

**IndusInd Bank**



Grounded in **Trust**,  
Growing with **Purpose**

Sustainability Report FY2025

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## 30 Commitment Redefined

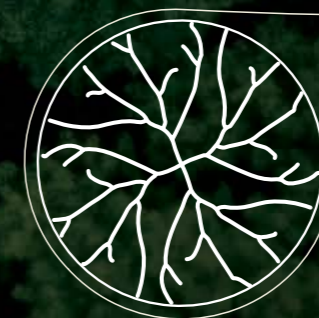
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# Grounded in Trust, Growing with Purpose

Trust is the ground IndusInd Bank stands on. It shapes how we operate, how we make decisions, and how we show up for those who place their confidence in us. It is built through discipline, consistency, and a clear sense of responsibility in our everyday actions, from governance and risk management to customer engagement and people practices.

Purpose gives direction to that trust. Across the Bank, sustainability is embedded into our strategy, processes, and operating culture, guiding how we manage resources, support communities, and respond to emerging risks and opportunities.

This Sustainability Report reflects that integration. It brings together our commitments, actions, and outcomes across environmental, social, and governance priorities, anchored in what we do daily and how we plan for the future.

### ESG Ratings and Credentials

CRISIL ESG  
**61/100**  
September 2025

**65/100**  
(FY 2025) NSE Sustainability Ratings  
and Analytics

**62/100**  
ESG Risk AI

# About the Report



## Approach to Reporting



IndusInd Bank is an Indian banking leader that has integrated Environmental, Social, and Governance (ESG) principles into its business operations, risk and reporting practices. The Bank is committed to creating long-term value for our stakeholders and has reported our sustainability efforts proactively since 2011. This Sustainability Report provides a comprehensive overview of our strategy, achievements, relationships, value-creation initiatives, and overall approach to ESG considerations.



## Reporting Framework



This report has been created following the <IR> Framework prescribed by the International Integrated Reporting Council (IIRC), which has now been merged into the IFRS Foundation. The report also includes disclosures according to the Global Reporting Initiative (GRI) and United Nations Sustainable Development Goals (UN SDGs). While we have endeavoured to minimise repetition from previous annual reports, key facts about The Bank have been included to provide a comprehensive overview of our operations and initiatives.



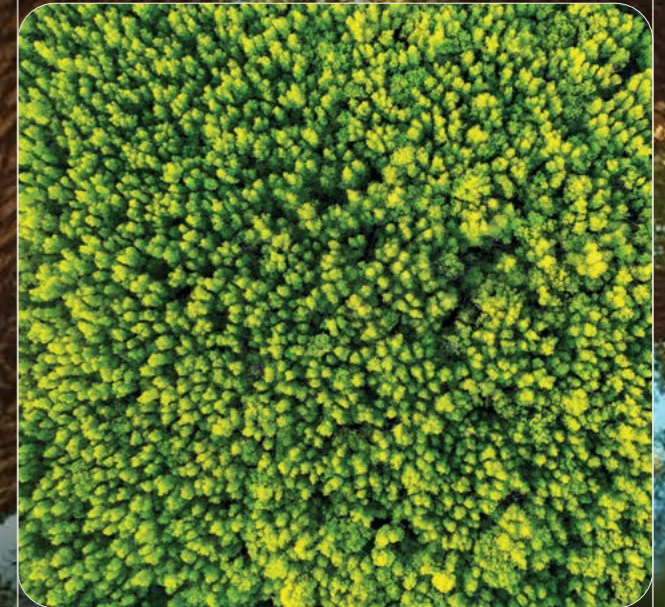
## Precautionary Principle



As a financial establishment, the Bank's environmental and social influence primarily arises from our operations and loan portfolio. We actively manage and mitigate our inherent carbon footprint while nurturing collaborations with clients and suppliers to address their environmental and societal impacts. Additionally, we are dedicated to educating our employees about the significance and implications of ESG factors, further solidifying our commitment to sustainable practices.



## Reporting Scope and Boundary



This report provides a comprehensive overview of the Bank's non-financial performance across various business verticals from April 1, 2024, to March 31, 2025.

Letter from the Chairman's Desk

# Sustainability Anchored in Accountability



FY2025 was a year that called for reflection, responsibility, and renewal. Against a backdrop of global uncertainty, economic recalibration, and heightened stakeholder expectations, IndusInd Bank remained focused on its core purpose: enabling progress in a manner that is responsible, inclusive, and sustainable.

Sustainability is not viewed as a separate agenda for the Bank. It is the lens through which we assess long-term value, balancing growth with resilience, and ambition with accountability. The year reinforced the importance of aligning business priorities with the evolving needs of society, the environment, and the economy.

## Creating Value Through Responsible Finance

As a financial institution, our most significant impact lies in how we allocate capital and manage risk. In FY2025, we continued to strengthen the integration of Environmental, Social, and Governance (ESG) considerations across lending, portfolio oversight, and operational decision-making.

ESG factors are increasingly embedded into credit assessments, risk frameworks, and product design, ensuring that growth remains responsible and future-ready. Our approach is guided by the belief that sustainable finance is essential not only for managing risk but for enabling long-term economic resilience.

### Sustainable Finance FY2025

**~47%**  
of total advances aligned to sustainable finance (FY2025, externally assured)

ESG screening integrated with credit approval process for wholesale banking division

Pilot project on Climate Change Risk Assessment conducted during the year

## Enabling Inclusive Growth and Livelihoods

India continues to be among the fastest-growing major economies globally, with inclusion and access at the heart of its development journey. In this context, IndusInd Bank recognises its responsibility to support growth that is both equitable and enduring.

Our focus on secured retail lending, MSMEs, rural banking, and livelihood finance reflects a conscious effort to balance prudence with purpose. Through our rural and microfinance ecosystem, we continue to expand access to formal finance for underserved communities, particularly women entrepreneurs, smallholder farmers, and micro-enterprises, supporting livelihoods and economic resilience at the grassroots.

### Social Impact FY2025

**24.8 lakh**  
lives positively impacted through CSR initiatives

**7.23 lakh**  
beneficiaries reached through holistic rural development programmes

**12 lakh**  
livestock supported through veterinary and livelihood interventions

**1,039 +**  
sportspersons supported through inclusive sports initiatives

## Environmental Stewardship and Climate Responsibility

While our direct environmental footprint is limited, we recognise our broader influence through operations, financing activities, and community engagement. During the year, we continued to strengthen our approach to environmental stewardship through responsible finance, operational initiatives, and risk integration.

We expanded green and social lending, advanced climate change risk assessment, and completed a pilot project aligned with the Taskforce on Nature-related Financial Disclosures (TNFD). These actions reinforce our commitment to supporting India's transition to a low-carbon, climate-resilient economy.

### Environmental Progress FY2025

Green and social lending expanded across priority sectors

Pilot project on Climate Change Risk Assessment completed

Operational initiatives aligned with carbon neutrality commitments

**Sustainability Highlight:  
Water Positivity**

Water stewardship is a key pillar of our sustainability strategy. While our operational water consumption remains modest, we are committed to creating a positive impact that extends beyond our footprint.

Through focused CSR interventions, we have consistently created water assets that exceed our annual operational water consumption, reinforcing our long-standing commitment to water positivity.

**Water Stewardship at a Glance**

**17.8 lakh**

cubic meters of water harvesting capacity created

Water replenishment through CSR initiatives exceeds annual operational consumption

Community-led watershed, recharge, and conservation projects across multiple states

**Our People: Building a Values-led Institution**

Our employees demonstrated resilience, professionalism, and commitment throughout a year marked by change and heightened scrutiny. We continued to invest in learning and capability building, leadership development, diversity and inclusion, and employee well-being, recognizing that a strong culture is essential to sustainable performance.

**People & Culture FY2025**

**44,970**  
employees across the organisation

**16.07 lakh**  
learning hours delivered



for the third consecutive year

**Governance as the Anchor for Long-term Sustainability**

During the year, certain internal developments required swift and transparent action by the Board and management. While deeply regrettable, these events prompted a comprehensive review of governance, risk, and control frameworks across the organisation.

We responded with urgency and resolve, strengthening oversight, reinforcing accountability, and ensuring that all identified impacts were fully recognised. These actions were fundamental to restoring confidence and reinforcing governance as the bedrock of sustainable value creation.

**People & Culture FY2025**

Board-led reviews across key control and risk areas

Strengthened audit, compliance, and disclosure frameworks

Financial impacts fully accounted for within FY2025

**Looking Ahead**

FY2025 also marked an important phase of leadership transition, undertaken with care, transparency, and continuity. As we move forward, our priorities are clear: to embed sustainability deeper into our business, align growth with long-term societal and environmental outcomes, and reinforce governance as the foundation of trust.

I extend my sincere gratitude to our customers, employees, investors, regulators, partners, and communities for their continued trust and support. Your confidence strengthens our resolve to deliver enduring value guided by responsibility, integrity, and purpose.

**Sunil Mehta**  
Chairman

# Performance **Highlights**

## Environment Commitment Redefined

**3**  
Green buildings

**14**  
PIONEER Branches/lobbies nationwide have achieved LEED certification

**3.6 lakh**  
saplings planted

**17.8 lakh cubic meters**  
water harvesting capacity created

**47.43%**  
Sustainable Finance portfolio

## Social Reimagining Responsibility

**14,347**  
Employee volunteering hours

**19.62%**  
Female employees

**Great Place to Work-Certified™**  
for the third consecutive year in a row

**10**  
Exclusive all-women branches

**24.8 lakh**  
lives impacted through CSR Interventions

Our CSR programs are aligned with  
**12 out of the 17**  
Sustainable Development Goals defined by the UN

**7.23 lakh**  
beneficiaries have been impacted through the Holistic Rural Development Program

Education **1.6 lakh+**  
students impacted through our Remedial Education and allied initiatives

## Governance Built on Trust. Driven by Transparency.

**16 Years**  
of reporting on sustainability initiatives

**2**  
Women Directors on the Board

**0**  
Cases of corruption

**0**  
Breaches against the code of conduct and ethics

**0**  
Data breaches occurred

## Operational Mapping the Legacy

**41 Mn+**  
Customers

**5<sup>th</sup>**  
Largest Private Bank

**6,108**  
banking touchpoints pan-India  
(3,081 outlets + 3,027 ATMs)

**93% +**  
digital transaction mix

IndusInd Bank's Contribution to UN SDGs

# Aligning our Purpose with the **UN SDGs**

At IndusInd Bank, sustainability is a part of who we are and how we work every day. We believe that real progress happens when business growth goes hand in hand with social and environmental well-being. Guided by this belief, we have aligned our efforts with **12 of the 17 United Nations Sustainable Development Goals (SDGs)** that form the backbone of the global 2030 Agenda.

These goals help us stay focused on what matters most: enabling financial inclusion, empowering women, supporting clean energy, protecting natural resources, and helping communities thrive. Each initiative we undertake, whether through our products, partnerships, or community programs, is a step towards creating lasting impact.

We also know that sustainability is not something any one organization can achieve alone. We continue to work closely with governments, development partners, and civil society to drive change that is both meaningful and measurable. Together, we aim to build a future that is equitable, resilient, and sustainable for all.

## Our Alignment with the UN SDGs



## Sustainable Development Goals (SDGs)

IndusInd Bank Limited's initiatives align with 12 of the 17 Sustainable Development Goals (SDGs). Bharat Pragat, our CSR initiative, aims for holistic village development by enhancing access to basic needs such as water and healthcare. It collaborates with local governments and communities, utilising public infrastructure to meet these requirements. Bank's subsidiary unit - BFIL also supports members in availing services that contribute to SDGs and provides comprehensive primary healthcare services through government facilities, focusing on preventive and curative treatments and water conservation efforts.



BFIL offers IndusInd Bank products to the underbanked segments of the population, promoting financial inclusion and offering income-generating loans that address poverty. The Bank's CSR initiatives directly support livestock health and help sustain income generation. Under CSR Initiatives, Bharat Sanjeevani, emergency response centers offer precision-driven service through technology, and prompt and accurate treatment for the livestock of farmers, ensuring income levels are sustained. Artificial insemination helps improve income generation through the creation of livestock assets.



Bharat Sanjeevani and Bharat Pragat's CSR initiatives offer comprehensive healthcare services, contributing significantly to community health and well-being.



By providing microfinance loans exclusively to women, IndusInd Bank along with its subsidiary unit – BFIL, supports female entrepreneurship and boosts women's participation in the workforce. As part of our diversity and inclusion initiatives, we continue to promote gender balance across our workforce. In FY25, female employees constituted around 20.5% of the overall staff (Permanent + Contractual).



The Bharat Pragat initiative focuses on water conservation, enhancing water table levels in reservoirs, and ensuring the availability of clean water. Besides, financial assistance is provided to purchase water filters, ensuring the availability of clean water in the hinterlands.



Several clean energy products, such as solar lights and energy-efficient home appliances, contribute to reduced carbon footprints and promote clean energy usage. Along with that, we are moving towards renewable energy consumption to reduce our carbon footprint. The Bank conducted a project to assess the impact of climate change induced physical and transition risks on selected loan portfolio.



Through the loan products of the Bank, IndusInd Bank Limited, and BFIL facilitate easy access to financing, enhance mobile penetration, connect remote corners of the country to the Internet, and promote seamless communication. We are prioritising Green and LEED certifications for our upcoming projects as part of our commitment to sustainable infrastructure. For instance, the bank's new building in Chennai has achieved Platinum LEED certification.



IndusInd Bank and its subsidiary entity, BFIL, promote financial inclusion and credit facilities for underbanked communities by providing livelihood opportunities and reducing inequalities through various government schemes.



The Bharat Pragat initiative adopts a collaborative approach with the local governments and communities, forging reliable partnerships to achieve sustainable goals.

# Corporate **Overview**



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Corporate Overview

# Creating Momentum for a Sustainable Future

IndusInd Bank stands among India's leading private sector banks, recognised for its strong network, customer-first approach, and spirit of innovation.

Since our inception in 1994, we have drawn inspiration from the Indus Valley Civilisation, which is a symbol of progress, resilience, and enterprise. These are the values that continue to guide our business practices.

Over the past three decades, we have grown into a trusted financial partner for more than **41 million customers** across diverse segments, offering an extensive portfolio of products and services, including personal loans, credit cards, SME finance, and digital banking solutions.

Powered by cutting-edge technology and a culture of agility, we strive to deliver seamless experiences that redefine the way India banks. As we move forward, we remain committed to achieving sustainable and scalable growth, creating enduring value for our customers, communities, and stakeholders.

## Our Legacy

 **41 Mn+**  
Customers

 **93%+**  
Digital Transaction Mix

 **5<sup>th</sup>**  
Largest Private bank

 **1,62,000**  
Villages Reached

 **6,108**  
Banking Touchpoints Pan-India  
(3,081 Outlets + 3,027 ATMs)

Our Products and Solutions

# Comprehensive Solutions for Every Financial Journey

IndusInd Bank offers an extensive suite of financial solutions crafted to empower individuals, enterprises, and institutions alike.

Our offerings encompass microfinance, vehicle finance, diamond banking, and corporate solutions, each carefully designed to address distinct needs and facilitate growth at every level.

We stand at the forefront of modern banking, where innovation meets empathy. We have transformed the way people experience finance by offering intuitive, technology-driven solutions that adapt to every customer's unique needs.

Rooted in sustainability, we channel our efforts toward investments that create meaningful impact and lending practices that respect the planet. We work closely with governments, corporations, and communities to develop solutions that foster inclusive progress.



## Consumer Banking

Our consumer banking franchise delivered stable growth, supported by strong liability mobilisation, diversified retail lending, and a sharper digital focus.



**Consumer Liabilities** grew **3% y-o-y**, reflecting healthy deposit traction across savings, current, and term deposit segments.



**NRI Banking** achieved a robust **28% y-o-y increase**, strengthening our position as a trusted partner for global Indians.



**Retail Payments** registered a **29% y-o-y growth in UPI volumes**, underscoring the success of our digital payment ecosystem.



**SME & Merchant Acquisitions** maintained momentum with the Indus One Business current account reaching **60% penetration** among new-to-bank clients. Merchant acquiring volumes rose steadily, driven by **NFC soundboxes with card acceptance**, enhancing convenience and lowering acceptance costs.



**Retail Assets & Credit Cards** recorded **20.5% y-o-y growth in disbursements** and **13.9% y-o-y increase in card spends**, leading to a **20.1% y-o-y expansion in the overall retail book**.



The **Business Banking Group** continued to grow with **126 MSME Hubs** and **316 spoke centers** nationwide. Over **70-80%** of new acquisitions were digitally enabled, supported by offerings such as IndusWE for women entrepreneurs, CGTMSE backed loans, rooftop solar finance, and loan-protect insurance.



**Client Wealth Management** scaled to an **AUM of ₹ 2,70,775 crore**, supported by disciplined advisory services and higher insurance penetration.

### Affluent Banking

Under our flagship brand **PIONEER**, we cater to HNIs and UHNIs with bespoke solutions and priority wealth services. FY2025, saw the successful **launch of PIONEER Private**, introducing curated investment, lending, and lifestyle offerings backed by dedicated private bankers.

### Consumer Finance Division (CFD) & Microfinance

The **Consumer Finance Division** remained a key growth pillar, with the **vehicle finance business expanding 8% y-o-y to ₹95,595 crore**. Our **affordable housing portfolio** continued to align with the Government's 'Housing for All vision', while disciplined underwriting ensured asset quality remained stable.

Through **Bharat Financial Inclusion Limited (BFIL)**, we extended financial inclusion to **12 million customers across 1.62 lakh villages**, powered by responsible lending and digital enablement. The Bank maintained strong collection efficiency and effective risk management across microfinance operations.

### Corporate & Commercial Banking Group (CCBG)

Our Corporate & Commercial Banking business remains anchored in prudence and relationship depth. The **corporate book stood at ₹1,43,463 crore**, serving mid-market enterprises, large corporates, PSUs, NBFCs, and MNCs. With a **risk-calibrated approach**, we continued to support clients through tailored financing, trade, and treasury solutions that reinforce sustainable sectoral growth.

### Global Diamond & Jewellery Group (GDJG)

IndusInd Bank continued its leadership in gems and jewellery financing. **40% of GDJG clients were MSMEs**, reflecting our support for small and medium players in this export-driven industry. The Group was **recognized by GJEPC** for achieving the **highest growth in sanctioned limits on a ₹500 crore-plus base**, reinforcing our position as a preferred partner for the global diamond ecosystem.

### ESG-Aligned Offerings

Our commitment to sustainability is embedded across all business lines through products that drive environmental and social impact.

- **IndusWE**, a digital platform for women entrepreneurs, fosters mentoring, learning, and funding access.
- **Green/Social/Sustainability-Linked Loans & Bonds** provide clients with financing solutions for transition and impact projects.
- **Indus Solar** enables MSEs to adopt rooftop solar systems, promoting clean-energy adoption.
- Under the **CGTMSE** framework, we provide collateral-free credit guarantees up to ₹500 lakh for MSE's.
- **Development Finance tie-ups mobilized US \$425 million** from DFIs to support sectors like healthcare, agriculture, and microfinance.

### ESG in Risk and Operations

Sustainability is integrated into our risk architecture through the **Environmental and Social Management System (ESMS)**, which screened ~ 80% of **wholesale banking credit exposure in FY2025**. We strengthened climate-risk governance by conducting a project on climate change risk assessment for the selected loan portfolio of the Bank, and completed a TNFD pilot project **for agricultural exposure**, becoming the first Indian bank to do so. Operationally, we advanced towards our **Carbon Neutral 2032 commitment** through GHG reduction and Green IT initiatives.

### INDIE 2.0 – An Easy Credit Platform

Our **Digital 2.0 journey** gained strong traction in FY2025, transforming acquisition, servicing, and engagement across retail and MSME segments.

- The **INDIE mobile app** scaled to **1.6 million active clients**, offering an upgraded, intuitive experience with AI-driven personalisation.
- **INDIE for Business**, our digital platform for MSMEs, onboarded **1,00,000+ clients within six months of launch**, with rapid growth in tax and bill payments.
- The **Easy Credit platform** processed **over 15 million applications in FY2025**, powering all retail and MSME exposures up to ₹5 crore.

Our Approach to ESG

# People. Planet. Profit.

At IndusInd Bank, we view Environmental, Social and Governance (ESG) principles as the foundation of long-term value creation, influencing how we lend, operate, and engage with stakeholders.

In FY2025, we strengthened our ESG agenda through deeper governance oversight, expanded sustainable finance, and tangible progress toward our **carbon-neutrality goal**.

## Mission Statement

IndusInd Bank believes that Good Ecology is Good Economics. The Bank strives to create sustainable value for all stakeholders, aiming to lead as a best-in-class institution committed to responsible economic growth. By fostering consistent and conscientious business practices, IndusInd Bank benefits our customers while also supporting the well-being of our employees, the environment, and the wider community.

## Vision

Rise to be the leader in Sustainable Banking, creating sustained value for all the stakeholders by integrating Responsible Banking Principles into core business strategies.

## ESG Governance

IndusInd Bank's sustainability governance is anchored at the Board level through the CSR and Sustainability Committee. The Bank's centralised Sustainability Unit collaborates across business and enabling functions to define, execute, and monitor ESG strategy within each Planning Cycle. During Planning Cycle 6 (FY2024–FY2026), sustainability objectives were embedded into annual and quarterly goals of all business units, reinforcing accountability for measurable ESG outcomes.

## Integration of SDGs

IndusInd Bank actively aligns its business priorities with 12 of the 17 UN SDGs, focusing on goals related to climate action, clean energy, decent work, gender equality, and reduced inequalities. In FY2025, IndusInd's sustainable finance portfolio represented approximately 47% of total advances, marking strong progress toward its sustainable financial inclusion agenda. Through the Holistic Rural Development Program, the Bank impacted over 24.8 lakh lives, including 7.23 lakh through targeted rural interventions, 1.6 lakh through education, and 1,039 sportspersons supported under inclusive sports programmes.

## Policies

In FY2025, the Bank completed a comprehensive review and update of all sustainability-related policies, aligning them with global ESG trends, RBI expectations, and SEBI-BRSR guidelines. Publicly available through the Bank's website, these policies include frameworks for Environmental and Social Management System (ESMS), sustainable procurement, responsible lending, diversity and inclusion, climate risk governance, and ethical conduct.

The Environmental and Social Management System (ESMS), applicable to the Wholesale Banking unit of the Bank, continues to be the cornerstone of ESG risk integration as ~ 80% of wholesale banking credit exposure was evaluated under this framework during FY2025. General and Sector specific checklists have been developed for ESG risk assessment of eligible loan proposals. Enhanced ESG due diligence is also conducted for loan proposals from industries that are perceived to have inherent high ESG risks.

## Partnerships

Strategic collaborations continued to amplify IndusInd Bank's ESG impact. The Bank partnered with global Development Finance Institutions, including USAID, DFC, and ADB—mobilising cumulative funding of USD 517 million, with USD 100 million raised in FY2025 alone. These partnerships facilitated financing across healthcare, agriculture, MSMEs, and livelihood-linked enterprises.

The Bank also continued its collaboration with NITI Aayog and sectoral ministries under national programs such as Aspirational Districts and the Ministry of Rural Development's livelihood initiatives. Its flagship "IndusWE" platform empowered women entrepreneurs through mentorship, credit, and non-financial support services, building the bridge between finance and inclusion.

## Awards and ESG Performance Highlights

- Recognised by Financial Times as one of Asia-Pacific's Climate Leaders (2024)
- Ranked as Market Leader for ESG in India by Euromoney for the third consecutive year
- ASSOCHAM Award for Best Environment, Social and Governance Practices
- CRISIL ESG rating: 61/100 (Strong)
- MSCI Rating: BBB → A
- NSE Ratings: 65/100 (Aspiring)
- ESG Risk AI: 62/ 100 (Strong)

**14,347**  
employee volunteering hours

**10**  
all-women branches

**19.6%**  
women representation

**16.07 lakh**  
learning hours

**Zero**  
cases of corruption or data breaches.

## The Road Ahead

IndusInd Bank remains committed to achieving carbon neutrality by 2032 and advancing its ESG-linked portfolio through innovation in green finance, social impact lending, and sustainable operations. As the Bank builds toward a carbon neutral and inclusive future, ESG continues to guide every decision, ensuring growth that is not only profitable but purposeful.

## Our ESG Principles

# Embedding Sustainability in Every Decision

We integrate Environmental, Social and Governance (ESG) principles into every aspect of our business, from product innovation to operational excellence.

We remain proactive in identifying opportunities for sustainable growth and expanding our ESG-linked portfolio through deal origination, structured financing, and new product launches across business verticals. Our commitment extends beyond products to embedding ESG considerations within our governance and risk management framework, ensuring that our growth remains inclusive, responsible, and resilient.

## ESG in Business

### IndusWE

IndusWE is our digital platform designed to empower women entrepreneurs through the pillars of Learn, Connect, and Grow. It provides personalised mentoring, capacity-building modules, and access to funding opportunities. By fostering strategic partnerships and financial inclusion, IndusWE strengthens the foundation of women-led enterprises and enables them to scale sustainably.

### Green/Social/Sustainability-Linked Loans and Bonds

We continue to develop innovative financing instruments that advance the sustainability agenda. Our range of partnership-based debt solutions helps corporate clients access green, social, and transition finance, creating long-term environmental and social value through responsible capital allocation.

### Indus Solar

We have developed a Rooftop Solar Loan Finance program tailored for MSE clients to accelerate the shift toward clean energy. By enabling small businesses to adopt solar solutions, we are promoting sustainable energy practices that enhance operational efficiency and contribute to a greener economy.

### Sustainable Finance Portfolio

Our Sustainable Finance Portfolio focuses on sectors that generate measurable environmental and social benefits. We support renewable energy projects, green buildings, and energy efficiency initiatives aligned with BEE guidelines. Through programs such as Water, Sanitation, and Hygiene (WaSH), we help expand access to clean water and sanitation. We also continue to finance climate-positive sectors like e-mobility and rooftop solar systems, with Indus Solar serving as a key enabler for small businesses to transition to renewable energy.

### Partnership with Development Finance Institutions (DFIs)

We actively collaborate with funds, foundations, and Development Finance Institutions (DFIs) to promote financing in critical sectors such as healthcare, agriculture, and microfinance. These partnerships have resulted in direct funding of approximately \$425 million, further strengthening our capacity to deliver financial solutions with sustainable impact.

### Credit Guarantee Trust for Micro and Small Enterprises (CGTMSE)

Through the CGTMSE scheme, we extend credit guarantees of up to Rs 669 Crore (till March 31, 2025) to Micro and Small Enterprises (MSEs) without physical collateral. This initiative enhances lending confidence and expands access to finance, thereby supporting entrepreneurship and economic inclusion at the grassroots level.

### Environmental and Social Management System (ESMS)

We have established a comprehensive Environmental and Social Management System (ESMS) that integrates ESG risk assessment with the credit approval process for wholesale banking loan proposals. This ensures that ESG due diligence is conducted before loan approvals, helping us manage environmental and social risks effectively across our portfolio.

### Enhancement of ESG Risk Assessment Standards for High Risk Industries

Enhanced ESG due diligence of loan proposals from six industries perceived to have inherent high ESG risks is conducted by the Sustainability Unit. Industry specific checklists have been developed for this six high risk industries in collaboration with a leading consulting firm to augment the ESG risk assessment process. These tools enable detailed assessments of environmental and social risks in these six high-risk industries, reinforcing our commitment to responsible lending.

### Climate Risk Disclosure

We continue to align our policies and practices with the Reserve Bank of India's (RBI's) guidance on climate-related financial disclosures. Our sustainability team actively monitors evolving regulatory frameworks and global best practices to ensure preparedness and transparency in managing climate risks.

### Taskforce on Nature-related Financial Disclosures

We successfully completed the United Nations-supported Taskforce on Nature-related Financial Disclosures (TNFD) Pilot Program, being the only Indian bank to participate. The exercise focused on evaluating our agricultural portfolio, strengthening our understanding of nature-related dependencies and impacts, and informing our future approach to biodiversity-linked finance.

## ESG in Operations

### Carbon Neutrality Target 2032

We are committed to achieving carbon neutrality by 2032 through a structured roadmap that focuses on energy efficiency, renewable energy adoption, and sustainable operations across all our facilities.

### GHG Emission Intensity

We continue to reduce our greenhouse gas (GHG) emission intensity through targeted interventions in energy management, digital transformation, and waste reduction, reaffirming our commitment to minimising our environmental footprint.

### Green IT

Our Green IT strategy emphasises the use of energy-efficient data centers powered by renewable energy, streamlined IT operations, and technology upgrades that enhance system efficiency while reducing emissions.

### Driving Sustainability through Digital and Paperless Initiatives

Aligned with India's Nationally Determined Contributions (NDCs) to reduce GDP carbon intensity by 45% from 2005 levels by 2030, we are advancing a digital-first approach across operations. We promote the use of e-statements, digital transactions, and paperless processes to reduce our carbon footprint. These initiatives also contribute to Sustainable Development Goal (SDG) 13, which is Climate Action, by encouraging environmentally responsible banking behaviour among our customers.

\*The outcomes of this study can be accessed at: [IndusInd-TNFD Case Study](#)

Stakeholder Engagement

# Partnerships that Power Progress

Our stakeholders are integral partners in our journey of responsible growth. We recognise that long-term value creation depends on the strength of our relationships with investors, customers, employees, suppliers, regulators, policymakers, and the communities we serve.

IndusInd Bank ensures that our business remains responsive to evolving expectations while advancing our shared sustainability goals through transparent communication, mutual trust, and active engagement.



**Stakeholders**

**Investors**



**Customers**



**Employees**

<b>Key Areas of Engagement</b>	<ul style="list-style-type: none"> <li>Efficient operational performance with a focused growth strategy</li> <li>Risk management</li> <li>Compliance to regulations</li> <li>Building a responsible value chain</li> <li>ESG performance, ratings, and disclosures</li> </ul>	<ul style="list-style-type: none"> <li>Client-centric solutions</li> <li>Ease of banking</li> <li>Complaint resolution</li> </ul>	<ul style="list-style-type: none"> <li>Benefits and remuneration</li> <li>Grievance redressal and timely response</li> <li>Training and career development</li> <li>Work-life balance</li> </ul>
<b>Mode of Engagement</b>	<ul style="list-style-type: none"> <li>Investor gatherings</li> <li>Grievance channels</li> <li>Round table discussions</li> <li>Quarterly calls</li> <li>In-person meetings</li> <li>Annual general meetings</li> </ul>	<ul style="list-style-type: none"> <li>Video conferencing</li> <li>Surveys</li> <li>Net Promoter Score (NPS)</li> <li>Social media interactions</li> </ul>	<ul style="list-style-type: none"> <li>Town hall gatherings</li> <li>Comprehensive performance evaluations</li> </ul>
<b>Engagement Approach</b>	We prioritise transparency and insight by ensuring thorough information disclosure, and creating a deep understanding of our performance and strategic direction. This approach helps maintain investor confidence and supports informed decision-making.	IndusInd Bank focuses on creating innovative solutions, products, and superior services that cater to individual needs. This commitment ensures customers receive personalized and efficient banking experiences that enhance their financial well-being.	Aligning employee concerns with The Bank's strategic goals is a key focus. We ensure a motivated and cohesive workforce dedicated to achieving organisational objectives by addressing and integrating employee feedback.
<b>Value Creation</b>	Consistent financial excellence in the face of market turbulence and shifting dynamics.	Significant benefits for all clients, leading to decreased client attrition and improved efficiency.	Advancing careers while ensuring overall employee well-being for a thriving workplace.
<b>Capitals Impacted</b>			



**Suppliers**



**Regulators & Policymakers**



**Society & Communities**

<ul style="list-style-type: none"> <li>Fair treatment</li> <li>Procurement from local and small-scale suppliers</li> <li>Service delivery and quality</li> <li>Operational efficiency</li> </ul>	<ul style="list-style-type: none"> <li>Regulatory compliance</li> <li>CSR reporting</li> <li>BRSR reporting</li> </ul>	<ul style="list-style-type: none"> <li>Financial literacy and inclusion</li> <li>Support for livelihoods</li> <li>Socio-economic development</li> <li>Rural development</li> <li>Environment</li> <li>Education</li> <li>Inclusive sports</li> <li>Job creation</li> </ul>
<ul style="list-style-type: none"> <li>Supplier meets</li> <li>Techno-commercial dialogues</li> <li>Sustainability evaluations</li> <li>Ethical procurement practices</li> </ul>	<ul style="list-style-type: none"> <li>In-person meetings</li> <li>Email communications</li> <li>Performance reports</li> <li>The Bank is committed to demonstrating corporate citizenship and executing publicly available policies</li> </ul>	<ul style="list-style-type: none"> <li>Community development programs</li> <li>CSR initiatives</li> <li>Environmental initiatives</li> <li>Public consultations and surveys</li> </ul>
Substantial investments are made to foster enduring partnerships with suppliers. This includes ensuring sustainability and ethical procurement practices, which strengthen the supply chain and support long-term collaboration.	We demonstrate corporate citizenship by adhering to publicly available policies.	As a leading provider of livelihood finance in India, The Bank is committed to our CSR philosophy "Sattvam — Our Country. Our Commitment." This includes efforts to reduce our carbon footprint and promote social responsibility.
Cultivating a network of suppliers that actively contribute to creating a responsible and sustainable supply chain through the implementation of exemplary practice.	Supporting government initiatives and diligently complying with laws, leading by example, and mitigating potential risks.	Creating positive impact through CSR initiatives, including environmental stewardship, education, skill development, healthcare, and promotion of arts and sports.



Materiality

# Turning Material Priorities into **Meaningful Outcomes**

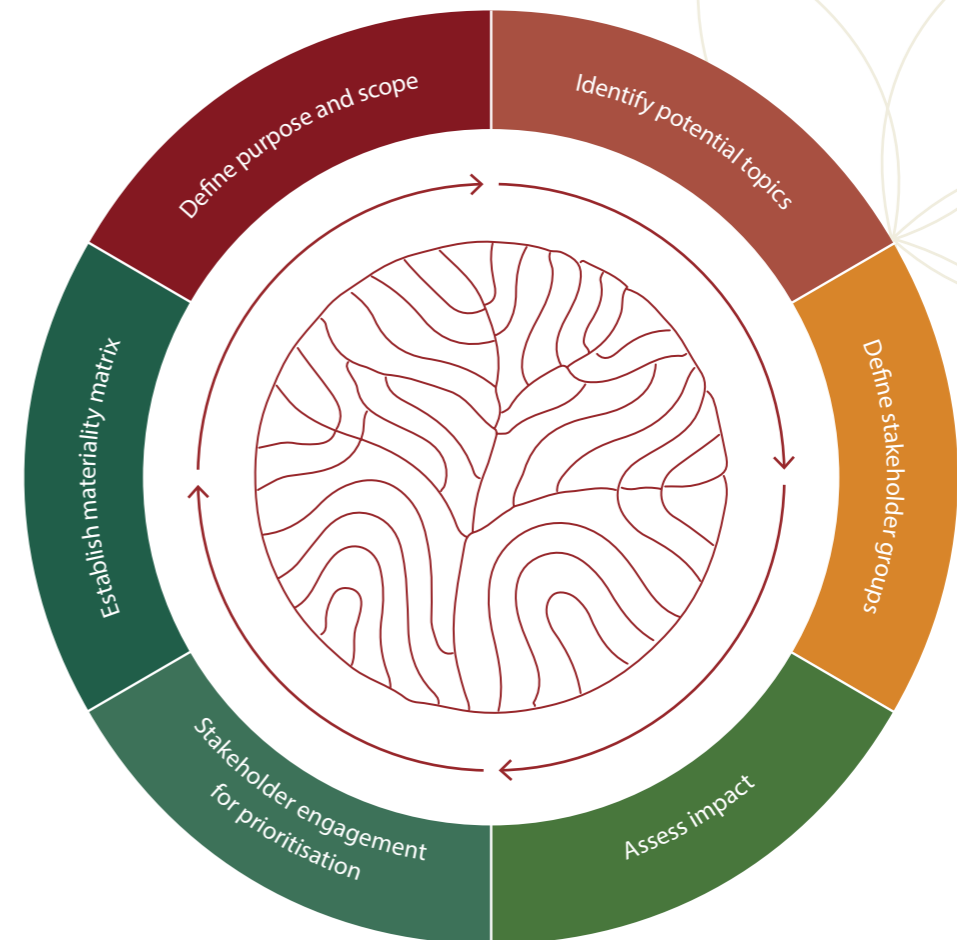
At IndusInd Bank, material issues form the foundation of our long-term value creation strategy.

These issues significantly shape our operations, influence asset quality and financial performance, and guide our reputation as a responsible financial institution. By proactively addressing them, we ensure that our sustainability strategy remains agile, risk-aware, and deeply aligned with stakeholder expectations.

## Materiality Assessment Process

In a landscape defined by evolving customer expectations, regulatory transformation, and rising sustainability imperatives, IndusInd Bank has embedded a rigorous materiality assessment framework. This framework serves as a strategic compass, ensuring that business growth is pursued in harmony with governance excellence, meaningful stakeholder relationships, and the Bank's long-term sustainability vision.

### The Process



## Materiality Matrix

Through this systematic assessment, IndusInd Bank identified 8 material topics of strategic relevance, each representing a key lever for sustainable growth and stakeholder trust. These topics are mapped along two dimensions: their potential impact on business performance and their importance to stakeholders. This approach ensures that our priorities reflect both financial imperatives and societal expectations, enabling us to build a resilient and inclusive business model.



### Environment

- 1 Digitalization
- 2 Climate Transition Finance
- 3 Resilience to Climate Change
- 4 Carbon Footprint Social

### Social

- 5 Customer Experience
- 6 Social Finance & Financial Inclusion
- 7 Talent Attraction & Retention
- 8 Diversity & Inclusion
- 9 Employee Welfare
- 10 Supporting Communities

### Social

- 11 Compliance
- 12 Transparency & Disclosures
- 13 Financial Performance
- 14 Ethics & Integrity
- 15 Client Data Protection & Cyber Security
- 16 Responsible Lending
- 17 Product Liability
- 18 Risk Management Framework
- 19 Sustainable Procurement

## Addressing the Material Issues

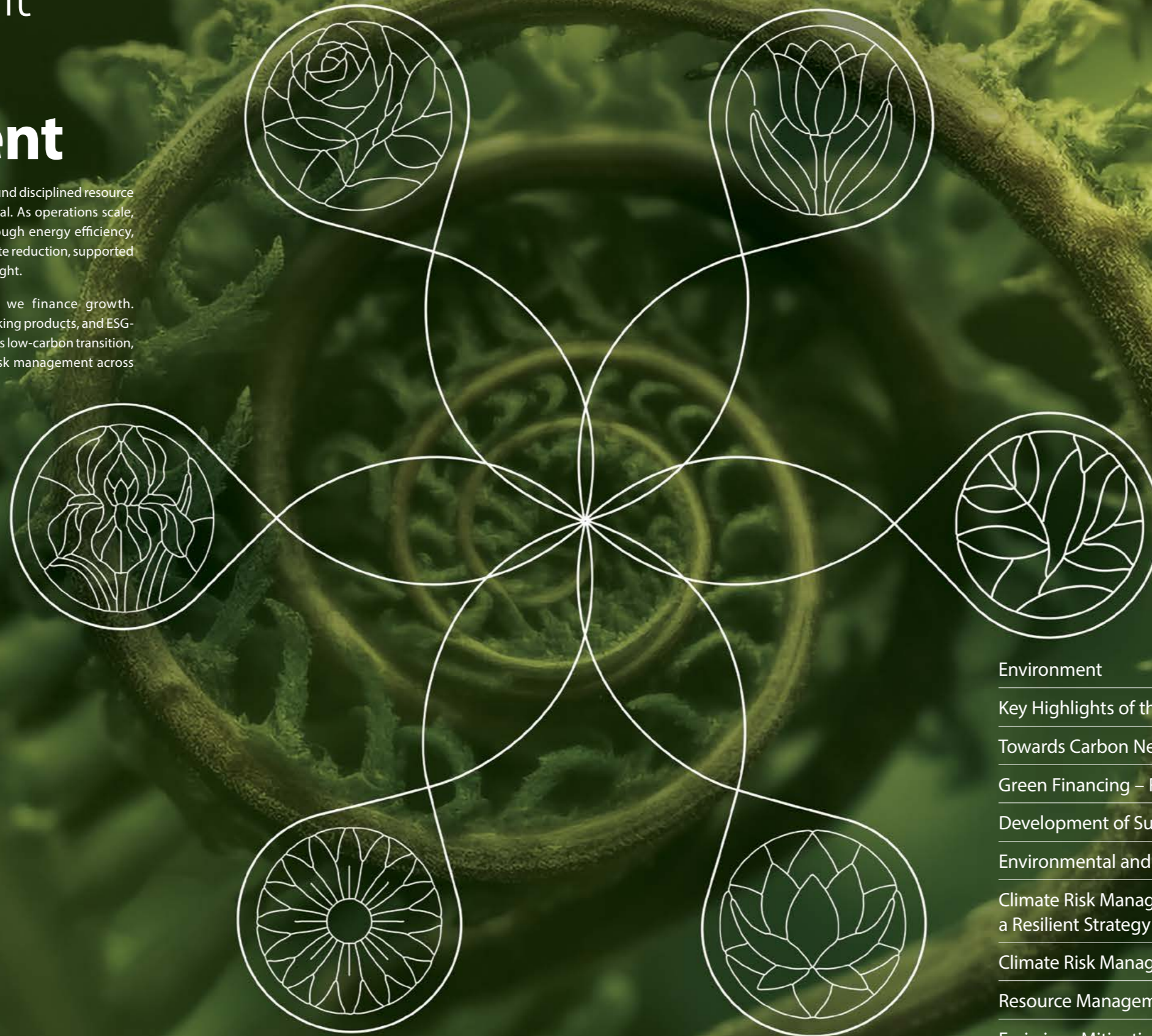
Key Material Issues	Management Approach	Stakeholders Impacted
<b>Customer Experience</b>	The Bank is dedicated to delivering an exceptional customer experience. From the first interaction, every effort is made to understand and meet customer needs. The Bank provides seamless, effective, and tailored services using state-of-the-art technology and a customer-centric approach. Our primary goal is to build trust, exceed expectations, and ensure a positive banking experience for every customer.	
<b>Social Finance &amp; Financial Inclusion</b>	IndusInd Bank recognizes that social finance extends beyond financial gains, emphasizing the creation of lasting and meaningful societal benefits. The Bank actively supports the growth and impact of social enterprises by providing customized debt solutions tailored to their specific needs. This commitment includes financing initiatives in vital sectors such as health and sanitation, significantly enhancing community well-being.	
<b>Talent Attraction &amp; Retention</b>	The Bank recognizes that diversity and inclusion extend beyond our internal operations. This commitment is also reflected in our relationships with customers, partners and the communities the bank serves.	
<b>Diversity &amp; Inclusion</b>	Key Diversity and Inclusion highlights of The Bank include: <ul style="list-style-type: none"> <li>• The Bank has launched 10 all-women branches across India in Jalandhar, Chandigarh, Delhi, Jaipur, Pune, Bhubaneswar, Kolkata, Bengaluru, Chennai, and Thiruvananthapuram.</li> <li>• In FY2024, The Bank hired neurodivergent employees, contributing to a workforce that includes 148 employees with disabilities.</li> <li>• 2 out of a total of 11 Directors on the Board are women.</li> </ul>	
<b>Compliance</b>	The Bank is committed to being a responsible organization, continuously cultivating a culture of risk management and compliance. The Bank remains attentive to the evolving regulatory environment, ensuring our operations adhere to standards set by regulatory authorities. The Bank's control functions guarantee alignment with industry-leading practices.	
<b>Transparency &amp; Disclosures</b>	Transparency and disclosure are fundamental principles for IndusInd Bank. We firmly believe that providing comprehensive and accurate information is essential for customers and stakeholders to make well-informed decisions. The Bank is committed to openly sharing our financial data, policies, and procedures, ensuring access to necessary information, building trust, and promoting accountability in our banking relationships.	
<b>Ethics &amp; Integrity</b>	The Bank is committed to upholding the highest ethical standards in all our operations and interactions. The staff adheres to a strict Code of Conduct emphasizing honesty, fairness, and accountability. The Bank believes that maintaining integrity is not just a responsibility but a necessity to earn and sustain the trust of our customers and communities.	
<b>Client Data Protection &amp; Cyber Security</b>	The Bank is dedicated to adapting to the evolving cyber landscape. Our specialized team, focused on cyber and information risk management, ensures The Bank remains vigilant and proactive in safeguarding our operations and customer data from cyber threats.	



# Commitment Redefined - Environment

IndusInd Bank's environmental approach is built around disciplined resource management and responsible deployment of capital. As operations scale, we remain focused on reducing our footprint through energy efficiency, emissions management, water stewardship, and waste reduction, supported by clear targets, monitoring, and governance oversight.

Environmental considerations also shape how we finance growth. Through green and climate finance, sustainable banking products, and ESG-screened lending, we support sectors critical to India's low-carbon transition, while strengthening climate and environmental risk management across the portfolio.



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Environment

# Efficiency. Responsibility. Sustainability.

IndusInd Bank remains deeply committed to creating long-term, sustainable value while pursuing scalable growth anchored in responsible environmental stewardship.

We continue to reduce our ecological footprint by embedding sustainability into every aspect of our operations, strengthening energy efficiency measures, and steadily expanding our suite of green products and services to support a low-carbon future.

## Key Focus Areas

- Carbon Neutrality by 2032
- Resource and Waste Management
- Climate Risk Management Aligned to IFRS S2
- Energy Efficiency and Clean Energy Use
- ESG Risk Screening via ESMS
- Sustainable Banking Product Innovation

## Key Highlights of the Year

**86,737**  
Total Scope 1+2 emissions (tCO<sub>2</sub>e)

**3,67,106**  
Total energy consumption (GJ)

**19,956**  
Scope 3 emissions (tCO<sub>2</sub>e)

**47.43%**  
Sustainable Loan Book  
(as a % of advances)  
(For FY2025)

## Towards Carbon Neutrality – 2032 Goal

Our ambition to achieve carbon neutrality by FY2032 remains the cornerstone of our environmental strategy. In FY2025, we advanced the commitments set out in our multi-year decarbonisation roadmap by completing comprehensive and updated emissions inventories across Scope 1, 2 and 3, while further reducing operational intensity across our branches, ATMs and offices. We strengthened our ESG governance architecture through targeted investments in advanced technology platforms that enable enterprise-wide tracking of emissions data with greater accuracy, transparency and accountability. Although operational emissions recorded a measured decline, the more profound shift is underway in the transformation of our core infrastructure, accelerating the transition to renewable energy, low-emission assets and cleaner technologies. In parallel, we are evaluating credible, verified carbon credit mechanisms to responsibly address residual emissions as we progress towards our FY2032 commitment.

## Green Financing – Responsible Asset Management

IndusInd Bank continues to advance its sustainable finance agenda through focused initiatives that support sectors aligned with our environmental and social priorities. We are committed to scaling our climate and transition finance portfolio, with a strong emphasis on clean energy, water and sanitation, green buildings, energy efficiency, and e-mobility.

Our growing sustainable finance portfolio, which includes both green and social finance exposures, plays a pivotal role in driving our ESG ambitions and enabling positive impact across communities and markets.



### Energy Efficiency

Energy efficiency is a key pillar of IndusInd Bank's sustainable finance approach. The Bank supports a wide range of industrial, commercial, and residential projects that deliver measurable reductions in energy consumption and drive operational efficiency. All financed initiatives adhere to Bureau of Energy Efficiency (BEE) standards, reinforcing our commitment to promoting responsible, resource-efficient growth.



### Renewable Energy

Renewable energy remains a cornerstone of IndusInd Bank's green finance strategy. Backed by a specialised Clean Energy Finance team, the Bank partners closely with stakeholders across the solar, wind, biomass, and hydropower ecosystems. This collaborative approach enables us to proactively identify and pursue opportunities in the renewable energy space while maintaining robust risk management and ensuring responsible, long-term value creation.



### WaSH (Water, Sanitation and Hygiene) Programme

The Bank's WaSH program advances access to clean water and sanitation by financing critical infrastructure, including sewage treatment plants, water management systems, and desalination facilities. These initiatives address essential community needs while significantly improving public health, hygiene, and overall quality of life.



### Green Buildings

IndusInd Bank supports the development of green buildings certified by LEED, GRIHA, and IGBC. These initiatives help transform conventional structures into environmentally responsible, resource-efficient spaces, aligning with the Bank's broader vision for sustainable and future-ready growth.

## Development of Sustainable Banking Products

### Green Deposits

Launched "Green Fixed Deposits" to support projects aligned with the United Nations Sustainable Development Goals (UN SDGs).

**₹ 16,176.99 Cr**  
Total Disbursement

**₹ 2,710.26 Cr**  
Total Outstandings as 31/03/2025

### Sustainable Debt Financing Solutions for Corporates

#### ESG Lending Table

	FY20	FY21	FY22	FY23	FY24	FY25
Green and climate finance advances (₹ in cr)	5,382	6,059	6,770	7,887	9,437	26,316
Green and climate finance as % of The Bank's advances	3.00%	2.85%	2.83%	2.72%	2.75%	7.63%
Social, livelihood, and inclusive finance advances (₹ in cr)	81,438	91,954	1,05,898	1,26,049	1,53,058	1,37,321
Social, livelihood, and inclusive finance as % of The Bank's advances	39.00%	43.25%	44.30%	43.48%	44.58%	39.80%
Total advances (₹ in cr)	2,06,783	2,12,595	2,39,052	2,89,924	3,43,298	3,45,019
Total ESG lending	86,820	98,013	1,12,668	1,33,935	1,62,495	1,63,637
ESG lending as % of The Bank's advances	41.98%	46.10%	47.13%	46.20%	47.33%	47.43%

#### FY 25

		FB Exposure (Rs. Cr)	
Green & Climate Finance		Social, Livelihood & Inclusive Finance	
Sustainable Finance Sector	March'25	Sustainable Finance Sector	March'25
Renewable Energy	₹ 15,415	Education	₹ 3,571
Energy Efficiency	₹ 214	Healthcare	₹ 6,545
Green Buildings	₹ 2,170	Impact NBFC	₹ 5,451
Clean Energy	₹ 6,128	Social Infra	₹ 13,791
Water, Sanitation & Hygiene	₹ 1,687	Affordable Housing	₹ 3,286
Sustainable Management of Natural Resources and Land Use	₹ 0	Agri-Business	₹ 37,621
Clean Transportation	₹ 123	Livelihood & Inclusive Finance- Non PSL	₹ 2,737
Circular economy	₹ 14	Livelihood & Inclusive Finance	₹ 64,319
Pollution control and waste management	₹ 565	-	-
<b>Total</b>	<b>26,316</b>	<b>Total</b>	<b>1,37,747</b>
<b>Bank's Advances</b>	<b>3,45,019</b>	<b>Bank's Advances</b>	<b>3,45,019</b>
<b>As % of Bank's Advances</b>	<b>7.63%</b>	<b>As % of Bank's Advances</b>	<b>39.80%</b>
<b>Grand Total (in ₹ Cr.)</b>		<b>163637</b>	
<b>As % of Bank's Advances</b>		<b>47.43%</b>	



**Agricultural Loans**



In FY2025, IndusInd Bank strengthened its commitment to India's agricultural economy by disbursing **₹13,250 crore in retail agricultural loans**. This financing supported farmers and allied activities across the value chain, enabling access to timely credit for cultivation, farm mechanisation, and income diversification.



**An ESG-First Approach to Responsible Lending**



IndusInd Bank remains committed to operating as a socially responsible and environmentally conscious institution. We continue to broaden our lending portfolio with a strong focus on sectors that advance national development priorities and drive long-term sustainability, ensuring our growth contributes meaningfully to society and the environment.



**Rooftop Solar Loan (Indus Solar)**



This initiative promotes sustainable energy adoption by offering tailored financing solutions that enable micro and small businesses to install rooftop solar systems. Through Indus Solar, the Bank aims to empower enterprises to harness clean, renewable energy and actively contribute to a greener economy. The program supports a more sustainable and resilient energy ecosystem while helping businesses reduce costs and environmental impact.



**Empowering Growth Through ESG-Aligned Financing**



Banks have a meaningful role in helping businesses move toward a low-carbon, sustainable future, and IndusInd Bank is leaning into that responsibility. We have strengthened our ability to offer climate-focused and ESG-linked financing that supports companies committed to improving their environmental and social performance. At the same time, our social finance portfolio continues to back essential sectors like education, healthcare, and other community-critical services. Together, these efforts reflect our intent to finance growth that is responsible, inclusive, and aligned with the needs of a changing world.

**Corporate Banking**

Green and Climate Finance Segments	Social, Livelihood and Inclusive Finance Segments	Retail Banks
Clean and Green Energy	Agribusiness	<ul style="list-style-type: none"> <li>Social Livelihood and Inclusive Finance Segments</li> <li>Agribusiness (Retail Agrifinance)</li> <li>Livelihood Financing / Inclusive Financing (including microfinance, vehicle finance)</li> </ul>
Energy Efficiency	Healthcare	
Clean Transportation	Affordable Housing	
Water	Education	
Waste Management	Impact NBFC (Non-banking Financial Company)	
Green Buildings	Livelihood Financing / Inclusive Financing	
Circular Economy	Social Infrastructure	
Financing for Emission Reduction		

## Environmental and Social Management System (ESMS)

The Board approved ESMS policy is applicable to the Wholesale Banking division of the bank. The policy embeds environmental and social considerations into our credit decisions, helping safeguard credit quality and reduce exposure to ESG-related risks.

Using this framework, Relationship Managers assess proposals for ESG risks, check for compliance, and work with clients to address any gaps. This strengthens our risk management practices and underscores the Bank's commitment to responsible and sustainable finance.

## Climate Risk Management — Developing a Resilient Strategy for Climate Risks

IndusInd Bank is deeply committed to strengthening its climate risk preparedness in line with the Reserve Bank of India's evolving regulatory approach. The Bank is actively developing and refining policies that reflect RBI's expectations, while the sustainability team continuously tracks regulatory updates and evaluates their impact across the organisation. To stay ahead of the curve, we are also collaborating with external experts to build internal capabilities and ensure the Bank is ready for upcoming climate-related requirements.

### General E&S Standards for the Bank's Portfolio

IndusInd Bank expects all clients to:

- Comply with applicable environmental and social (E&S) laws and regulations
- Secure and maintain the necessary licenses and permits required for their operations
- Adopt robust, industry-leading practices to manage and minimise the E&S impacts of their business activities

As part of the Bank's ESMS framework, every wholesale banking loan proposal undergoes a rigorous exclusion review to ensure that financed activities do not cause harm to the environment or society. The Bank does not engage with projects or businesses involved in:

- Production or trade in any product or activity deemed illegal.
- Production or trade in substances which are banned, including but not limited to wild life products, products regulated under CITES, illegal narcotics, among others.
- Gambling, casinos and equivalent enterprises.
- Enterprises involved in production or trade in products engaging any form of forced labour or child labour.
- Businesses owning factories or workplaces that have inadequate safety mechanism that do not confirm to applicable local regulations (Eg: Factories Act)
- Businesses with a substantial stake in the porn industry.
- Production or trade in explosives and/or fireworks primarily meant for non-industrial use.
- Production or trade in tobacco or any of its derivate products including but not limited to Cigarettes, Gutka, etc. *(Except companies trying to diversify their business with more than 50% revenue from non-tobacco business streams)*

Under the ESMS policy, proposals linked to high-risk industries are subject to a more detailed assessment by the Sustainability Unit and requires approval of the ESMS Committee. This structured review process ensures responsible lending, especially in sectors with elevated environmental or social risks, and strengthens the Bank's overall approach to mitigating ESG risks in its wholesale banking loan portfolio.

### ESG Risk Assessment and ESMS Integration

The ESG Risk vertical was established to ensure that environmental, social, and governance considerations are fully embedded into the credit approval process. In FY2023, we strengthened this commitment by integrating the ESMS directly into CredPro, our Loan Approval System. Several enhancements were introduced to make the system more robust, including new workflows and checkpoints for screening credit proposals for ESG-related risks.

For wholesale banking proposals, we follow a comprehensive, Board-approved process. High-risk cases undergo an additional layer of scrutiny by the ESMS Committee before being presented to the relevant credit committees for sanction. This structured review process ensures responsible lending, especially in sectors with elevated environmental or social risks, and strengthens the Bank's overall approach to mitigating ESG risks in its wholesale banking loan portfolio.

### Embedding Climate Risk Management Principles in Our Risk Framework

IndusInd Bank recognises that climate change, through extreme weather events, erratic rainfall patterns, and prolonged droughts, poses material financial risks. These risks are integrated into the Bank's broader risk assessment and decision-making framework.

### Governance

The Sustainability Department leads the Bank's ESG integration agenda, ensuring that environmental, social, and governance considerations are embedded across business operations. It oversees the monitoring of ESG-related risks, drives alignment with the Bank's climate commitments, and supports the development of forward-looking sustainability policies. The CSR and Sustainability Committee provides strategic oversight, ensuring that climate risks and opportunities are systematically incorporated into the Bank's overall strategy and decision-making framework.

### CSR and Sustainability Committee of the Board

The Board's CSR and Sustainability Committee plays a central role in shaping and endorsing the Bank's Sustainability Strategy, including its commitments to climate action. The Committee ensures that this strategy incorporates a robust assessment of climate-related risks, identifies emerging opportunities, and supports initiatives to reduce the Bank's carbon footprint. It also conducts regular reviews of the Bank's progress toward ESG goals, reinforcing strong governance and accountability across the organisation.

### ESMS Committee

The ESMS Committee is comprised of senior representatives from Business, Risk and Sustainability units and is chaired by the MD & CEO of the Bank. The ESMS Committee provides strategic oversight on ESG-related risks pertaining to the wholesale banking loan portfolio. The Committee periodically reviews emerging environmental and social risk exposures, evaluates mitigation measures, and presents key insights and recommended actions to the Board for informed decision-making.

### Sustainable Banking Unit

The Sustainable Banking Unit serves as the central anchor for embedding ESG considerations across the Bank's operations. The unit monitors ESG-linked risks and disclosures, aligns policies with the Bank's climate commitments, and ensures sustainability priorities are consistently integrated into business strategy, credit processes, and stakeholder reporting.



## Climate Risk Management

IndusInd Bank conducts forward-looking scenario analyses to understand how evolving climate realities could influence its business model, portfolio, and operational resilience. We proactively identify vulnerabilities and strategic opportunities, enabling a more informed and adaptive response to the growing impacts of climate change.

### Transition Risk

-  Policy, regulatory, and legal changes
-  Evolving market demand and reputation
-  Technological advancements

### Physical Risk

-  Acute – Extreme weather events
-  Chronic – Long-term shifts in climate patterns

### TCFD's Recommended Disclosure

This pertains to the process of how The Bank identifies, assesses and manages climate-related risks and how it is integrated into the overall risk management.

## Climate-related Transition Risks

India's shift toward a low-carbon future is gathering real momentum, driven by its commitment to cleaner growth and a significant scale-up of renewable energy. The national target of achieving 500 GW of renewable capacity by 2030 reflects both ambition and urgency, and financial institutions are central to enabling this transition.

For IndusInd Bank, this means actively supporting sectors that will shape a more sustainable tomorrow, including clean energy infrastructure, water management, and sanitation. These areas are essential to long-term national resilience. We evaluate them through thorough risk assessments to ensure that our financing decisions meaningfully contribute to a greener and more secure future.

### Aligning with India's Net Zero Pathway

Expanding renewables capacity to  
**500 GW**  
By 2030

Meeting  
**50%**  
of energy demand from renewables

Reducing cumulative emissions by  
**1 Billion Tons**  
By 2030

Reducing emissions intensity of GDP by  
**45%**  
By 2030

### Preparing the Portfolio for a Low-Carbon Future

#### Challenge

As the economy moves toward a low-carbon future, we must balance our commitment to supporting this transition with the need to maintain financial stability and disciplined risk management. Aligning the portfolio with emerging climate expectations requires thoughtful calibration and proactive oversight.

#### Goal

We aim to embed transition risk considerations deeply into our overall risk management framework, strengthening resilience for both the institution and its clients. At the same time, we seek to strategically grow its Climate and Green Finance portfolio, enabling businesses and communities to participate confidently in the shift to a sustainable, low-emissions economy.

## Climate-Related Physical Risks

IndusInd Bank recognises the growing physical impacts of climate change, including flooding, storms, droughts, and other extreme weather events driven by rising global temperatures.

Acute risks like floods and cyclones receive focused scrutiny, while chronic risks are assessed for their long-term implications, particularly for clients operating in vulnerable regions. Based on these insights, we prioritise lending towards climate-resilient segments within these sectors, supporting long-term stability and preparedness.

### Treatment of Climate Change-Induced Physical Risks

#### Challenge

Physical climate risks pose heightened vulnerability for agricultural assets, given their direct exposure to weather variability and extreme events.

#### Goal

Strengthen climate resilience by directing credit towards more resilient agricultural sub-sectors and diversifying lending across geographies, reducing concentration risks and supporting sustained sectoral growth.

### Risk Mitigation for Banking Operations

IndusInd Bank maintains a robust Operational Risk Management (ORM) Framework designed to safeguard its operations from a wide spectrum of risks, including system disruptions, climate-related impacts, and human-related events. This framework showcases the continuity of branch operations and is reinforced through dedicated insurance coverage, a strong Business Continuity Plan (BCP), and regular safety training.

#### Insurance for Operational Resilience

The Bank secures insurance coverage for branches and offices to protect against operational risks.

#### Business Continuity Plan (BCP)

A well-defined BCP ensures that essential services remain uninterrupted even during adverse climatic conditions or operational disruptions.

#### Training and Safety

Regular safety training sessions are conducted across branches to strengthen preparedness and enhance employee and operational resilience.

### Climate Risk-Linked Opportunities

Alongside mitigating risks, the Bank sees strong growth potential in:



**Power:** Financing renewable energy and clean power solutions.



**Transport:** Supporting low-carbon, energy-efficient mobility.



**Agriculture:** Enabling energy-efficient irrigation and agri-tech adoption.



**Construction:** Investing in sustainable, energy-efficient buildings.



**Infrastructure:** Backing resilient systems such as smart grids and EV charging networks.

#### Metrics and Targets

IndusInd Bank remains deeply committed to tackling climate-related challenges through responsible financing and rigorous monitoring, strengthening its competitive edge in the sustainability landscape. We are focused on expanding its ESG-led portfolio, with ambitious growth planned in Green and Climate Finance, as well as in Social, Livelihood, and Inclusive Finance.

Aligned with global best practices, we aim to achieve carbon neutrality by 2032. In line with TCFD recommendations, we continue to assess and manage climate-related risks, including Scope 1 and 2 GHG emissions, to ensure greater transparency and accountability.

#### TCFD's Recommended Disclosure

This includes assessing and managing climate-related risks, including GHG emissions (Scope 1, 2, and 3), to meet performance targets.

## Resource Management

### Energy Efficiency

IndusInd Bank is advancing multiple initiatives to cut carbon emissions and improve energy efficiency across its operations.

# 3,67,106 GJ

Total energy consumption in FY 2025

#### Key Initiatives:



#### Renewable Energy Use

Increasing electricity sourced from solar, wind, and hydropower.



#### Energy-efficient Infrastructure

Deploying efficient HVAC systems and energy-rated equipment in buildings.



#### Green IT & Digital Transformation

Modernising data centres and adopting multi-cloud solutions to reduce energy use, aligned with DEF and IEEE guidelines.



#### GHG Monitoring

Regularly measuring and managing Scope 1 and 2 emissions across locations.



#### Smart Lighting

Using timers and automated lighting controls to optimise consumption.



#### Energy Audits

Conducting periodic audits to identify and close efficiency gaps.

#### Awareness Initiatives

Running workshops and engagement program on energy conservation.

Source of Energy	Type of Energy	FY2022 (MWh)	FY2022 (GJ)	FY2023 (MWh)	FY2023 (GJ)	FY2024 (MWh)	FY2024 (GJ)	FY2025 (MWh)	FY2025 (GJ)
Non-renewable	Direct Energy (Fuel-Diesel)	8,244.93	29,681.73	8,644	31,119	9,263	33,345	10,340	37,225
	Direct Energy (Petrol)	169.39	609.81	178	641	92	330	—	—
	Direct Energy (Total)	8,414.32	30,291.55	8,822	31,760	9,354	33,675	10,340	37,225
	Indirect Energy (Electricity)	6,89,30.30	2,48,149.09	76,386	2,74,989	67,398	2,42,633	91,213	3,28,367
Total Non-Renewable	—	77,344.62	2,78,440.64	85,208	3,06,750	76,752	2,76,309	1,01,553	3,65,593
Renewable	Solar	1,406.50	5,063	51	183	30	108	420.33	1,513.18
Grand Total	—	78,751.12	2,83,504.04	85,259	3,06,932	76,782	2,76,417	1,01,974	3,67,106



**Energy Consumption**

**89.45%**

Non-renewable indirect energy (electricity)

**10.14%**

Non-renewable direct energy (fuel)

**0.41%**

Renewable energy

**Renewable Energy**

Solar energy generated at Karapakkam facility in Chennai

**1,513.18\* GJ**

Electricity generated (kWh)

**Emissions Mitigation**

We are advancing toward our 2032 carbon-neutrality goal by steadily cutting emissions across our operations. We are strengthening efficiency, expanding the use of renewable energy, and improving resource management to ensure that its environmental footprint reduces year after year.

**3.25**

tCO<sub>2</sub>e/₹ crore  
GHG Emissions Intensity

**19,956 tCO<sub>2</sub>e**

Scope 3 Emissions

**Waste Management**

We generate both paper and electronic waste as part of our operations. Waste segregation practices have been implemented across corporate office pantries, with dedicated bins for wet and dry waste. Dry waste is channelled for recycling, while wet waste is processed appropriately. All electronic waste is safely recycled through authorised e-waste partners, ensuring compliant and environmentally sound disposal.

**48.37 MT**

E-waste Recycled

**Water Conservation**

The Bank has advanced its water stewardship efforts by integrating efficient, low-consumption technologies across its facilities. Bio-blocks installed in male urinals have transformed traditional flush systems into completely waterless units, saving nearly 3 litres of water with every use. In parallel, aerator sprinkler filters fitted in washbasins help curb excessive flow, contributing to substantial daily conservation. Together, these enhancements enable the Bank to reduce its water intensity to 2.28 kL/FTE, reinforcing our commitment to responsible resource management.

**1,09,611 kL**

Total Water Used



### Case Study – Net Water Positivity of IndusInd Bank Limited

IndusInd Bank, through its Sustainable Banking and CSR teams, undertook a comprehensive water stewardship initiative aimed at achieving Net Water Positivity. This case study consolidates insights from the Bank’s Water Assurance report, highlighting interventions, impact, and certification efforts.

#### Background

Water scarcity is a critical challenge in India, impacting agriculture, livelihoods, and sustainability. IndusInd Bank is committed to offsetting its operational water consumption through CSR projects focused on water harvesting and conservation.

#### Objectives

- Achieve Net Water Positivity certification under ISAE 3000 assurance standards.
- Recharge groundwater and create sustainable water structures.
- Enhance the agricultural productivity and household income of the communities engaged.
- Align with SDGs: No Poverty (SDG 1), Climate Action (SDG 13), Partnerships (SDG 17).

#### Methodology

- Water neutrality framework based on NITI Aayog guidelines.
- Assurance by EY through field validation and sampling.

#### Key Metrics

- Water Consumption (Bank operations): 527,905 KL.
- Water Harvested (CSR projects): 7,231,706 KL (>13x consumption).

#### Interventions

- Construction of
  - Sluice gate
  - Check dams
  - Farm ponds
  - Earthen bunds
  - Recharge pits
  - Rooftop rainwater structure
- Training farmers on organic farming, soil health, and water-efficient practices.

#### Assurance & Certification

EY validated water harvesting calculations and issued assurance under ISAE 3000. The Bank achieved Net Water Positive status for FY24, reinforcing its ESG leadership.

#### Impact Analysis

**Empowering Lives and Communities:** The initiatives have uplifted farmers and beneficiaries, fostered socio-economic resilience and enabled communities to thrive beyond the immediate project scope.

**Sustainable Living with IBL:** Formation of community-level groups ensures continuity of sustainable practices and empowers local stakeholders to maintain water structures post-project.

**Beyond Finances – Uplifting Lives:** The program has created livelihood opportunities even for individuals not directly involved, extending benefits beyond financial gains to holistic well-being.

**Sowing Seeds of Green Progress:** Farmers are now equipped to adopt multi-cropping and water-efficient farming techniques, promoting climate-resilient agriculture and long-term sustainability.

#### Recommendations

- Standardise methodologies across PIAs.
- Enhance focus on women farmers and climate-resilient practices.
- Implement digital dashboards for data accuracy and governance.

#### Conclusion

IndusInd Bank’s water stewardship initiative demonstrates how corporate sustainability efforts can create measurable environmental and social impact. Through strategic CSR interventions and rigorous assurance, the Bank has set a benchmark for Net Water Positivity in India.

#### Project-wise Water Harvesting Breakdown (Verified Water Harvesting – KL)

**34,66,827.11**

Pragat – Watershed (Gulbarga, Karnataka)

**1,50,908.00**

Flagship Program – Holistic Rural Development (Virudhunagar)

**9,64,085.56**

SAANL – Roof Rainwater Harvesting

**12,16,440.43**

Flagship Program – Holistic Rural Development (Osmanabad)

**3,46,658.66**

CASRWT

**3,53,315.19**

Watershed Development (Madhya Pradesh)

**1,80,838.62**

CLIMATE

**1,24,692.00**

River Water Harvesting

**1,28,856.36**

Watershed Development (Jharkhand)

**88,927.82**

Flagship Program – Holistic Rural Development (Baran)

**52,723.58**

Watershed Development (Odisha)

**14,904.00**

Watershed ATM (Gulbarga, Karnataka)

**56.00**

Rejuvenation of Water Tank (Hauz-e-Shamsi)

**89,245.00**

Sankara Lake

**19,610.00**

Bandha Lake

**33,618.00**

Dongiya Lake

#### Total

**72,31,706.33 KL**

All Projects Combined

# Empowering Communities. Enabling Growth.

## Social

IndusInd Bank's social priorities are shaped by the belief that growth is most meaningful when it strengthens people and communities alongside business outcomes. Across our workforce, customer base, and extended ecosystem, we focus on building access, capability, and long term resilience.

From workplace practices that promote safety, inclusion, and continuous learning, to financial solutions that expand access for underserved individuals, small businesses, and rural communities, our approach is rooted in practical action. Partnerships with development organisations, governments, and community institutions enable scale, while structured governance ensures accountability and impact.

Through employee engagement, inclusive finance, and community-led development programs, IndusInd Bank creates pathways for opportunity and shared progress.



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Social

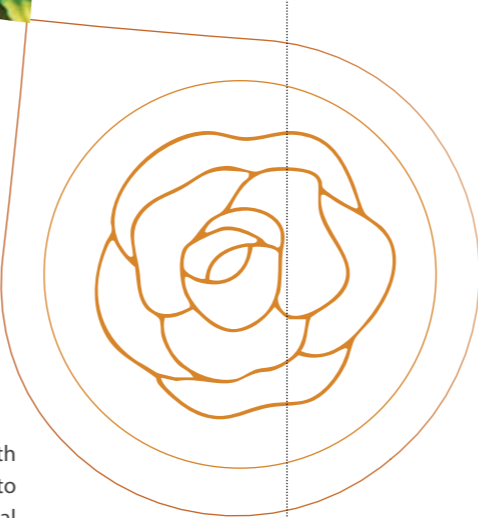
# People, Partnerships, and Purpose in Action

IndusInd Bank's journey of sustainable value creation is anchored in a deep commitment to social responsibility. We build impact that resonates across every stakeholder group by advancing financial inclusion, strengthening communities, and championing workplace diversity.

For over three decades, our people have powered our growth with their dedication, curiosity, and drive for excellence. We continue to cultivate a culture that prioritises learning, innovation, and operational rigor, enhancing employee fulfilment while reinforcing long-term business resilience.

We extend our purpose beyond banking. We engage meaningfully with customers, communities, and CSR program participants, creating pathways for shared progress and collective prosperity.

Every stakeholder remains central to our vision of positive societal impact. With a proactive, people-first approach, IndusInd Bank fosters enduring partnerships, advances inclusivity, and strengthens the foundation for sustainable growth that uplifts lives and communities alike.



## Key Highlights of the Year

**14,347**  
Employee  
volunteering hours

**126**  
MSME Hubs

**20,065**  
Employee sensitised  
about workplace safety

**24.8 Lakh**  
Beneficiaries of our  
CSR programs

**10**  
Exclusive all-  
women branches

**6,252**  
Women employees  
trained in safety

## Diversity in Action

IndusInd Bank champions a workplace where diversity and inclusion are integral to progress. We proactively build a workforce that reflects varied backgrounds and perspectives, supported by strong female representation on our Board, the recruitment of neurodivergent talent and persons with disabilities, and the establishment of all-women branches.

**44,974**  
Total permanent  
employees

**68**  
Differently Abled  
Employees

**29%**  
New employee hires and  
employee turnover

**2,984**  
Total contractual  
employees

**2**  
Female Board  
Members

**8,827**  
Total permanent female  
employees

**100%**  
Return to work-rate  
after paternity leave

**10**  
All women  
branches

**98.47%**  
Return to work-rate  
after maternity leave

## Learning and Development

Learning and development remained a core driver of our people strategy. We delivered **16.1 lakh learning hours**, with employees averaging **35.8 hours** each through the **Indus Evolve** digital platform. Our programs spanned functional upskilling, industry certifications, sustainability literacy, sales excellence, and leadership preparedness.

We also designed targeted capability-building journeys for branch managers, credit officers, and risk teams to strengthen decision-making and ensure alignment with regulatory expectations and strategic priorities.

## Employee Engagement – Cultivating a Workplace Where People Thrive

We were honoured to be certified as a **Great Place to Work®** for the third consecutive year, reflecting our focus on empathy, transparency, and an enabling employee experience. This commitment was strengthened through:

**Quarterly webcasts by the MD & CEO,**  
ensuring direct communication and strategic alignment

**'We Connect' and 'Coffee Connect',**  
fostering open dialogue across levels

**LEAP (Life Event Assistance Program),**  
offering structured support across key life and career milestones—from onboarding and service anniversaries to extended parental benefits, transfers, and exits

**Manager Enablement programs**  
to build strong frontline leadership

**'Mindset Matters'**  
weekly reflections reinforcing purpose, inspiration, and values

**A comprehensive Recognition Framework,**  
including service awards, peer appreciation, and RM-of-the-Quarter honours

Collectively, these efforts strengthened engagement, deepened belonging, and elevated the overall employee experience.

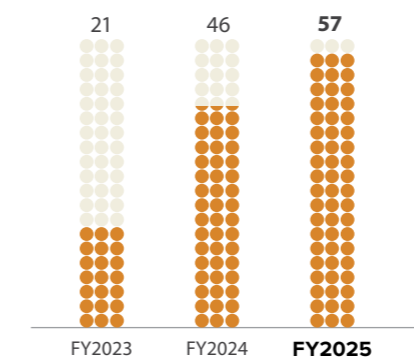
## Employee Welfare

IndusInd Bank remains committed to employee well-being through a range of targeted initiatives, including paternity leave, volunteering leave, career guidance for employees' children, and policies aimed at empowering women, while the Employee Welfare Fund provides financial support to the families of deceased employees. The Bank continues to digitise employee lifecycle processes through benchmark, technology-led solutions such as seamless digital onboarding, an employee chatbot for query resolution, online staff account setup, a dynamic internal career platform, an advanced learning management system, and mobile app-enabled processes. All employee practices comply with applicable regulatory and statutory requirements, with adherence to the Code of Conduct reinforced through structured education and awareness programs. Through equitable, market-benchmarked policies and sustained investment in people practices, IndusInd Bank continues to be recognised as a preferred employer and remains committed to maintaining its status as a Great Place to Work.

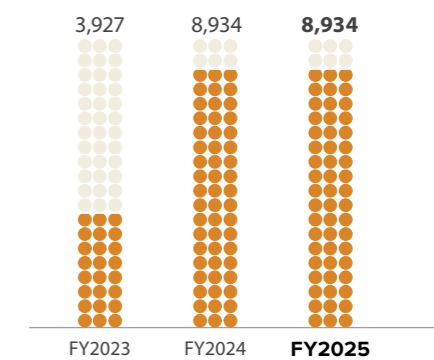
## Empowering People to Create Community Impact

IndusInd Bank's Employee Volunteering Program, launched in FY2023, continues to nurture a strong culture of social responsibility. Employees receive two days of volunteering leave annually, enabling them to contribute their time and skills to a range of social and environmental causes. The programme has since expanded to include employees' families and friends, broadening participation and amplifying impact.

No. of Activities



Volunteering Hours



Our dedicated Employee Volunteering Portal, accessible across devices, streamlines the management and recording of volunteering hours. This digital integration has enhanced transparency, simplified participation, and encouraged consistent engagement.

As we scale the program further, we remain committed to inspiring deeper employee involvement and strengthening our contribution to communities nationwide.

## Health and Safety

IndusInd Bank's Safety Management System provides a robust framework for identifying risks, preventing incidents, and ensuring full regulatory compliance

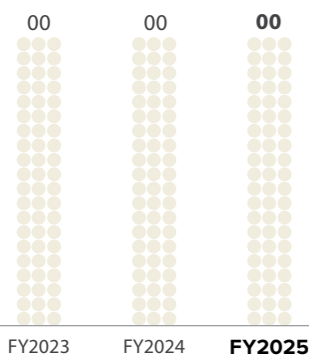
### Workplace Health and Safety Policy

Our policy, tailored to the Bank's operating realities, articulates senior leadership's commitment to a safe workplace. It sets clear goals and expectations and is communicated across the organisation to embed a unified safety culture.

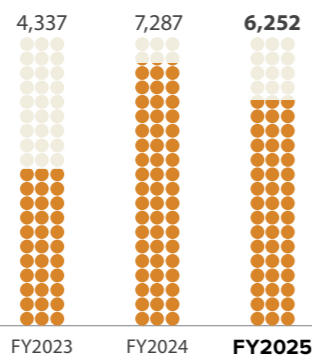
### Workplace Safety Assessment

We proactively identify and mitigate hazards through regular assessments, environmental monitoring, and strict adherence to statutory requirements. Emergency preparedness measures and coordination with external agencies further strengthen our readiness. Periodic audits, inspections, and management reviews ensure the system's ongoing effectiveness, with findings escalated to the safety and risk management team.

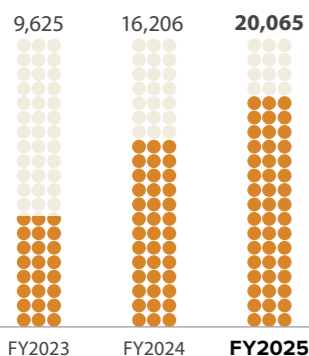
#### Reported cases of work-related hazards



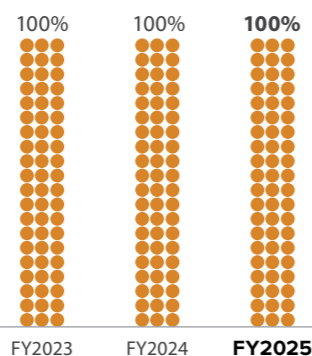
#### Women employees trained in safety



#### Employees sensitized about workplace safety



#### Employees participated in fire and drill programmes



We remain committed to protecting employees, contractors, and visitors from workplace risks, continuously improving safety performance, and fostering collaboration across stakeholders to achieve our safety objectives.

### Governance Structure on Fire Safety and Security

IndusInd Bank's senior leadership oversees the development, implementation, and continuous evaluation of our safety management system to ensure we meet defined safety goals. A structured governance framework supports proactive hazard identification, resource allocation, and periodic review of safety measures. Teams managing safety functions receive rigorous training to strengthen their ability to prevent, detect, and respond to risks effectively.

### Right to Association

IndusInd Bank upholds employees' lawful right to free association. While we do not have trade unions or collective bargaining agreements, we maintain a culture of transparency and open dialogue. Employees have direct access to senior management through established communication channels, ensuring an open, responsive, and inclusive workplace.

## Human Rights

IndusInd Bank is committed to protecting human rights across our operations and value chain, ensuring that no violations occur within the organization or through our partnerships. This commitment extends to employees, suppliers, contractors, and all business activities.

We conduct structured due diligence processes to identify potential concerns, assess operational risks, and review new business relationships, including mergers and acquisitions. Our policies cover critical areas such as human trafficking, forced and child labor, freedom of association, equal pay, non-discrimination, and the protection of contract labor, women, and children.

In FY2025, the Bank recorded no incidents of human rights violations, including cases related to child labor, forced or involuntary labor, or discriminatory employment practices.

### Key Measures to Safeguard Human Rights

- The Bank does not extend credit to clients or businesses linked to child labor, juvenile labor, deforestation, or prohibited mining activities.
- Human rights assessments are embedded across the hiring process and the entire employment lifecycle to ensure continuous compliance.
- Comprehensive SOPs guide the identification and mitigation of risks related to human trafficking, forced labor, discrimination, freedom of association, and equal pay.
- These SOPs include stringent document verification, evidence checks, and KYC procedures before onboarding any individual or entity.

## Prevention of Sexual Harassment

The Bank addresses all reported cases in full compliance with the Prevention of Sexual Harassment (Prevention, Prohibition and Redressal) Act, 2013. Any employee found in violation of the Act is subject to strict disciplinary action. There were 53 cases reported in FY2025.

## Benefiting Society Through Inclusive and Responsible Finance

### Social Financing

Social financing remains central to IndusInd Bank's commitment to responsible and equitable growth. We enable individuals and organizations to access debt solutions that prioritise societal well-being, particularly in critical areas such as healthcare and sanitation. We help scale initiatives that create meaningful community impact by supporting social enterprises with tailored financial assistance.

**Our focus remains clear:** place people and communities at the heart of every solution and act as a catalyst for a more inclusive and resilient society.

### Inclusive Banking

Financial inclusion continues to be a national priority and a defining part of our purpose. IndusInd Bank provides flexible, affordable, and accessible financial solutions to underserved segments across the country.

Our offerings span sustainable livelihood financing, microfinance, "missing-middle" loans, micro-enterprise credit, savings products, recurring deposits, and remittance services. We especially design small-ticket loans for women borrowers and provide banking access to underprivileged and economically disadvantaged groups, strengthening livelihoods across rural India. We recognise that social finance is about creating lasting, meaningful change for people and communities.

### Financial Services for Persons with Disabilities

We are committed to making banking accessible and barrier-free for persons with disabilities through a suite of inclusive initiatives:

**Accessible Service Counters:** Branches include dedicated low-height counters for senior citizens and persons with disabilities.

**Talking ATMs:** All 3,027 ATMs are equipped with voice guidance and braille keypads for independent transactions.

**Braille Chequebooks:** Available for customers with visual impairments to help them review and verify cheques independently.

**Doorstep Banking:** Provided in line with BCSBI guidelines, ensuring essential services reach customers at home.

**Digital Banking Access:** Net banking and mobile banking offer convenient, remote access to financial services.

### Financial Services for Low-Income Social Groups

We are committed to making banking accessible and barrier-free for persons with disabilities through a suite of inclusive initiatives:

#### Bharat Financial Inclusion Limited (BFIL)

BFIL, our wholly-owned subsidiary, acts as a key driver of financial inclusion across India. It offers microfinance loans, merchant loans, liability products, and remittances, helping individuals meet both essential needs and aspirational goals.

Our acquisition of BFIL in 2019 strengthened the Bank's leadership in microfinance, supported by a deeply human model that blends high-touch field engagement with a fully digital, paperless loan platform.

#### Microfinance

BFIL's Joint Liability Group (JLG) model empowers women at the bottom of the economic pyramid, promoting financial independence, better health outcomes, and improved education opportunities. Its rural focus and technology-led approach have helped the Bank achieve a leading position in the sector.

#### Loans to Retailers

Through Bharat Super Shop (BSS) and Bharat Money Stores (BMS), BFIL supports small retailers in the "missing-middle" segment. These programmes provide zero-balance accounts, recurring deposits, secured/unsecured working capital loans, UPI/QR payments, and mobile/WhatsApp banking, helping small businesses grow with confidence.

### Retail Agriculture Business

Agriculture sits at the heart of India's economy, and our lending programs are designed to strengthen farming communities. We provide loans to farming households for agriculture and allied activities, while actively promoting digital literacy and cashless payments.

We also extend dedicated financing to small and marginal farmers, women beneficiaries, and low-income households, reinforcing our long-standing support for rural India.

### Micro, Small and Medium Enterprises (MSMEs)

We have established MSME Hubs across India as one-stop centres for financing and banking needs, improving accessibility and product penetration.

As a core pillar of our PC-6 strategy, the MSME segment remains a significant growth driver. With evolving regulatory support and Government initiatives to simplify business operations, we expect strong portfolio growth in the coming years.

FY2025 also saw stabilisation of MSME Branch Operating Model 2.0, with specialised hub-and-spoke branches contributing almost 50% of new customer acquisitions, highlighting their pivotal role in expanding reach and onboarding quality MSME relationships. The Bank now operates 126 dedicated MSME Hubs across India, acting as specialised centres to drive focused lending and servicing along with 316 spoke centres.

### Consumer Financing

The Consumer Finance Division (CFD) anchors the Bank's core strength in vehicle financing. With strong market presence across segments, deep customer engagement, and a resilient business

model, CFD continues to lead with expertise and execution. The Consumer Finance Division (CFD) continues to drive asset-backed lending across a broad spectrum, from heavy, light, and small commercial vehicles (used for goods and passenger transit) to auto loans, two-wheelers, tractors, and construction equipment like excavators, loaders, tippers, and cranes. Financing is extended

for both new and pre-owned assets across all segments. The division also plays a critical role in advancing financial inclusion by offering low-cost/Affordable Housing Loans, supporting the Government of India's flagship 'Housing for All' initiative.



## Community Development

### CSR Initiatives – Creating Measurable Community Impact

In 2025, our work continues to create meaningful change by strengthening economic empowerment across communities. We focus on Holistic Rural Development, education and employability, livelihood support through livestock care, inclusive sports, and environmental stewardship. Each programme is designed to deliver outcomes that are visible, scalable, and rooted in the needs of the communities we serve.

#### Sattvam: Our Country. Our Commitment.

Sattvam reflects the spirit of our CSR philosophy at IndusInd Bank. It guides us to champion inclusive development, responsible growth, and alignment with national priorities as well as global sustainable development goals. Through our flagship Holistic Rural Development Program and other targeted community efforts, we work at the grassroots level to create lasting social progress. We aim to expand economic opportunities, strengthen community resilience, and uplift underserved groups across India through interventions that are purposeful, accountable, and built for long-term impact.

### Financial Access that Moves Communities Forward

We believe that social and relationship capital is defined not by financial results alone, but by the trust we earn, the access we create, and the impact we sustain in the communities we serve.

In FY 2025, we strengthened this commitment through a unified approach that brought together financial inclusion, rural development, inclusive sports, health and hygiene, responsible supply chain practices, and employee-driven volunteering. Our efforts focused on opening doors for underserved individuals, first-time borrowers, small entrepreneurs, and rural farmers through dedicated business verticals and mission-led platforms.

In FY2025, the program reached more than 7.23 lakh people across five aspirational districts: Dharashiv in Maharashtra, Bahraich in Uttar Pradesh, Begusarai in Bihar, Baran in Rajasthan, and Virudhunagar in Tamil Nadu, strengthening livelihoods and community resilience across these regions.



#### Retail Agri Lending

We extended credit worth **Rs 13,250 crore** to more than **21,000** farming households across **135 districts**. These funds supported small and marginal farmers with working capital, crop-linked credit, and access to modern agricultural equipment.



#### Microfinance and Consumer Lending

Through Bharat Financial Inclusion Limited, we supported **77 lakh** active women borrowers and welcomed **8.7 lakh** new clients during FY 2025. These loans helped families meet essential needs such as healthcare and education, while also enabling small enterprises and strengthening household stability. Delivery was fully digital, supported by direct engagement from our field teams.



#### MSME Lending

We continued to empower micro, small, and medium enterprises through our network of **126 MSME hubs**. More than **Rs 10,000 crore** in loans were disbursed during FY2025, enabling businesses across manufacturing, services, logistics, and rural supply chains to access credit on time. A significant share of this support reached women-led ventures and enterprises across diverse regions.

### Holistic Rural Development

Our Holistic Rural Development Program reflects a deep and sustained commitment to addressing the many-layered challenges faced by rural India. Introduced in FY2022 and expanded meaningfully through FY2025, the program brings together water and soil conservation, livelihood generation, skills training, financial access, and social protection to create steady and lasting economic progress for rural communities.

Aligned with the national vision for transforming aspirational districts, the

program marks a clear shift from traditional CSR activity to a comprehensive model of rural development grounded in scientific understanding and long-term community engagement. Its approach is shaped by three guiding principles: evidence-based design, active community ownership, and interventions that strengthen entire systems rather than isolated outcomes. Each initiative is designed to work in tandem with others so that the combined effect is stronger than any individual effort.

Partnership is central to the way we deliver this program. We work closely with leading development organisations such as PRADAN, WOTR, and the Aga Khan Foundation; international institutions such as UNICEF; government bodies; research partners, including IIT Madras; and industry organisations such as CII. Their collective experience, technical depth, and on-ground presence enable us to craft credible solutions, context-specific and effective at scale.

### Education

Our education initiatives span a wide range of interventions, from remedial learning to scholarship support for students across the country. Each effort is designed to strengthen learning outcomes and nurture a confident, curious mindset among children. The impact has been encouraging, with students demonstrating stronger comprehension, better engagement, and a growing ability to apply concepts creatively.

In FY2025, programs reached more than 1.6 lakh students across 1,110 government schools. We also equipped more than 2,500 teachers with training in inclusive pedagogy and innovative learning practices, helping them create classrooms that are supportive, responsive, and effective for every learner.

### Skilling and Entrepreneurship

In FY2025, we strengthened our employability efforts by expanding programmes that equip individuals with the skills and confidence to succeed in a changing economy. More than 4,800 micro entrepreneurs received support in the form of capacity building, financial literacy, and market linkages, helping them stabilise, grow, and scale their enterprises.

Alongside this, we enabled 1,150 persons with disabilities to build meaningful career pathways through targeted training in sectors such as banking and financial services, retail, hospitality, and customer service. These interventions continue to create avenues for dignity, independence, and long-term economic mobility.

### Support for Armed Forces Personnel and Veterans

We extended dedicated support to more than 500 ex-servicemen and their families through programs designed to ease their transition into civilian life. These initiatives focused on business incubation, access to quality healthcare, and community reintegration, ensuring that those who have served the nation continue to receive the dignity, opportunity, and support they deserve.

### Inclusive Sports

We believe sports can drive meaningful social change, and our inclusive sports programs reflect this commitment. These initiatives empower individuals from diverse backgrounds, especially women and persons with disabilities, by ensuring equal opportunities to participate and excel. In FY2025, our partnerships with leading NGOs strengthened residential training programs, coaching camps, and athlete participation across grassroots, national, and global events, including the Olympics and Paralympics 2024. We also supported access to adaptive sports equipment, enabling athletes to pursue their aspirations without physical or economic barriers.

**1039**  
Total Athletes Supported

**467**  
Women Athletes

**750**  
Blind Cricketers

**39**  
Para Athletes

These athletes received support across 12 disciplines, with seamless access to coaching, nutrition, sports science, physiotherapy, mental wellness services, and academic mentoring.

#### Achievements

**86**  
International medals

**160**  
National medals

### Strengthening Communities Through Environmental Stewardship

We advanced our commitment to environmental sustainability through grassroots interventions that restore ecosystems, secure water resources, and support community resilience. Our work focuses on rainfed regions, where water scarcity directly affects livelihoods.

Through integrated water resource management, we implemented watershed and spring shed development, rain and river water harvesting, drain restoration, and the rejuvenation of traditional water bodies and tanks. Parallel efforts addressed clean energy and ecological restoration through afforestation and solar initiatives.

### Enabling Rural Livelihoods Through Smarter Livestock and Land Management

The Bharat Sanjeevani program strengthens livestock-based livelihoods by delivering doorstep emergency services and improved animal care through technology-enabled solutions. The program has become a reliable support system for rural farmers by reducing mortality, improving productivity, and promoting better management practices.

In FY2025, our water stewardship efforts in Jharkhand, Odisha, West Bengal, and Maharashtra received national recognition. Across 1,049 villages, we helped harvest more than 16.69 lakh cubic meters of water, benefiting over 75,000 people. Importantly, our programs reached nearly 62,000 women farmers, strengthening household resilience and improving income levels while advancing inclusive development.



In FY2025, the initiative expanded its coverage, partnerships, and impact. A centralised IVR-based farmer helpline managed more than **20.09 lakh calls**, ensuring timely response and guidance. Livestock treatments increased significantly from **6.34 lakh to 12.94 lakh** during the year.

Complementing these efforts, the Bharat PRAGAT Watershed Development program treated over 10,500 hectares of land and conserved nearly **879 million litres of water**. Close to **17,000 farmers** engaged in agroforestry and horticulture-led livelihood models under **Bharat Sanjeevani 2.0**, implemented in collaboration with the **Ministry of Rural Development through DAY NRLM**. This intervention supported livestock clusters across **six states** through dedicated project management units and specialists in dairy, goatery, poultry, fishery, and value chain development.

We also deepened our engagement with the **Ministry of Agriculture and Farmers Welfare** under the Central Sector Scheme on the **formation and promotion of 10,000 FPOs**. The initiative aims to strengthen farmer-producer organisations through digital tools, capacity building, and enhanced market access, with the first phase **spanning 11 states**.

#### Customer Satisfaction

In FY25, we remained focused on building strong and enduring relationships with our customers, with the clear ambition of becoming their bank of choice. We sought to achieve this by delivering services that are seamless, easy, fast, and transparent across every stage of the customer lifecycle.

Guided by this objective, we placed strong emphasis on understanding evolving customer needs, designing relevant product and technology-enabled propositions, reimagining customer journeys, and strengthening our service channels through the effective use of technology. At the same time, we continued to embed a customer at the core mindset across the organisation, ensuring that every interaction is shaped by customer value and experience.

### Strengthening a Responsible and Future-Ready Supply Chain

In FY2025, we advanced the rollout of our Sustainable Procurement Policy, reinforcing environmental, social, and ethical responsibility across every stage of our sourcing practices.

#### Key highlights

**70% of IT and power-related products** Procured from recycled vendors

#### Vendor Management System (VMS)

Expanded to assess ESG risk, financial health and compliance

#### Mandatory ESG Declarations

And grievance redressal protocols across vendors

#### Localised procurement from MSMEs

And community suppliers wherever possible

#### Field-level supplier audits

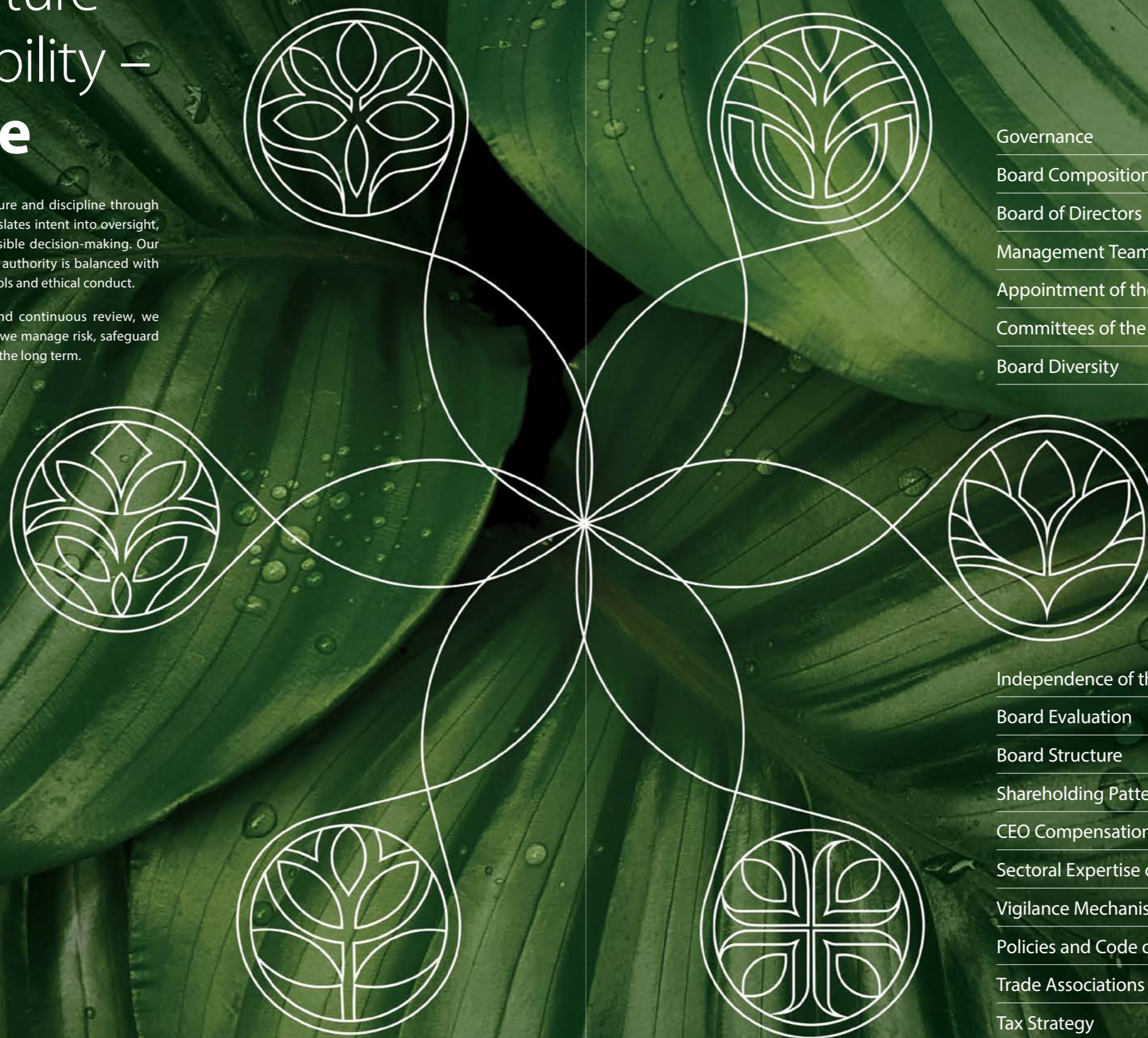
And vendor awareness sessions on climate, labor, and human rights norms

We engaged with 2,365 vendors during the year, focusing not only on compliance but on cultivating an inclusive, resilient, and forward-looking supply network that aligns with global sustainability standards and evolving stakeholder expectations.

# The Architecture of Accountability – **Governance**

Governance at IndusInd Bank provides the structure and discipline through which accountability is exercised every day. It translates intent into oversight, policies into practice, and leadership into responsible decision-making. Our governance framework is designed to ensure that authority is balanced with independence, and growth is guided by clear controls and ethical conduct.

Through defined roles, transparent processes and continuous review, we ensure that accountability remains central to how we manage risk, safeguard stakeholder trust and create sustainable value over the long term.



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Governance

# The Discipline Behind Sustainable Value

IndusInd Bank's corporate governance framework is the foundation on which we build sustainable value and long-term growth.

Rooted in transparency, integrity and accountability, we ensure that responsible conduct remains central to every decision we take. Our Board of Directors brings deep expertise and strategic oversight, guiding both our immediate priorities and our long-range direction. Through this leadership, we foster a governance culture that strengthens ethical behaviour, reinforces compliance and supports a resilient organisation prepared for future opportunities.

Our focus on scalable growth is sustained through continuous policy refinement and consistent alignment with regulatory expectations. We regularly evaluate our governance practices and seek independent certifications that validate the quality of our financial reporting, internal controls and stakeholder engagement. This disciplined approach strengthens trust, deepens accountability and enables IndusInd Bank to remain competitive and customer-focused within a dynamic economic ecosystem. It also reinforces our commitment to sustained value creation as we continue to evolve with clarity and responsibility.

**16 Years**

Of reporting on sustainability initiatives

**0 Breaches**

Against the code of conduct and ethics

**2**

Women Directors on the Board

**0**

Cases of corruption

**0**

Data breaches occurred

## Board Composition

The composition of the Board fully complies with the provisions of the Companies Act 2013, the applicable rules framed under it, the SEBI Listing Regulations, the Banking Regulation Act 1949, along with the guidelines issued by the RBI, the Articles of Association of the Bank and the Board Diversity Policy.

The Board reflects an optimal mix of experience and independence, with Independent Directors accounting for 73% of its total strength, including two Independent Women Directors. The Board is led by a Non-Executive Independent Director who serves as the part-time Chairman and is not related to the Managing Director and Chief Executive Officer, ensuring strong and unbiased oversight.

As of March 31, 2025, the Board comprised eleven Directors. Eight served as Non-Executive Independent Directors, namely Mr. Sunil Mehta, Non-Executive Independent Director and Part-time Chairman, Mrs. Akila Krishnakumar, Mr. Rajiv Agarwal, Mrs. Bhavna Doshi, Mr. Jayant Deshmukh, Mr. Pradeep Udhas, Mr. Lingam Venkata Prabhakar and Mr. Rakesh Bhatia. One Director, Mr. Sudip Basu, served in the category of Non-Executive Non-Independent. Two Directors served in executive roles, namely Mr. Sumant Kathpalia, Managing Director and Chief Executive Officer, and Mr Arun Khurana, Whole-time Director and Deputy Chief Executive Officer.

## Board of Directors



**Mr. Sunil Mehta**

Independent Director, Part-time Chairman



**Mrs. Akila Krishnakumar**

Independent Director



**Mr. Rajiv Agarwal**

Independent Director



**Mrs. Bhavna Doshi**

Independent Director



**Mr. Jayant Deshmukh**

Independent Director

[Ceased to be Director w.e.f. July 23, 2025, on completion of his tenure]



**Mr. Pradeep Udhas**

Independent Director



**Mr. Lingam Venkata Prabhakar**

Independent Director



**Mr. Rakesh Bhatia**

Independent Director



**Mr. Sudip Basu**

Non-Executive, Non-Independent Director



**Mr. Sumant Kathpalia**

[Ceased to be Managing Director & CEO w.e.f. April 29, 2025]



**Mr. Arun Khurana**

[Ceased to be Whole-time Director (Executive Director) w.e.f. April 28, 2025]

## Management Team



**Mr. Sanjeev Anand**  
Head – Corporate, Commercial,  
Rural & Inclusive Banking



**Mr. Zubin Mody**  
Chief Human Resource Officer



**Mr. Soumitra Sen**  
Head – Consumer Banking & Marketing



**Mr. A.G. Sriram**  
Head – Consumer Finance



**Mr. Indrajit Yadav**  
Head – Investor Relations  
and Strategy



**Mr. Niraj Shah**  
Head – Corporate & Institutional Banking,  
Gems & Jewellery



**Mr. Anil M. Rao**  
Chief Administrative Officer



**Mr. Samir Dewan**  
Head – Affluent Banking &  
International Business



**Mr. Vivek Bajpeyi**  
Chief Risk Officer



**Mr. Shiv Bhasin**  
Chief Transformation Officer



**Mr. Rana Vikram Anand**  
Head – Pan Bank Liability Group,  
Customer Service and Synergy



**Ms. Charu Sachdeva Mathur**  
Head – Digital Banking & Strategy  
(Existing Business)



**Mr. Anish Behl**  
Head – Inspection & Audit



**Mr. Siddharth Banerjee**  
Head – Investment Banking, Global  
Markets & Financial Institutions Group

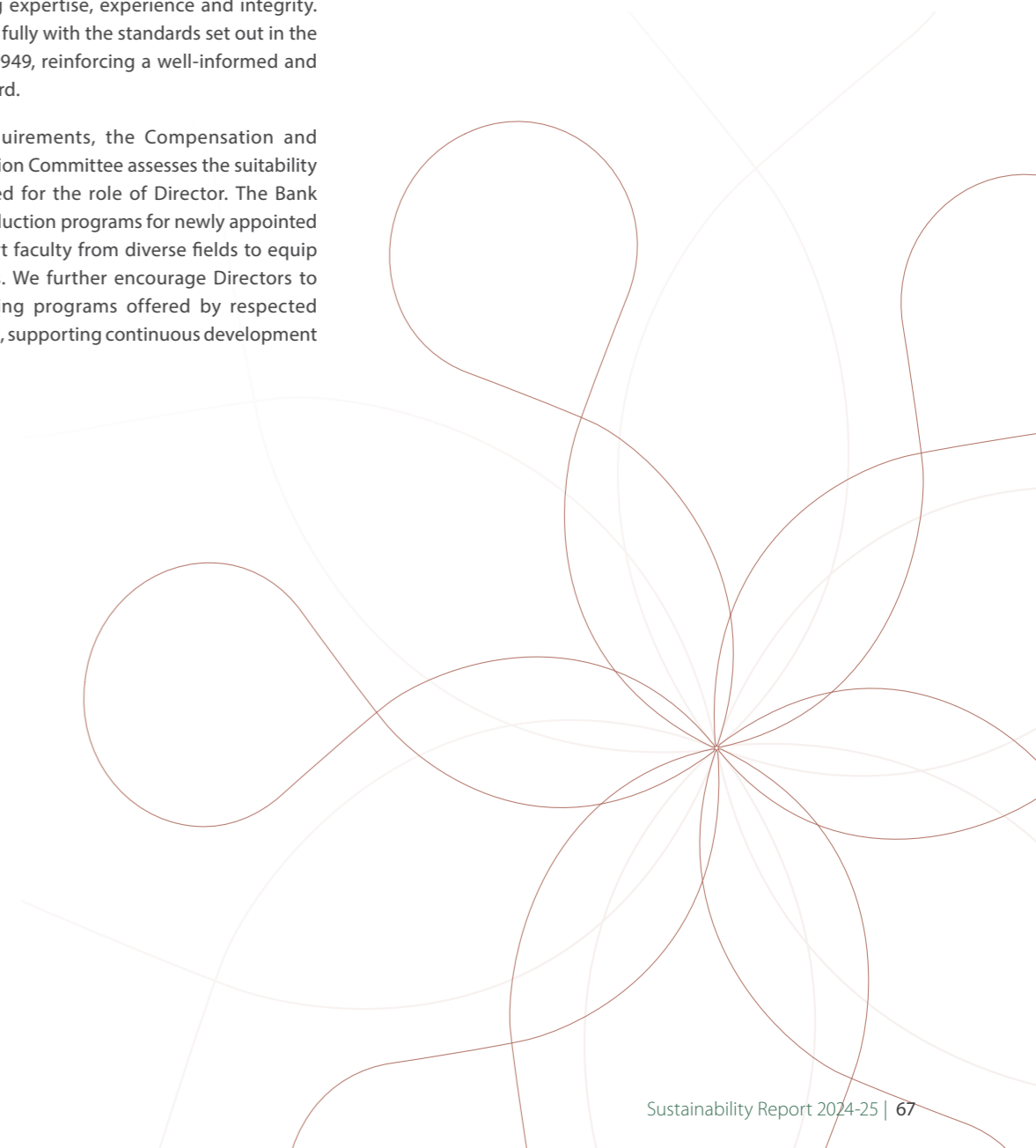


**Mr. Jyoti Prasad Ratho**  
Inspection & Audit

## Appointment of the Board



The Bank selects its Directors in line with the rigorous Fit and Proper criteria prescribed by the RBI, ensuring that every appointment reflects strong expertise, experience and integrity. All Board operations comply fully with the standards set out in the Banking Regulation Act of 1949, reinforcing a well-informed and professionally equipped Board.

In alignment with RBI requirements, the Compensation and Nomination, and Remuneration Committee assesses the suitability of every candidate proposed for the role of Director. The Bank conducts comprehensive induction programs for newly appointed Directors, drawing on expert faculty from diverse fields to equip them with relevant insights. We further encourage Directors to engage in advanced learning programs offered by respected institutions outside The Bank, supporting continuous development and informed leadership.



## Committees of the Board

To support effective oversight and the smooth functioning of our operations, we have established a set of committees, each entrusted with a clearly defined area of responsibility. Their core mandate is to ensure full compliance with the legal and regulatory requirements issued by the RBI, the Companies Act and the SEBI Listing Obligations and Disclosure Requirements Regulations of 2015, along with other applicable frameworks.

-  **Audit Committee**
-  **Committee of Directors**
-  **Customer Service Committee**
-  **Corporate Social Responsibility and Sustainability (CSR&S) Committee**
-  **Finance Committee**
-  **I.T. Strategy Committee**
-  **Risk Management Committee**
-  **Review Committee - Non-Cooperative Borrowers and Wilful Defaulters**
-  **Stakeholders' Relations Committee**
-  **Special Committee of the Board for Monitoring and Follow-Up of Cases of Frauds**
-  **Vigilance Committee**
-  **Oversight Committee**
-  **Compensation and Nomination & Remuneration Committee**

## Board Diversity

IndusInd Bank's Board of Directors brings together a balanced and diverse set of leaders who combine functional expertise with deep industry knowledge. In line with Section 10A (2) (a) of the Banking Regulation Act of 1949, we ensure a broad mix of skills across accountancy, sustainability, agriculture, the rural economy, banking, law, information technology, human resources, business management and risk management. These competencies are strengthened by extensive practical experience.

Our Board Diversity Policy upholds a strict commitment to inclusion and prohibits any form of discrimination based on gender, caste, race or ethnicity. We also exceed the statutory requirement for women's representation and currently have two women Directors, Mrs. Bhavna Doshi and Mrs. Akila Krishnakumar.

Consistent with the Banking Regulation Act of 1949, the Companies Act of 2013, the Listing Regulations and our Articles of Association, our Board structure reflects an effective balance of Executive, Non-Executive, Independent and Women Directors.

## Independence of the Board

IndusInd Bank's Board follows a single-tier structure comprising the Chairman, the Managing Director and Chief Executive Officer and nine other Directors. Our Independent Directors meet the criteria defined under Schedule IV of the Companies Act 2013 and Regulations 16(1) b and 17(1) a of the SEBI Listing Obligations and Disclosure Requirements Regulations of 2015.

Independent Directors may serve two consecutive terms of four years each, and the Banking Regulation Act of 1949 requires them to satisfy the prescribed standards of independence. Any reappointment at the end of a tenure is based on a proposal from the Compensation and Nomination, and Remuneration Committee and is subject to approval by the Board and the shareholders.

## Board Evaluation

Our Policy on Performance Evaluation provides a structured framework for assessing the effectiveness of the Board and individual Directors. The evaluation considers attendance, quality of participation, contribution to strategic planning, commitment to stakeholder interests and adherence to ethical standards. The Compensation and Nomination, and Remuneration Committee reviews these assessments and recommends term extensions where appropriate.

The Board's evaluation process focuses on the following areas:

**Strategic Execution:** Assessment of business plans and their effectiveness over time.

**Policy Implementation:** Review of the robustness of policies that support operational frameworks.

**Financial Oversight:** Close monitoring of internal controls and financial discipline.

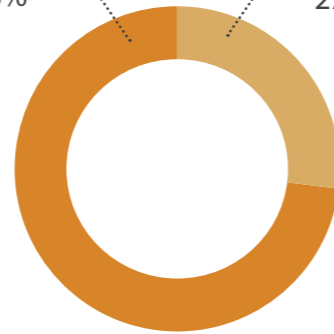
**Operational Insight:** Commitment to understanding the operational dimensions of the Bank.

**Expertise and Awareness:** Ensuring the Board's composition reflects strong knowledge of governance practices, financial requirements and evolving market conditions.

## Board Structure

**18.18%**  
Percentage of Female Board of Directors

73% 27%



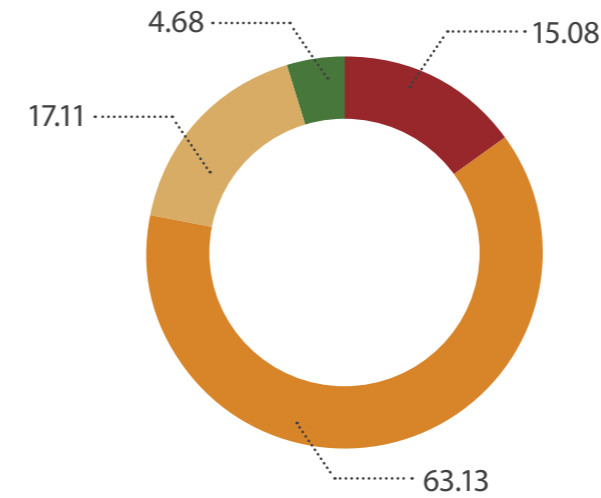
- Non-Independent Directors
- Independent Directors

### Average Tenure (Monthly)



## Shareholding Pattern

### Distribution of shareholding



- Promoters' holding
- Institutional Investors
- Central Government/State Government
- Others
- Non-Promoter - Non Public Shareholding

## CEO Compensation Structure

IndusInd Bank follows a clearly defined framework for determining CEO compensation, which includes a fixed annual salary and a variable component linked to the Bank's performance metrics. We adhere to the compensation guidelines issued by the RBI, including the most recent directive effective from November 4, 2019.

For select personnel such as the Whole Time Director, the CEO, material risk takers and staff in control functions, performance bonuses may be deferred. These bonuses are delivered through a mix of cash and stock options. The valuation of stock options is carried out using the Black Scholes model, which incorporates market-based inputs such as historical share prices and expected volatility to estimate future equity movements.

The CEO and members of the Executive Committee also have responsible lending goals included in their KRAs. The CEO's KRAs additionally cover indicators such as net interest margin, return on assets, provision coverage ratio, pre-provision operating profits, compliance and governance. The CEO and the Head of Information Technology also have measurable goals related to product innovation and digital progress. The Bank maintains Malus and Claw-back provisions to discourage excessive risk-taking and preserve prudent conduct.

Employees at the executive level may also participate in the Employee Stock Option Scheme 2020. Options awarded under this scheme vest over a period of three years from the date of grant.

## Sectoral Expertise of the Board

Our Board's approach goes beyond regulatory compliance and is designed to support proactive and forward-looking governance. We place strong emphasis on inclusivity, diverse sectoral expertise and accountable decision-making. The Board also engages external specialists whenever needed to strengthen the quality and depth of its deliberations.

## Vigilance Mechanism

IndusInd Bank's Vigilance Department has been operational since October 2008 and is focused on preventing, detecting and addressing any form of misconduct. The Department reports directly to the Managing Director and Chief Executive Officer, reinforcing our commitment to the highest standards of compliance and integrity. During the previous financial year, no cases were reported.



## Policies and Code of Conduct

### ESMS Policy

Integrates environmental and social considerations into our wholesale banking credit decisions by identifying ESG-related risks and promoting sustainable banking practices.

### Workplace Health and Safety Policy

Reinforces our commitment to a safe and healthy environment for employees, contractors and visitors through a strong safety culture and secure working conditions.

### Employee Volunteering Policy

Encourages employees across the Bank and its subsidiaries to participate in community-focused volunteering initiatives that build empathy and purpose.

### Sustainability Policy

Guided by the belief that good ecology supports good economics, this policy embeds environmental, social and governance priorities into decision-making.

### Remuneration Policy for Non-Executive Directors

Ensures fair compensation for the part-time non-executive Chairman and Directors in line with RBI norms and governance standards.

### Related Party Transaction Policy

Ensures full compliance with SEBI requirements for transparency and proper oversight in all related party transactions across the Bank and its subsidiaries.

### Performance Evaluation Policy

Provides a framework to assess the performance and effectiveness of Directors. The Compensation and Nomination, and Remuneration Committee oversees evaluations related to appointments, removals and reappointments.

### Code of Conduct for Directors and Senior Management

Defines the ethical principles that guide our business conduct and stakeholder interactions. It reinforces our fiduciary responsibilities and the expectations from Directors and senior leaders.

### Policy on Appointment and Selection of Directors

Outlines objective criteria for Director selection, covering independence, reliability and role-specific skills, and details processes for appointments and reappointments.

### CSR Policy

Reflects our commitment to community development, environmental stewardship and inclusive growth, with a focus on uplifting underserved communities.

### Policy for Inactive Accounts

Provides a structured process for identifying and communicating with clients whose accounts remain inactive, along with clear reactivation procedures.

### Grievance Redressal Policy

Ensures timely and equitable resolution of customer complaints through structured review, feedback mechanisms and escalation pathways.

### Anti-corruption Policy

Prohibits all forms of corruption, including bribes and undisclosed contributions. Regular training helps employees detect and prevent corrupt practices.

### Whistleblower Policy

Established in 2009, this policy provides a secure channel for reporting misconduct without fear of retaliation, supporting a fair and fraud-free workplace.

### Anti-Money Laundering Policy

Implements strong controls to prevent financial crime, including customer due diligence, remote verification measures, detection of terrorist financing, enhanced checks for politically exposed persons and senior-level oversight for high-risk cases.

### Privacy Policy

Ensures strict protection of client information within a Group-wide framework overseen by the Head of Customer Operations and Solution Delivery. All practices align with RBI guidelines.

### Anti-Competitive Practices

The Bank complies fully with anti-competitive laws and has no pending investigations or penalties in this regard.

### Commitment to Integrity

Our governance standards uphold honesty, integrity and compliance, supported by the Codes of Conduct for Directors, Insider Trading and Fair Disclosure.

### Brand Positioning

IndusInd Bank is ranked among the 50 most valuable Indian brands in the BrandZ India Report 2024 and continues to maintain a strong market presence across individual, corporate, and government client segments.

### Zero Tolerance for Bribery and Corruption

We maintain a strict stance against bribery and other forms of unethical conduct. Associates are encouraged to report any malpractice, and all political or charitable contributions follow ethical and regulatory requirements.

## Trade Associations

The CEO and Executive Committee members are not subject to mandatory stock ownership requirements under the Indian Companies Act. No government entity holds more than 5% of the Bank's voting rights, and individual members of the founding family also hold less than 5%. We maintain a single class of equity shares, each valued at Rs 10, ensuring a uniform ownership structure and balanced distribution of voting rights between public shareholders and management.

### National

- Indian Banks Association
- Micro Finance Institutions Network
- Institutional Investor Advisory
- Services India Limited
- Foreign Exchange Dealers
- Association of India

### State

- Bombay Chamber of Commerce and Industry

### International

- Indo-German Chamber of Commerce

## Tax Strategy

We operate entirely within India, sourcing international resources only when required. We strictly comply with Indian tax laws and deliberately avoid any practices that could be construed as tax avoidance. We do not operate in tax havens, nor do we engage in political activities through untaxed contributions intended to influence public policy. Our tax strategy is approved by the Board of Directors.

## Global Systemically Important Bank (G-SIB)

Global Systemically Important Banks are subject to enhanced regulatory oversight to strengthen capital resilience and mitigate systemic risk. As per the latest list issued by the Financial Stability Board, we are not classified as a G-SIB. Nevertheless, we remain committed to aligning ourselves with relevant global regulatory best practices.

### Basel III Leverage Components

Particulars	March 2022	March 2023	March 2024	March 2025
Tier 1 Capital (₹ in Cr)	4,95,930	5,51,576	60,710.52	63,341.88
Exposure measure (₹ in mn)	49,75,796	55,30,437	66,11,557	66,30,222
Leverage ratio (%)	9.97%	9.97%	9.78%	9.55%



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## Independent practitioner's assurance report

**To,**  
**The Management and Board of Directors**  
IndusInd Bank Limited,  
PNA House, 4th Floor,  
Plot No. 57, Street No. 17, MIDC, Andheri (E)

### Scope

We have been engaged by IndusInd Bank Limited to perform a 'limited assurance engagement,' as defined by International Standards on Assurance Engagements, here after referred to as the engagement, to report on IndusInd Bank Limited's selected non-financial KPI's mentioned in Annexure 1 of the Sustainability Report FY 2024-25 (the "Subject Matter") contained in IndusInd Bank Limited's (the "Company's") Sustainability Report FY 2024-25 as of 02/03/2026 for the year ended 31<sup>st</sup> March 2025 for the period from 1<sup>st</sup> April 2024 to 31<sup>st</sup> March 2025 (the "Report").

### Criteria applied by IndusInd Bank Limited

In preparing the Sustainability Report FY 2024-25, IndusInd Bank Limited applied the Global Reporting Initiative (GRI) Standards (Criteria). Such Criteria were specifically designed for Sustainability Report; As a result, the subject matter information may not be suitable for another purpose.

### IndusInd Bank Limited's responsibilities

IndusInd Bank Limited's management is responsible for selecting the Criteria, and for presenting the Sustainability Report FY 2024-25 in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

### EY's responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ('ISAE 3000 (Revised)'), and the terms of reference for this engagement as agreed with IndusInd Bank Limited on 21<sup>st</sup> July 2025. Those standards require that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

### Our independence and quality management

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, and have the required competencies and experience to conduct this assurance engagement.

EY also applies International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements*, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.



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### Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Sustainability Report FY 2024-25 and related information and applying analytical and other appropriate procedures.

Our procedures included:

- Obtained an understanding of the Sustainability Information (Subject matter) and related disclosures
- Obtained an understanding of the assessment criteria and their suitability for the evaluation and/or measurements of the Sustainability Report (Subject matter)
- Made inquiries of Company's management, including environment team, sustainability team, operational representatives amongst others and those with the responsibility for preparation of the Report
- On-site and remote testing of data with data coordinators to
  - Understand the quality reporting and subsequent revisions to the data.
  - Undertook analytical procedures for selected KPI's mentioned in Annexure 1,
  - Walk-through data reporting procedures from the bank branches, ATM, and Data Centres located across India to test the process of consolidation.
  - Select a sample of data points from across the business and seek documentary evidence to support the accuracy of the data.
- Evaluated the reasonableness and appropriateness of significant estimates and judgements made by the management in the preparation of the Sustainability Report (Subject matter).
- Obtained representations from Company's management.

We also performed such other procedures as we considered necessary in the circumstances.

### Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the Sustainability Report as of 02/03/2026 for the period from 01<sup>st</sup> April 2024 to 31<sup>st</sup> March 2025, in order for it to be in accordance with the Criteria.

### Restricted use

This report is intended solely for the information and use of IndusInd Bank Limited and is not intended to be and should not be used by anyone other than the entity

**For and on behalf of Ernst & Young Associates LLP**

**Chaitanya Kalia**  
**Partner**  
**02/03/2026**  
**Mumbai, India**



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Annexure 1

GRI Indicator	Disclosure
<b>GRI 2: General Disclosures 2021</b>	
2-7	Employees
<b>GRI 302: Energy 2016</b>	
302-1	Energy consumption within the organization
<b>GRI 303: Water and Effluents 2018</b>	
303-5	Water consumption
<b>GRI 305: Emissions 2016</b>	
305-1	Direct (Scope 1) GHG emissions
305-2	Energy indirect (Scope 2) GHG emissions
305-3	Other indirect (Scope 3) GHG emissions <ul style="list-style-type: none"> <li>▪ Category 1: Purchased Goods and Services</li> <li>▪ Category 3: Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2</li> <li>▪ Category 6: Business Travel</li> <li>▪ Category 7: Employee Commuting</li> </ul>
305-4	GHG emissions intensity
<b>GRI 401: Employment 2016</b>	
401-1	New employee hires and employee turnover
<b>GRI 403: Occupational Health and Safety 2018</b>	
403-5	Worker training on occupational health and safety
<b>GRI 404: Training and Education 2016</b>	
404-1	Average hours of training per year per employee
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	
405-1	Diversity of governance bodies and employees

*Handwritten signature* 3

# **IndusInd Bank**

## **Registered Office**

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## **Corporate Office**

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[sustainability@indusind.com](mailto:sustainability@indusind.com)

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**CIN:** L65191 PN1994PLC076333