cyclones, and other extreme weather events, enabling the proactive identification, assessment, and mitigation of physical climate risks.

The Bank has established an ongoing adaptation plan, which includes climate risk assessment, vulnerability mapping, portfolio monitoring, and the integration of climate considerations within lending decisions, with implementation continuing over the short- to medium-term (within the next five to ten years) as part of its broader climate risk management framework.

2.2.4 Emerging Risks

The Bank identifies and assesses emerging risks with particular focus on external trends and long-term developments that may affect its business and strategy. Insights from these assessments are integrated into planning and decision-making processes, enabling proactive mitigation and response. This forward-looking approach enhances organisational resilience, supports strategic agility, and positions the Bank to navigate an increasingly dynamic operating environment.

Emerging Risk	1. West Asia Crisis
Category	Geopolitical / Economic
Description	A prolonged or renewed escalation in West Asia could disrupt energy supplies and key maritime trade routes, increase crude oil, gas and freight costs, and amplify currency and financial-market volatility. The risk may transmit to India through import costs, supply-chain bottlenecks, trade linkages and remittance flows.
Impact	Potential imported inflation, pressure on growth, fiscal balances, interest rates and the rupee. For the Bank, stress may rise in energy- and import-dependent sectors, aviation, logistics, chemicals, fertilizers, export-linked businesses, MSMEs and commercial vehicles. The event may also increase market, liquidity, foreign-exchange and counterparty risks, and affect NRI customer cash flows.
Mitigation Actions	Continue granular sector, borrower and country-exposure reviews; apply enhanced early-warning monitoring, prudent underwriting and limits for vulnerable segments; strengthen collateral and hedging requirements where relevant Also, have a cautious growth strategy towards exposed industries.
Emerging Risk	2. Model Risk
Category	Technological / Operational / Compliance
Description	Increasing reliance on quantitative, statistical, machine-learning, artificial-intelligence and third-party models across credit underwriting, fraud detection, market and liquidity risk, pricing, capital assessment, customer servicing and management information may increase the Bank's exposure to model risk. The risk can arise from deficient or unrepresentative data, flawed assumptions or methodology, coding and implementation errors, weak calibration, model drift, inappropriate use, inadequate explainability, changes in the operating environment, and insufficient oversight of vendor or AI/ML models. As model outputs become more integrated into automated and high-impact decisions, errors may be transmitted rapidly and at scale.
Impact	Inaccurate or unstable model outputs may lead to incorrect credit decisions, risk measurement, pricing, valuation, provisioning, capital and liquidity assessment, stress testing, fraud detection, regulatory reporting or customer outcomes. Consequences may include financial loss, higher credit or market risk, misstatement of risk-weighted assets or capital needs, operational disruption, compliance failures, customer grievances, reputational damage and supervisory action. Concentrated dependence on common data, assumptions, platforms or third-party providers may also create correlated errors and amplify the impact across portfolios and business processes.
Mitigation Actions	Maintain a Board-approved Model Risk Management Framework with clear accountability and segregation between model development, use and independent validation. Maintain a complete model inventory and apply risk-based tiering based on materiality, complexity, criticality and degree of automation. Require documented purpose, data lineage, assumptions, limitations, intended use and change history; independent pre-use validation and periodic revalidation; approval before deployment; and ongoing monitoring of performance, stability, calibration, drift, overrides and outcomes. Establish thresholds, escalation and remediation of validation findings, human oversight for material decisions, contingency or fallback arrangements, and controlled model change and decommissioning.

Emerging Risk	3. El Niño (Monsoon)
Category	Environmental / Economic
Description	Strengthening El Niño conditions may weaken or make the South-West monsoon more uneven, with higher risk of rainfall deficits, heat stress and drought in vulnerable regions. Adverse rainfall distribution can affect crop output, rural incomes, food prices and water availability.
Impact	Potential moderation in agricultural output and rural demand, higher food inflation and borrower cash-flow stress. Credit risk may increase in KCC, JLG, micro-enterprise, tractor, commercial-vehicle and agri-linked MSME portfolios, particularly in rain-fed and climate-vulnerable districts. Localised flooding or drought may also disrupt operations and impair collateral values.
Mitigation Actions	Track IMD rainfall, ENSO/IOD updates, sowing progress, reservoir levels, crop prices and rural-demand indicators. Use geography- and product-level portfolio surveillance for vulnerable districts; calibrate underwriting, exposure limits and collections for agri/rural products; use eligible insurance and guarantee cover; conduct drought, flood and income-shock stress tests; and maintain business-continuity readiness for affected locations.



2.3 Key Environment Policies

- [GHG Emissions Management Policy](#)

3. Social



Creating positive social impact remains central to IDFC FIRST Bank's purpose-driven approach. The Bank focuses on fostering an inclusive and equitable workplace, strengthening employee wellbeing and development, promoting diversity and human rights, and expanding access to responsible financial products and services. Through strong policies, governance frameworks, and customer-centric initiatives, the Bank seeks to create long-term value for employees, customers, and communities. This section provides a summary of the Bank's social performance across key workforce and customer-related parameters.



3.1 Employees

3.1.1 Diversity

Workforce	Percentage
Share of women in total workforce	18.42%
Share of women in all management positions	18.26%
Share of women in junior management positions	19.24%
Share of women in management positions in revenue-generating functions	15.81%
Share of women in STEM-related positions	21.35%
Nationality	Percentage
% of employees with Indian nationality	100%

3.1.2 Training & Development

Total learning hours in FY 2025-26	20,98,951
Average hours per FTE of training and development	49
Average amount spent per FTE on training and development	₹5,000 (approx.)

Age Group	Training Hours (%)
<30	58%
30-50	41%
50+	1%
Gender	Training Hours (%)
Male	79%
Female	21%
Management Level	Training Hours (%)
Junior	96%
Middle	3%
Senior	1%

3.1.3 Human Capital Return on Investment (HC ROI)

* ₹ lakh

Particulars	FY 2023-24	FY 2024-25	FY 2025-26
a. Total Revenue*	36,32,450	43,52,320	48,42,211
b. Total Operating Expense*	16,21,578	18,89,883	21,87,720
c. Total Employee-Related Expenses* (Salaries + Benefits)	4,89,253	5,70,990	6,18,193
Total HC ROI [(a-(b-c))/c]	5.11	5.31	5.29
Total Number of Employees	41,141	42,190	43,059

3.1.4 Hiring

Particulars	FY 2023-24	FY 2024-25	FY 2025-26
Total number of net new employee hires*	5,789	1,049	869
Percentage of open positions filled by internal candidates (internal hires)	1.74%	3.14%	3.40%

*Net new employee hires denote new employees over and above replacement hiring

3.1.5 Employee Turnover

Approximately 60% of the Bank's workforce is engaged in frontline roles including sales, customer service, call centres, and collections. In addition, nearly 27% of employees are based in rural locations, supporting rural financing businesses including microfinance loans which usually have a very small ticket size. As is commonly observed across the Indian banking and NBFC sectors, these roles tend to experience relatively higher attrition due to factors such as the transferability of skills across industries, opportunities for higher compensation elsewhere, increased career mobility among younger employees, and workforce exits arising from personal life events. Excluding these employee cohorts, attrition among the Bank's middle and senior management remains low.

Total Turnover: Gender and Management-based (in %)

 Male  Female  Total

Category	FY 2023-24			FY 2024-25			FY 2025-26		
									
Senior	8.6	12.2	9.0	8.0	9.8	8.2	10.7	9.4	10.5
Middle	11.3	16.5	12.0	11.2	9.5	10.9	13.4	15.2	13.7
Junior	22.5	21.1	22.2	23.0	24.1	23.2	23.3	24.0	23.4
Junior sales, collection and customer service staff	38.6	41.6	39.2	38.1	42.0	38.8	37.6	38.7	37.8
Overall	31.8	34.5	32.2	31.5	34.6	32.0	31.3	32.5	31.5
Overall (excl. Junior sales, collection and customer service staff)	19.9	20.2	19.9	20.9	22.4	21.2	21.5	22.8	21.7

Total Turnover: Age-based (in %)

	FY 2023-24	FY 2024-25	FY 2025-26
<30 years	39.2	39.5	37.0
30 to 40 years	27.9	28.5	29.7
40 to 50 years	15.5	14.3	16.9
>50 years	12.5	15.7	14.0
Total	32.2	32.0	31.5

Voluntary Turnover: Gender and Management-based (in %)

 Male
  Female
  Total

Category	FY 2023-24			FY 2024-25			FY 2025-26		
									
Senior	7.9	12.1	8.3	7.4	9.8	7.7	8.8	7.5	8.7
Middle	10.3	15.8	11.0	9.4	8.4	9.2	10.7	14.2	11.2
Junior	20.1	20.1	20.1	18.6	20.9	19.0	19.9	21.2	20.2
Junior sales, collection and customer service staff	24.5	25.3	24.6	26.2	30.5	27.0	29.5	31.6	29.9
Overall	22.0	23.4	22.3	22.6	26.3	23.3	25.1	27.2	25.5
Overall (excl. Junior sales, collection and customer service staff)	17.5	19.3	17.8	17.0	19.5	17.4	18.3	20.2	18.6

Voluntary Turnover: Age-based (in %)

	FY 2023-24	FY 2024-25	FY 2025-26
<30 years	24.3	27.1	28.8
30 to 40 years	20.4	22.1	25.1
40 to 50 years	11.4	11.3	13.4
>50 years	11.3	10.6	7.5
Total	22.3	23.3	25.5

3.1.6 Employee Satisfaction Measurement

The Bank periodically conducts employee engagement and well-being surveys to understand employee experiences across key dimensions such as job satisfaction, sense of purpose, workplace happiness, engagement and overall well-being. These surveys provide valuable insights that help the Bank strengthen its people practices and enhance the employee experience.

The Bank continues to invest in a range of programmes and initiatives that support the physical, mental and financial well-being of employees, fostering a healthy, inclusive and high-performance work environment.

	FY 2023-24	FY 2024-25	FY 2025-26	FY 2025-26 Target
Employee Net Promoter Score (eNPS)	56	57	60	60
Data Coverage (% respondents)	67.3	72.7	69.9	-

3.1.7 Employee Compensation & Rewards

IDFC FIRST Bank's compensation, recognition and rewards framework is aligned with industry benchmarks and designed to attract, retain and motivate talent. Performance is assessed through a structured annual appraisal process, supported by a mid-year review, and is guided by Management by Objectives (MBO), multidimensional assessments, team-based performance metrics and ongoing agile conversations.

Employees are rewarded through a combination of short-term and long-term incentive mechanisms. Short-term incentives include annual compensation and salary revisions, while long-term incentives comprise Employee Stock Options (ESOPs), which are extended to employees at and below senior management levels. These ESOPs vest over a five-year period, with 20% vesting annually, fostering long-term value creation and employee ownership.

To strengthen accountability for sustainable business practices, ESG and sustainability-related performance indicators are integrated into the Key Result Areas (KRAs) of departments across the Bank. Performance against these indicators contributes to overall performance evaluations and influences reward, compensation and incentive outcomes.

Fair and Equitable Compensation

At IDFC FIRST Bank, talent acquisition, onboarding and career development are guided by the skills, experience and capabilities required for each role, supported by market benchmarks and internal talent frameworks. While the Bank maintains an internal grading structure for administrative purposes, employee growth, recognition and rewards are primarily driven by merit, performance and alignment with role-specific responsibilities.

The Bank is committed to fostering an equitable and inclusive workplace and maintains a zero-tolerance approach towards bias or discrimination in recruitment, compensation, rewards and career advancement on the basis of gender, social background or any other protected characteristic.

To reinforce its commitment to pay equity, the Bank periodically assesses compensation outcomes across senior, middle and junior management levels. Despite operating a role- and benchmark-based compensation structure, the Bank conducts equal pay and gender pay gap analyses covering 100% of its employee base to monitor and promote fair remuneration practices across the organisation.

3.1.8 Human Rights Assessment & Programs

IDFC FIRST Bank conducted a comprehensive **Human Rights Assessment (HRA)** of its eligible top value-chain partners in 2025, aligned to its ESG goals.

- The assessment covered key areas including labour governance, child and forced labour prevention, non-discrimination, working conditions, employee welfare, grievance mechanisms, and occupational health and safety practices.
- Respondents reported compliance with applicable labour regulations, including statutory registrations, prescribed working-hour norms and employment-related requirements.
- All respondents reported zero instances of child labour and forced labour, supported by age-verification processes, transparent employment terms and employees' freedom to resign without penalty.
- Respondents demonstrated adherence to equal opportunity and non-discrimination principles through workplace practices, diversity initiatives and inclusive employment processes. Specific partners also reported accommodations for persons with disabilities through accessible infrastructure, flexible arrangements and role-specific support.
- All respondents confirmed the presence of Internal Complaints Committees (ICCs) and compliance with the Prevention of Sexual Harassment (POSH) Act. Grievance redressal mechanisms, including confidential reporting channels and non-retaliation provisions, were also reported.

- Respondents indicated compliance with minimum wage requirements and statutory leave provisions, while many also offered employee welfare initiatives such as training, capability-building programs and workplace well-being support.
- Respondents reported maintaining health and safety systems, emergency preparedness measures and employee awareness programs. No major health and safety incidents, including fatalities or lost-time injuries, were reported during the assessment period.

Overall, the assessment indicated strong alignment between the Bank's value-chain partners and its expectations on ethical conduct, human rights and responsible workforce management. IDFC FIRST Bank remains committed to ongoing engagement, monitoring and capability-building initiatives to strengthen human rights performance and encourage responsible business practices across its value chain.

Labour Practices Programs

IDFC FIRST Bank adopts a structured approach to managing labour practices, supported by robust HR processes, monitoring mechanisms and governance oversight. The Bank seeks to foster a fair, inclusive and supportive workplace by implementing programs that promote employee well-being, equitable treatment, capability development and responsible employment practices. These initiatives are regularly reviewed to ensure alignment with applicable regulations, evolving workforce expectations and the Bank's people-first culture.

- **Living Standards Assurance:** Compensation and rewards are benchmarked against industry standards and periodically reviewed to support employees' financial well-being and promote fair and competitive remuneration.
 - **Working Hours:** Established systems and controls help monitor working hours, ensure compliance with applicable requirements and support employee well-being through responsible workload management.
 - **Employee Engagement:** Regular employee surveys, feedback mechanisms and engagement platforms facilitate continuous dialogue, while comprehensive well-being programs support employees' physical, mental and financial health.
 - **Gender Pay:** Periodic equal pay and gender pay gap assessments help monitor compensation practices, promote fairness and reinforce the Bank's commitment to equitable remuneration.
 - **Leave Management:** Formal leave management processes encourage employees to utilise their leave entitlements, supporting work-life balance, employee health and long-term productivity.
 - **Career Development:** Structured learning, leadership development and capability-building programs help employees enhance skills, adapt to evolving business needs and strengthen long-term employability.
 - **Continuous Improvement:** Labour practices are supported by robust HR processes, monitoring mechanisms and governance oversight, enabling regular evaluation and enhancement of workforce-related programs and practices.
-

OHS Programs

IDFC FIRST Bank maintains a structured Occupational Health and Safety (OHS) program supported by defined policies, procedures and governance mechanisms to promote a safe and healthy workplace for employees, contractors and visitors.

- **Risk Identification:** Workplace hazards are systematically identified and assessed across locations through periodic reviews and risk registers, enabling proactive risk mitigation and management of emerging safety concerns.
- **Action Planning:** Findings from risk assessments are translated into targeted action plans with defined responsibilities, timelines and monitoring mechanisms to strengthen workplace safety and drive continual improvement.
- **Emergency Preparedness:** Emergency Handling Teams are operational across locations to respond to fire incidents, medical emergencies, natural disasters and security-related events. Regular training sessions, mock drills and evacuation exercises help ensure workforce readiness.
- **Monitoring:** The Bank conducts periodic inspections and safety reviews to assess compliance with established protocols, monitor OHS performance and identify opportunities for enhancement.
- **Incident Reporting:** Structured processes are in place for reporting, investigating and addressing workplace incidents and health-related concerns. Root-cause analyses and corrective actions help prevent recurrence and enhance safety controls.
- **Safety Training:** Employees, contract workers and security personnel receive regular training on emergency response, fire safety, hazard identification and safe workplace practices, fostering a strong safety culture.
- **Vendor Safety:** OHS requirements are integrated into procurement and contractor management processes, ensuring that third parties operating on Bank premises adhere to applicable safety standards and procedures.

3.1.9 Absentee Rate

The Bank monitors absenteeism as an indicator of employee well-being, engagement and workplace effectiveness. The absentee rate remained low and stable over the last four years, recording 1.5% in FY 2025-26 compared to 1.7% in FY 2024-25. Consistent performance in this metric, supported by 100% employee data coverage, reflects the Bank's continued focus on fostering a healthy, supportive and productive work environment.

	FY 2023-24	FY 2024-25	FY 2025-26
Employees (% of total days scheduled)	1.4	1.7	1.5
Data Coverage (%)	100	100	100



3.2 Customers

3.2.1 Customer Satisfaction Measurement

From its inception, the Bank has remained committed to delivering superior customer service by embedding customer-centricity across its operations. This commitment is reflected in product design, employee training, ethical banking practices and continued investments in digital capabilities. Guided by its Customer First philosophy, the Bank serves customers across socio-economic segments and geographies through inclusive and accessible financial solutions.

The Bank measures customer satisfaction through its Net Promoter Score (NPS), a key indicator of customer advocacy and loyalty. The Bank's NPS improved from 39 in FY 2023-24 to 53 in FY 2025-26, reflecting sustained progress in customer experience management and achievement of the Bank's annual target. The improvement underscores growing customer confidence in the Bank and its continued focus on delivering simple, transparent, and customer-centric banking experiences.

	FY 2023-24	FY 2024-25	FY 2025-26
Customer Net Promoter Score (NPS)	39	51	53
Data Coverage (% of respondents to total surveys triggered)	4%	3%	4%

3.2.2 Customer Data Privacy & Protection

IDFC FIRST Bank recognizes the importance of protecting customer information and maintaining trust. The Bank is strengthening its data privacy and protection framework in line with evolving regulatory expectations, including the Digital Personal Data Protection Act, 2023 (DPDP Act). The Bank believes customers should be able to engage with confidence, assured that their information is handled responsibly, protected through appropriate safeguards and governed by a framework that continues to evolve with the changing data protection landscape.

Strengthening Privacy Practices

The Bank's approach to privacy is being strengthened through a focus on transparency, security, customer control and compliance, with the objective of protecting personal data across its lifecycle.

1. The Bank has undertaken a comprehensive review of its data processing practices to strengthen its understanding of how personal data is collected, used, shared and managed across business processes.
2. Privacy risks across relevant business processes and applications have been assessed to identify opportunities for enhanced safeguards.
3. Existing privacy-related policies and procedures have been reviewed, and draft policies and procedures have been developed as part of the ongoing framework enhancement programme.

Advancing Privacy by Design

The Bank is exploring approaches to embed privacy considerations more consistently across its business and risk processes.

1. Discussions are underway on the methodology for consent management, with a focus on supporting appropriate consent-related requirements.
2. An approach is being discussed to incorporate privacy by design considerations across relevant risk functions, including third-party risk management and change management.
3. Vendor contracts and templates have been reviewed, with work underway to strengthen contractual provisions relating to data privacy and protection.

Looking ahead, the Bank's data privacy journey is focused on translating the outcomes of its assessments and policy development activities into a strengthened privacy framework. The Bank will continue to advance the implementation of privacy related policies, processes and controls, with a focus on enhancing transparency, strengthening privacy risk management and supporting the responsible use of personal data.



3.3 Key Social Policies

- [Code of Conduct for Board of Directors & SMP](#)
- [Code of Conduct for Employees](#)
- [Board Diversity \(Extract from the Corporate Governance & Board Diversity Policy\)](#)
- [Equal Opportunity and Diversity Guidelines Policy](#)
- [Health & Safety Policy Synopsis](#)
- [Occupational Health & Safety Policy](#)
- [Labour Practices Policy](#)
- [Human Rights Policy](#)
- [Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace](#)
- [Corporate Social Responsibility Policy](#)

4. Sustainable Finance



Sustainable finance remained a key area of focus for the Bank in FY 2025-26, supporting climate action, financial inclusion and broader socio-economic development.



4.1 Wholesale Financing

Category	FY 2025-26 (₹ crore)
Green loans (funded assets)	1,916.00
Social loans (funded assets)	10,239.00
Total sustainable lending (portfolio value)	12,155.00
Total wholesale lending (portfolio value)	57,884.00
% of sustainable financing (wholesale)	21.00%



4.2 Retail Financing

Category	FY 2025-26 (₹ crore)
Green loans (funded assets)	2,101.15
Social loans (funded assets)	34,633.57
Total sustainable lending (portfolio value)	36,734.71
Total retail lending (portfolio value)	2,32,394.00
% of sustainable financing (retail)	15.81%

SME-tailored Sustainable Financing

IDFC FIRST Bank is expanding access to finance for small and medium enterprises (SMEs) through tailored green and social financing solutions across Business Instalment Loans (BIL), Business Banking Group (BBG), Micro Business Loans (MBL) and Loan Against Property (LAP). Its dedicated startup franchise supports emerging businesses, including those engaged in clean technology, green technology, agricultural technology and waste management. Other offerings include financing for energy-efficient consumer durables, electric vehicles and tailored loans for women borrowers, supporting entrepreneurship, inclusive and sustainable growth.

The Bank evaluates eligible green and social use cases in accordance with its Sustainable Finance Framework, covering sustainable mobility, renewable energy, sanitation, financial inclusion, education and livelihood generation. In addition to the Bank's microfinance book, its SME-tailored sustainable financing stood at ₹ 3,059.72 crore as of March 31, 2026, representing select portfolios classified under small and medium enterprises in accordance with international definitions.



4.3 Key Policies

- [Policy On Green Deposits](#)
- [Green Deposits Financing Framework](#)

5. Governance



5.1 Corporate Governance

5.1.1 Board of Directors as of March 31, 2026

Name of the Director	Position on the Board	Date of first Appointment	Tenure as on March 31, 2026	Board Committee Associations*	Total Board Associations**
Mr. Sanjeeb Chaudhuri	Part-Time Non-Executive Chairperson (Independent)	10-05-2019	~ 6 yr. 10 m.	06	Listed: 01 Non-listed: 00 Total: 01
Mr. V. Vaidyanathan	Managing Director & Chief Executive Officer	19-12-2018	~ 7 yr. 3 m.	09	Listed: 01 Non-listed: 00 Total: 01
Mr. Pradeep Natarajan	Executive Director	01-06-2024	~ 1 yr. 9 m.	01	Listed: 01 Non-listed: 01 Total: 02
Mr. Aashish Kamat	Independent Director	18-12-2018	~ 7 yr. 3 m.	04	Listed: 03 Non-listed: 01 Total: 04
Ms. Matangi Gowrishankar	Independent Director	20-01-2024	~ 2 yr. 2 m.	05	Listed: 05 Non-listed: 06 Total: 11
Mrs. Pankajam Sridevi	Independent Director	27-09-2024	~ 1 yr. 6 m.	05	Listed: 01 Non-listed: 00 Total: 01
Mr. Pravir Vohra [^]	Independent Director	01-08-2018	~ 7 yr. 7 m.	04	Listed: 03 Non-listed: 03 Total: 06
Mr. S. Ganesh Kumar	Independent Director	30-04-2021	~ 4 yr. 11 m.	05	Listed: 02 Non-listed: 00 Total: 02
Mr. Sudhir Kapadia	Independent Director	26-10-2024	~ 1 yr. 5 m.	04	Listed: 01 Non-listed: 02 Total: 03
Mr. Uday Bhansali	Independent Director	27-09-2024	~ 1 yr. 6 m.	06	Listed: 02 Non-listed: 04 Total: 06
Mr. Narendra Ostawal	Non-Executive Non-Independent Director	30-09-2025	~ 6 m.	03	Listed: 01 Non-listed: 04 Total: 05

* Number of IDFC FIRST Bank Board Committees where the Director is associated as a Member/Chairperson.

** Number of Listed and Non-Listed Companies (including IDFC FIRST Bank) where the Director is part of Board.

[^]Upon completion of his second term and the maximum tenure permissible under applicable banking regulations, Mr. Pravir Vohra (DIN: 00082545) ceased to be an Independent Director of the Bank with effect from the close of business hours on July 31, 2026.

5.1.2 CEO Compensation

The Bank's remuneration framework links the MD & CEO's variable compensation with the achievement of organizational performance objectives. Variable pay is determined based on an assessment of Bank performance, business unit performance and individual performance, while also incorporating risk, compliance and service measures. The framework is designed to promote prudent risk-taking and support the Bank's short-term and long-term strategic objectives.

The Bank's remuneration framework requires a significant portion of variable pay to be delivered through share-linked instruments, including Cash-linked Stock Appreciation Rights (CSARs)/ESOPs, thereby linking compensation outcomes to the long-term performance of the Bank and shareholder value creation.

5.1.3 CEO-to-Employee Pay Ratio

Total CEO compensation	₹5,58,65,726	
	Median	Mean
Employee compensation	₹6,15,000	₹12,81,606
CEO-to-Employee pay ratio	90:1	43:1



5.2 Advocacy and Industry Participation

5.2.1 Contributions & Other Spending

₹ lakh

Contributions	FY 2023-24	FY 2024-25	FY 2025-26
Lobbying, interest representation or similar	NIL	NIL	NIL
Local, regional or national political campaigns / organizations / candidates	NIL	NIL	NIL
Trade associations or tax-exempt groups* (e.g. think tanks)	75.29	86.10	207.75
Total contributions and other spending	75.29	86.10	207.75
Coverage of total revenue	0.0021%	0.0020%	0.0043%

*Includes payments made to IBA, CII, FIMMDA and FEDAI as given below.

5.2.2 Largest Contributions & Expenditures

₹ lakh

Name of Organization	Type of Organization	Amount Paid in FY 2025-26
Indian Banks' Association	Trade association	32.32
Confederation of Indian Industry	Trade association	161.99
Fixed Income Money Market and Derivatives Association of India	Trade association	3.84
Foreign Exchange Dealers Association of India	Trade association	9.60



5.3 Climate-aligned Public Policy Engagement

Climate change presents significant risks and opportunities for economies, businesses and communities.

IDFC FIRST Bank recognizes the important role of the financial sector in advancing the objectives of the Paris Agreement by facilitating capital flows towards low-carbon, climate-resilient and inclusive development pathways.

5.3.1 Managing Alignment with Climate Commitments

The Bank seeks to ensure that its external engagements, sustainability commitments and participation in industry initiatives are consistent with its climate-related objectives. As part of its ESG governance processes, the Management periodically reviews relevant developments, stakeholder expectations and sustainability commitments to ensure continued alignment with the Bank's strategy and public disclosures.

5.3.2 Governance of Public Policy Engagement

The Bank's ESG governance framework provides oversight for sustainability-related commitments, disclosures, stakeholder engagement and participation in external initiatives. ESG-related matters are reviewed through established governance mechanisms involving senior management and Board-level oversight.

Public policy engagements and participations, including in climate-aligned forums, are presented to the CSR & ESG Board Committee and reviewed by the Directors on a quarterly basis, ensuring guidance and oversight at the highest levels. They are also presented in the ESG Management Committee.

The Bank's dedicated ESG function is responsible for benchmarking and suggesting relevant industry memberships/ forum participation, including those supporting Paris Agreement-aligned climate initiatives. The Bank's public Net Zero goal (Scope 1 & 2) is by 2050, aligned to the Paris Agreement, and reviewed by the ESG Management Committee.

Particulars	Approach
Board Oversight	Public policy engagements and participations, including in climate-aligned forums, are presented to the CSR & ESG Board Committee and reviewed by the Directors on a quarterly basis, ensuring guidance and oversight at the highest levels.
Executive Accountability	Public policy engagements and participation in forums are reviewed by the Senior Management, including by the members of the ESG Management Committee. The Bank's dedicated ESG function is responsible for benchmarking and suggesting relevant industry memberships/ forum participation, including those supporting Paris Agreement-aligned climate initiatives. The Bank's public Net Zero goal is by 2050, aligned to the Paris Agreement, and reviewed by the ESG Management Committee.
Monitoring & Reporting	Public commitments, memberships and sustainability performance are disclosed through the Bank's Integrated Annual Report, ESG Microsite, and other relevant channels.

5.3.3 Alignment with Paris Agreement and India's NDCs

The Bank's climate strategy, sustainable finance initiatives, climate risk management practices, operational decarbonization efforts, industry engagement and stakeholder outreach activities are aligned with the objectives of the Paris Agreement and support India's latest Nationally Determined Contributions (NDCs) for the period 2031-2035.

India's updated NDC includes commitments to reduce emissions intensity of GDP by 47% from 2005 levels by 2035, achieve 60% cumulative installed electric power capacity from non-fossil fuel sources by 2035, create an additional carbon sink of 3.5-4.0 billion tonnes of CO₂ equivalent through forest and tree cover, strengthen climate adaptation and resilience, and mobilize finance, technology and capacity to support the country's transition towards Net Zero emissions by 2070.

Paris Agreement Objective	India's Latest NDC (2031-2035)	IDFC FIRST Bank's Initiatives Supporting the Objective
Make finance flows consistent with a low-GHG and climate-resilient pathway (Articles 2 & 9)	Accelerate low-carbon and climate-resilient development while supporting India's Net Zero 2070 pathway.	- Established a Sustainable Finance Framework and built a sustainable finance portfolio of ₹48,890 crore, representing nearly 17% of the Bank's total loan book. - Mobilized over ₹1,284 crore through Green Deposits and directed financing towards renewable energy, clean transportation, water conservation, and circular economy activities. - Supported MSMEs and financial inclusion initiatives, enabling broader access to finance and contributing to a just and inclusive transition.
Mitigation and reduction of greenhouse gas emissions (Article 4)	Reduce emissions intensity of GDP by 47% by 2035 from 2005 levels.	- Established a Net Zero pathway for Scope 1 and Scope 2 emissions by 2050 and currently implementing initiatives to manage emissions across Scope 1, Scope 2, and Scope 3, while supporting the transition to a low-carbon economy through sustainable lending. - Participated in industry initiatives such as PCAF, strengthening the Bank's approach to measuring and reporting financed emissions (Scope 3, Category 15). - Mobilized and deployed Green Deposit proceeds towards low-carbon sectors, including renewable energy, electric mobility, water conservation, and other climate-aligned activities.
Support clean energy deployment and energy transition	Achieve 60% cumulative installed electric power capacity from non-fossil fuel-based energy sources by 2035.	- Of the total renewable energy portfolio, enabled 12.26 MWp annual solar production capacity through Green Deposits allocation; obtained impact assessment and independent assurance on the same. - Total renewable energy constitutes approximately 30% of the Bank's green finance portfolio.
Global peaking of emissions and low-carbon transition	Accelerate the transition toward cleaner technologies and lower emissions growth pathways.	- Established an electric vehicle financing portfolio with around 2.64 lakh live EVs financed. - Clean transportation represents approximately 59% of the Bank's green finance portfolio.
Adaptation and climate resilience (Article 7)	Strengthen adaptive capacity, climate resilience and disaster preparedness.	- Integrated climate-related physical and transition risk assessments into lending and risk management processes. - Undertakes climate stress testing, sectoral monitoring and climate-sensitive credit evaluation. - Environmental and Social Risk Management processes are guided by IFC Performance Standards and Equator Principles for applicable transactions.
Enhance carbon sinks and ecosystem restoration (Article 5)	Create 3.5-4.0 billion tonnes CO ₂ e carbon sink through forests and tree cover by 2035.	Planted and maintains over 30,000 native trees through its urban afforestation initiative in Madurai, Tamil Nadu, supporting biodiversity enhancement, carbon sequestration and ecosystem restoration.

Paris Agreement Objective	India's Latest NDC (2031-2035)	IDFC FIRST Bank's Initiatives Supporting the Objective
Climate finance, technology transfer and capacity building (Articles 9, 10 & 11)	Promote climate technologies, innovation, institutional capacity building and climate finance mobilization.	• Among the first banks in India to become a PCAF signatory and estimate financed emissions. • Serves as Co-Vice Chair of the PCAF India Chapter and hosted the first-ever PCAF Accelerator Programme in India, bringing together financial institutions, technology providers and sustainability experts to strengthen financed emissions measurement and disclosure practices across the banking sector. • Amongst the five accredited entities in India which can access the Green Climate Fund (GCF) to support projects for climate adaptation and mitigation. • Actively engages with the Ministry of Environment, Forest and Climate Change (MoEFCC) to align with India's climate priorities and co-develop projects with public and private-sector partners, mobilizing climate finance to scale solutions and support emerging climate innovations.
Climate change education, public awareness and stakeholder participation (Article 12)	Mainstream sustainable lifestyles, awareness and participation in climate action.	• Served as Principal Partner for the inaugural Mumbai Climate Week 2026, one of India's largest climate-focused platforms bringing together policymakers, regulators, multilateral institutions, corporates, investors, startups, think tanks and community leaders from over 30 countries. • Through leadership participation in climate finance discussions, stakeholder engagement, climate solution showcases and awareness initiatives, the Bank helped support an ecosystem for climate dialogue, capital mobilization and action-oriented collaboration, particularly for the Global South. • Conducted employee ESG awareness and capacity-building programmes while actively participating in climate and sustainable finance forums through organizations such as UNGC, PCAF, GIZ, FICCI, and the BRICS Business Council Sustainable Finance Working Stream, supporting knowledge sharing and industry collaboration.
Transparency, disclosure and accountability (Article 13)	Strengthen climate reporting, measurement and accountability.	• One of the first banks in India to measure financed emissions across corporate and key retail portfolios using the PCAF methodology, publicly disclose the results and obtain external assurance on financed emissions disclosures. • Climate governance and disclosures are reviewed through Board and management oversight mechanisms.
Long-term climate neutrality and Net Zero transition (Articles 2 & 4)	Support India's pathway to Net Zero by 2070.	• Established a Net Zero glide path for Scope 1 and Scope 2 emissions by 2050. • Connected over 5.6 lakh sq. ft. of operational area to green power sources, increased renewable energy procurement and reduced Scope 1 and 2 emissions intensity by 33% year-on-year.



5.4 Responsible AI Governance Framework

IDFC FIRST Bank is committed to the responsible, secure and ethical use of Artificial Intelligence (AI) to enhance customer experience, improve operational efficiency, strengthen risk management and drive innovation. The Bank is implementing an RBI-aligned Responsible AI Governance Framework to ensure that AI systems are designed, deployed and monitored in a manner that upholds fairness, transparency, privacy, security and accountability.

Governance and Accountability

The framework establishes clear accountability across Business, Technology, Risk, Information Security, Data Governance, Compliance and Model Risk Management functions. AI use cases are subject to defined review, approval and oversight processes commensurate with their risk profile.

Responsible AI Principles

- **Privacy and Data Protection:** AI systems are governed by the Bank's data governance, privacy and confidentiality standards, with controls designed to protect customer and enterprise data throughout its lifecycle.
- **Security and Operational Resilience:** AI solutions are subject to cybersecurity, information security and third-party risk management requirements to safeguard against unauthorised access, misuse, data leakage and operational vulnerabilities.
- **Fairness and Responsible Use:** The framework incorporates controls to identify, assess and mitigate risks arising from bias, unintended outcomes and inappropriate use of AI systems.
- **Human Oversight:** AI systems are designed to augment human decision-making. Appropriate supervision, review and escalation mechanisms are established for material and customer-impacting use cases.
- **Transparency and Explainability:** Documentation, traceability and explainability requirements are embedded within the governance framework to support effective oversight, auditability and stakeholder confidence.

AI Risk Management Lifecycle

Risk management controls are embedded across the AI lifecycle, including use-case assessment, data governance, model development, validation, deployment, performance monitoring and retirement. Continuous monitoring mechanisms help identify model drift, performance degradation, security concerns and emerging risks.

Third-Party AI Governance

AI models, platforms and services sourced from external providers are subject to appropriate due diligence and risk assessments covering security, privacy, compliance, operational resilience and performance considerations.

Building a Responsible AI Culture

The Bank promotes responsible AI adoption through training and awareness programmes focused on ethical AI use, information security, data privacy, AI risks and governance obligations.

Continuous Enhancement

The AI Governance Framework is periodically reviewed and strengthened to address evolving technologies, emerging risks, regulatory developments and industry best practices, supporting innovation while maintaining customer trust and operational resilience.



5.5 Key Governance Policies

- [Environmental, Social & Governance \(ESG\) Policy](#)
- [Board Diversity \(Extract from the Corporate Governance & Board Diversity Policy\)](#)
- [Investors' Grievances Redressal Policy](#)
- [Customer Grievance Redressal Policy](#)
- [Policy on Related Party Transactions](#)
- [Whistle Blower Policy](#)
- [Summary of KYC / AML / CFT Policy](#)
- [Remuneration Policy – WTD/ED/MRT/KMP/SMP/Control Function and other employees](#)
- [Remuneration Policy - Non-Executive Part-Time Chairperson and Non-Executive Directors](#)
- [Privacy Policy](#)
- [Tax Policy](#)

6. Indices



6.1 GRI Index

Statement of use	IDFC FIRST Bank Limited has reported the information cited in this GRI content index for the period FY 2025-26 with reference to the GRI Standards.		
GRI 1 used	GRI 1: Foundation 2021		
GRI Standard	Description	Reference(s)	Page Number(s)
GRI 2: General Disclosures 2021			
2-1	Organizational details	BRSR	1
2-2	Entities included in the organization's sustainability reporting	BRSR	1
2-3	Reporting period, frequency, and contact point	BRSR	1
2-7	Employees	BRSR	2
2-8	Workers who are not employees	BRSR	2
2-9	Governance structure and composition	Integrated Report	86
2-10	Nomination and selection of the highest governance body	Integrated Report	162
2-11	Chair of the highest governance body	Integrated Report	26-27, 108
2-12	Role of the highest governance body in overseeing the management of impacts	Integrated Report	172
2-13	Delegation of responsibility for managing impacts	Integrated Report	172
2-14	Role of the highest governance body in sustainability reporting	Integrated Report	182-184
2-18	Evaluation of the performance of the highest governance body	Integrated Report	165
2-19	Remuneration policies	Integrated Report	121
2-20	Process to determine remuneration	Integrated Report	165-167
2-21	Annual total compensation ratio	Integrated Report	136
2-22	Statement on sustainable development strategy	Integrated Report	86
2-23	Policy commitments	BRSR	11-12
2-24	Embedding policy commitments	BRSR	11-12
2-25	Processes to remediate negative impacts	BRSR	5-11
2-26	Mechanisms for seeking advice and raising concerns	BRSR	29-30
2-27	Compliance with laws and regulations	Integrated Report	138-139
2-30	Collective bargaining agreements	BRSR	25
GRI 3: Material Topics 2021			
3-1	Process to determine material topics	Integrated Report	94
3-2	List of material topics	Integrated Report	95
3-3	Management of material topics	Integrated Report BRSR	"95 5-11"

GRI Standard	Description	Reference(s)	Page Number(s)
GRI 200: Economic			
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	ESG Databook	4-7
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	BRSR	32
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	BRSR	46
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti- corruption policies and procedures	BRSR	13-14, 16, 34
	205-3 Confirmed incidents of corruption and actions taken	BRSR	17
GRI 206: Anticompetitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	BRSR	44
GRI 300: Environmental			
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	BRSR	36
	302-3 Energy intensity	BRSR	36
	302-4 Reduction of energy consumption	BRSR	36
GRI 303: Water and Effluents 2018	303-3 Water withdrawal	BRSR	37
	303-4 Water discharge	BRSR	37-38
	303-5 Water consumption	BRSR	37
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	BRSR	39
	305-2 Energy indirect (Scope 2) GHG emissions	BRSR	39
	305-3 Other indirect (Scope 3) GHG emissions	BRSR	43
	305-4 GHG emissions intensity	BRSR	39, 43
	305-5 Reduction of GHG emissions	BRSR ESG Databook	39, 43 3
GRI 306: Waste 2020	306-3 Waste generated	BRSR	40
	306-4 Waste diverted from disposal	BRSR	40
	306-5 Waste directed to disposal	BRSR	40
GRI 400: Social			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	BRSR ESG Databook	3 9-10
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Integrated Report BRSR	105 23
	401-3 Parental leave	Integrated Report BRSR	105 24

GRI Standard	Description	Reference(s)	Page Number(s)
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Integrated Report	105
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Integrated Report	103
	403-3 Occupational health services	BRSR	26
	403-5 Worker training on occupational health and safety	BRSR	25
	403-9 Work-related injuries	BRS	26
	403-10 Work-related ill health	BRSR	26
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	ESG Databook	8
	404-2 Programmes for upgrading employee skills and transition assistance programmes	Integrated Report	104-105
	404-3 Percentage of employees receiving regular performance and career development reviews	BRSR	25
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	BRSR ESG Databook	2-3 8
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	BRSR	33-35
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk of for incidents of child labor	BRSR	33-35
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	BRSR	33-35
GRI 415: Public Policy 2016	415-1 Political contributions	ESG Databook	18
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	BRSR	49

6.2 S&P Global CSA Index

Dimensions	Indicators	Reference(s)	Page Number(s)
Governance & Economic Dimension			
Transparency & Reporting			
	Sustainability Reporting Boundaries	BRSR ESG Databook	1 1
	Sustainability Reporting Assurance	BRSR ESG Databook	51-54 1, 29-33
Corporate Governance			
	Board Independence	Integrated Report	119
	Board Type	Integrated Report	108-113
	Non-Executive Chairperson/ Lead Director	Integrated Report	26-27, 108
	Board Diversity Policy	Board Diversity (Extract from the Corporate Governance & Board Diversity Policy)	2
	Board Gender Diversity	Integrated Report	108-113
	Board Accountability	Integrated Report ESG Databook	106-107, 162 17
	Board Average Tenure	ESG Databook	17
	Board Industry Experience	Integrated Report	164
	CEO Compensation - Success Metrics	Integrated Report ESG Databook	167 18
	CEO Compensation - Long-Term Performance Alignment	Integrated Report ESG Databook	167 18
	CEO-to-Employee Pay Ratio	Integrated Report ESG Databook	136 18
	Management Ownership	Form No. MGT-7 Annual Return	11-12, 16
	Government Ownership	Investor Presentation – Q4 FY26	57
	ESG Governance Oversight	Integrated Report	86
Materiality			
	Materiality Analysis	Integrated Report	94-95
	Material Issues for Enterprise Value Creation	Integrated Report BRSR	94-95 5-11
	Materiality Metrics for Enterprise Value Creation	Integrated Report ESG Databook	94-95, 99, 285 14
	Material Issues for External Stakeholders	Integrated Report Green Deposits Impact Report FY 26	33, 100-101 1-7
	Materiality Metrics for External Stakeholders	Integrated Report Green Deposits Impact Report FY 26	101 1-7

Dimensions	Indicators	Reference(s)	Page Number(s)
Risk & Crisis Management			
	Risk Governance	Integrated Report	98-99, 154
	Risk Management Processes	Integrated Report Basel Pillar 3 Disclosures (March 31, 2026)	154-157 1-62
	Emerging Risks	ESG Databook	6
	Global Systemically Important Banks	Basel Pillar 3 Disclosures (March 31, 2026) LCR 2026	7, 17 1
Business Ethics			
	UN Global Compact Membership	Integrated Report	89
	Codes of Conduct	Code of Conduct for Board of Directors & SMP Code of Conduct for Employees	1 1
	Crime Prevention: Business Policy/ Procedures	Summary of the 'Policy on Know Your Customer / Anti-Money Laundering Policy / Combating of Financing of Terrorism' and Procedures	1
	Anti-Bribery & Anti-Corruption Policy	Code of Conduct for Employees	1
	Whistleblowing Mechanism	Whistle Blower Policy BRSR	1 16
	Reporting on Breaches	BRSR	33, 48-49
Policy Influence			
	Contributions & Other Spending	ESG Databook	18
	Largest Contributions & Expenditures	ESG Databook	18
	Lobbying and Trade Associations - Climate Alignment	ESG Databook	19-21
Tax Strategy			
	Tax Strategy and Governance	Tax Policy	1
	Tax Reporting	Integrated Report	216
	Effective Tax Rate	Integrated Report	216
Information Security			
	Information Security Governance	Integrated Report	107
	Information Security Policy	Integrated Report	107
	Information Security Management Programs	Integrated Report BRSR	107 49
Responsible Artificial Intelligence			
	Responsible Artificial Intelligence Policy	ESG Databook	22
	Responsible Artificial Intelligence Program	ESG Databook	22

Dimensions	Indicators	Reference(s)	Page Number(s)
Sustainable Finance			
	Sector Activities	Integrated Report	5
	Sustainable Financing Policy	Green Deposits Financing Framework Environment & Social Policy Framework	4-8 1
	Sustainable Financing Products & Services	Integrated Report ESG Databook	96-97 16
Environmental Dimension			
Energy			
	Energy Consumption	BRSR	36
Waste & Pollutants			
	Waste Disposal	BRSR	40
Water			
	Water Consumption	BRSR	37
Climate Strategy			
	Direct Greenhouse Gas Emissions (Scope 1)	BRSR	39
	Indirect Greenhouse Gas Emissions (Scope 2)	BRSR	39
	Indirect Greenhouse Gas Emissions (Scope 3)	BRSR Financed Emissions & Assurance FY 26	43 1
	Climate Governance	Integrated Report TCFD Report	98-99 5
	TCFD Disclosure	Integrated Report TCFD Report	98-99 2-15
	Climate-Related Management Incentives	ESG Databook	4
	Climate Risk Management	Integrated Report TCFD Report	98-99 10-12
	Financial Risks of Climate Change	ESG Databook	4-5
	Physical Climate Risk Adaptation	ESG Databook	5
	Emissions Reduction Targets	ESG Databook	3
	Internal Carbon Pricing	ESG Databook	3
Decarbonization Strategy			
	Scope 3 Financed Absolute Emissions	ESG Microsite	1
	Scope 3 Financed Emission Intensity	ESG Microsite	1
Social Dimension			
Labor Practices			
	Labor Practices Commitment	Labour Practices Policy	1
	Labor Practices Programs	ESG Databook	12
	Discrimination & Harassment	Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace BRSR	1 14, 31
	Workforce Breakdown: Gender	ESG Databook	8

Dimensions	Indicators	Reference(s)	Page Number(s)
	Workforce Breakdown: Race/ Ethnicity & Nationality	ESG Databook	8
	Workforce Trade Union and Collective Bargaining Coverage	BRSR	25
Human Rights			
	Human Rights Commitment	Human Rights Policy BRSR	1 31-34
	Human Rights Due Diligence Process	BRSR	35
	Human Rights Assessment	ESG Databook	11-12
Human Capital Management			
	Training & Development Inputs	ESG Databook	8
	Employee Development Programs	Integrated Report	104-105
	Human Capital Return on Investment	ESG Databook	9
	Hiring	ESG Databook	9
	Employee Turnover Rate	BRSR ESG Databook	3 9-10
	Type of Performance Appraisal	ESG Databook	11
	Long-Term Incentives for Employees	ESG Databook	11
	Employee Support Programs	Integrated Report	105
	Trend of Employee Wellbeing	ESG Databook	10
Occupational Health & Safety			
	OHS Policy	Occupational Health & Safety Policy	1
	OHS Programs	Integrated Report ESG Databook	103 13
	Absentee Rate	ESG Databook	13
Financial Inclusion			
	Financial Inclusion Commitment	Integrated Report	100
	Financial Inclusion Products & Services	Integrated Report	33, 101
	Financial Inclusion - Non-Financial Support	Integrated Report	101-102
Customer Relations			
	Customer Relations Management	Integrated Report BRSR	102 29
	Customer Satisfaction Measurement	ESG Databook	14
Privacy Protection			
	Privacy Policy: Systems/ Procedures	ESG Databook	14
	Customer Privacy Information	Data Privacy notice	1

6.3 Limited Assurance Statement



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INDEPENDENT ASSURANCE STATEMENT

Independent Limited Assurance Statement to IDFC First Bank Limited on its Integrated Annual Report and BRSR for FY 2025-26

The Board of Directors,

IDFC First Bank Limited

IDFC First Bank Tower, (The Square),
C-61, G-Block, Bandra-Kurla Complex,
Bandra (East), Mumbai-400051.

Nature of the Assurance

SGS India Private Limited (hereinafter referred to as 'SGS India') was engaged by IDFC First Bank Limited (the 'Company') to conduct an independent assurance of the disclosures under the Integrated Annual Report and Business Responsibility and Sustainability Report (the 'Reports') pertaining to the reporting period of April 1, 2025, to March 31, 2026. The Reports have been prepared in line with the Global Reporting Initiatives (GRI) Standards. This Limited Level of Assurance Engagement was conducted in accordance with "International Standard on Assurance Engagements (ISAE) 3000 (Revised)" and GRI Principles.

Intended Users of this Assurance Statement

This Assurance Statement is provided with the intention of informing all IDFC First Bank Limited's Stakeholders.

Responsibilities

The information in the Reports and their presentation is the responsibility of the management of the Company. SGS India has not been involved in the preparation of any of the material included in the Reports.

Our responsibility is to express an opinion on the text, data, and statements within the defined scope of assurance, aiming to inform the management of the Company, and in alignment with the agreed terms of reference. We do not accept or assume any responsibility beyond this specific scope. The Statement shall not be used for interpreting the overall performance of the Company, except for the aspects explicitly mentioned within the scope. The Company holds the responsibility for preparing and ensuring the fair representation of the assurance scope.

Assurance Standard

SGS has conducted a Limited Level Assurance engagement in accordance with the International Standard on Assurance Engagement (ISAE) 3000 (Assurance Engagements other than Audits or Reviews of Historical Financial Information) and GRI Principles. Our evidence-gathering procedures were designed to obtain a '*Limited level of assurance*'. The procedures performed in a Limited assurance engagement are designed to support expectations regarding the direction of trends, relationships and ratios rather than to identify misstatements with the level of precision expected in a reasonable assurance engagement.

Statement of Independence and Competence

The SGS Group of companies is the world leader in inspection, testing and assurance, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; environmental, social and sustainability report assurance. SGS affirms our independence from IDFC First Bank Limited, being free from bias and conflicts of interest with the organization, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised auditors registered with ISO 26000, ISO 20121, ISO 50001, SA8000, RBA, QMS, EMS, SMS, GPMS, CFP, WFP,



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GHG Verification and GHG Validation Lead Auditors and experience on the SRA Assurance.

Scope of Assurance

The assurance process involved assessing the quality, accuracy, and reliability of ESG Indicators within the Reports for the period April 1, 2025, to March 31, 2026. The reporting scope and boundaries encompass IDFC First Bank Limited along with its regional network comprising 1,489 locations across India. This includes 1,147 bank branches, 289 asset outlets, and 53 offices.

Assurance Methodology

The assurance comprised a combination of desktop review, interaction with the key personnel engaged in the process of developing the report, on-site visits, and remote verification of data. Specifically, SGS India undertook the following activities:

- Assessment of the suitability of the applicable criteria in terms of their comprehensiveness, reliability, and accuracy.
- Interaction with key personnel responsible for collecting, consolidating, and calculating the ESG KPIs and assessing the internal control mechanisms in place to ensure data quality.
- Application of analytical procedures and verification of documents on a sample basis for the compilation and reporting of the KPIs.
- Assessing the data reporting process at the office level and the aggregation process of data at the Head Office level
- Critical review of the report regarding the plausibility and consistency of qualitative and quantitative information related to the KPIs.

Limitations

The assurance scope excludes:

- Disclosures other than those mentioned in the assurance scope.
- Data review outside the operational sites as mentioned in the reporting boundary.
- Validation of any data and information other than those presented in “Findings and Conclusions.”
- The assurance engagement considers an uncertainty of $\pm 5\%$ based on the materiality threshold for Assumption/ estimation/measurement errors and omissions.
- The Company’s statements that describe the expression of opinion, belief, aspiration, expectation, aim to future intention provided by the Company, and assertions related to Intellectual Property Rights and other competitive issues.
- Strategy and other related linkages expressed in the Report.
- Mapping of the Report with reporting frameworks other than those mentioned in the Reporting Criteria above.

SGS India verified data on a sample basis; the responsibility for the authenticity of data entirely lies with the Company. The assurance scope excluded forward-looking statements, product- or service-related information, external information sources and expert opinions. SGS India has not been involved in the evaluation or assessment of any financial data/performance of the company. Our opinion on financial indicators is based on the third-party audited financial reports of the Company. SGS India does not take any responsibility for the financial data reported in the audited financial reports of the Company.

Findings and Conclusions

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that ESG KPIs (listed below) presented by the Company in its Reports are not prepared, in all material respects, in accordance with the reporting criteria.

The list of ESG KPIs that were verified within this assurance engagement is given below:

GRI Indices	Description
GRI 2: General Disclosures 2021	
2-1	Organizational details
2-2	Entities included in the organization’s sustainability reporting
2-3	Reporting period, frequency, and contact point
2-7	Employees



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2-9	Governance structure and composition
2-10	Nomination and selection of the highest governance body
2-11	Chair of the highest governance body
2-12	Role of the highest governance body in overseeing the management of impacts
2-13	Delegation of responsibility for managing impacts
2-14	Role of the highest governance body in sustainability reporting
2-18	Evaluation of the performance of the highest governance body
2-19	Remuneration policies
2-20	Process to determine remuneration
2-21	Annual total compensation ratio
2-22	Statement on sustainable development strategy
2-23	Policy commitments
2-24	Embedding policy commitments
2-25	Processes to remediate negative impacts
2-26	Mechanisms for seeking advice and raising concerns
2-27	Compliance with laws and regulations
GRI 3: Material Topic 2021	
3-1	Process to determine material topics
3-2	List of material topics
3-3	Management of material topics
GRI 102: Climate Change 2025	
102-5	Scope 1 GHG emissions
102-6	Scope 2 GHG emissions
102-7	Scope 3 GHG emissions
102-8	GHG emissions intensity
GRI 103: Energy 2025	
103-4	Energy intensity
103-5	Reduction in energy consumption
GRI 201: Economic Performance 2016	
201-2	Financial implications and other risks and opportunities due to climate change
GRI 202: Market Presence 2016	
202-1	Ratios of standard entry-level wages by gender compared to the local minimum wage
GRI 204: Procurement Practices 2016	
204-1	Proportion of spending on local suppliers
GRI 205: Anti-corruption 2016	
205-2	Communication and training about anti-corruption policies and procedures
205-3	Confirmed incidents of corruption and actions taken
GRI 206: Anticompetitive Behavior 2016	
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices
GRI 302: Energy 2016	
302-1	Energy consumption within the organization
302-3	Energy intensity
302-4	Reduction of energy consumption
GRI 303: Water and Effluents 2018	



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303-3	303-3 Water withdrawal
303-4	303-4 Water discharge
303-5	303-5 Water consumption
GRI 305: Emissions 2016	
305-1	Direct (Scope 1) GHG emissions
305-2	Energy indirect (Scope 2) GHG emissions
305-3	Other indirect (Scope 3) GHG emissions
305-4	GHG emissions intensity
305-5	Reduction of GHG emissions
GRI 306: Waste 2020	
306-3	Waste generated
306-4	Waste diverted from disposal
306-5	Waste directed to disposal
GRI 401: Employment 2016	
401-1	New employee hires and employee turnover
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees
401-3	Parental leave
GRI 402: Labor/Management Relations 2016	
402-1	Minimum notice periods regarding operational changes
GRI 403: Occupational Health and Safety 2018	
403-1	Occupational health and safety management system
403-3	Occupational health services
403-5	Worker training on occupational health and safety
403-9	Work-related injuries
403-10	Work-related ill health
GRI 404: Training and Education 2016	
404-1	Average hours of training per year per employee
404-2	Programs for upgrading employee skills and transition assistance programs
404-3	Percentage of employees receiving regular performance and career development reviews
GRI 405: Diversity and Equal Opportunity 2016	
405-1	Diversity of governance bodies and employees
GRI 406: Non-discrimination 2016	
406-1	Incidents of discrimination and corrective actions taken
GRI 408: Child Labour 2016	
408-1	Operations and suppliers at significant risk of for incidents of child labor
GRI 409: Forced or compulsory labor 2016	
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor
GRI 415: Public Policy 2016	
415-1	Political contributions
GRI 418: Customer Privacy 2016	
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data



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For and on behalf of SGS India Private Limited

 Kalpesh Thombare Technical Reviewer and National Manager – ESG & Sustainability Services, SGS India. 02 nd July 2026.	 Chirag Bafna Lead Verifier and Senior Technical Associate – ESG & Sustainability Services, SGS India. 02 nd July 2026.
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IDFC FIRST Bank Limited

CIN: L65110TN2014PLC097792

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