



HDFC BANK

Focus on Social Interest Margin, too

What is this award for? It recognises companies that conduct their business responsibly, invest in sustainability and ESG compliance, give back to society meaningfully and are conscious of their role in the current business environment.

HDFC Bank, India's largest private sector bank, created value and extended support to its various stakeholders in FY23. It provided banking services to over 80 million customers through its 7,821 branches. While doing so, the bank did not face regulatory clampdowns nor did it pay penalties or fines. With a corporate social responsibility (CSR) kitty of over ₹800 crore, the bank could also make a significant contribution to community development.

Sustainable finance is an organic continuum of the bank's ESG (environment, social, governance) strategy. It has adopted an ESG and Climate Change Assessment framework as part of the overall credit assessment for its 1,400+ corporate borrowers. It follows Responsible Financing tenets and does not fund projects that will have a negative impact on the environment, health or safety, according to the bank.

More than 940 of its branches have been green-certified. Less than 1% of its total exposure comes from fossil fuels and their extraction. Its financing of renewable energy capacity has more than doubled in the past three years. It financed 6,110 MW of renewable energy capacity in FY22. The bank has pledged to achieve carbon neutrality on Scope 1 and 2 emissions by FY32. It aims for a 25% female workforce by 2025 from the current 23%.

As a responsible corporate, the bank has identified the most disadvantaged sections of society around its areas of operation and is working to empower them to be self-reliant through its CSR initiative Parivartan. It focuses on rural development, pro-

motion of education, skill development and livelihood enhancement, healthcare and hygiene as well as financial literacy and inclusion in collaboration with NGOs, government bodies and local communities. Aligned with these broad focus areas, the bank has established seven goals and 13 sub-goals to be achieved by FY25 toward community development. Parivartan has so far impacted nearly 100 million lives since its inception.

In FY23, around 500 projects were executed through 250+ implementation partners in 27 states. In rural development, the bank has covered 3,399 villages under its Holistic Rural Development Programme. In the field of education, the bank's initiatives involve benefiting teachers and students through supporting schools and building libraries. The bank forms and trains self-help groups to foster skill development and livelihood enhancement. In the case of health and hygiene, the company constructs sanitation units, and its employees participate in blood donation drives. The bank also conducts financial literacy camps as part of its financial literacy and inclusion initiatives.

As a socially responsible banking industry leader, HDFC Bank has, through multiple initiatives, taken up the task of educating the public about safe banking practices in the era of digital payments. The bank launched its secure banking influencer Vigil Aunty to educate and protect banking customers from fraudsters in an entertaining manner. Within six months of launch, Vigil Aunty is said to have garnered a reach of over 146 million and built a dedicated fan base of over 2.3 million.

The bank's CSR initiative Parivartan focuses on education, skills, enhancing livelihood and rural development