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Lessons from Sports. Values for Life.



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MESSAGE FROM MANAGING DIRECTOR



Dear Friends,

At IndusInd Bank, Corporate Responsibility and Sustainability are at the core of our story. Together with our partners in Government and Civil Society, we have been working to build stronger communities and promote environmental conservation because we recognise how vital they are to our own health and resilience. Our journey towards Sustainable Development started at the time of our inception with a consumer-centric approach and a focus on good governance and risk management. Today, we have broadened our responsibilities and are addressing issues as diverse as climate change and financial literacy through our operations and CSR practices. Our strong technology platform and unique employee engagement approach help us promote excellence in sustainability without compromising on customer experience and the expectations of our shareholders.

It, thus, gives me great pleasure to present to you our 6th Annual Sustainability Report. In these pages, we describe both our achievements and our ambitions for Sustainable Development and Corporate Responsibility at the Bank. This year, we pay tribute to the field of sports and draw inspiration from the lessons of sportsmanship, teamwork and perseverance that athletes teach us. This association is fitting, given IndusInd Bank's own growing relationship with sports in India. One of our initiatives in the past year, an effort that separates us from our peers, has been the launch of 'IndusInd For Sports' - our non-banking Sports Vertical. This new Vertical will interweave the spirit of sportsmanship into the DNA of our Bank and its employees and will support and promote the cause of para-athletes across India.

Last year was also characterised by several other achievements, ranging from our robust financial performance to the assessment and mitigation of our environmental impact. The Bank reinforced its position on Priority Sector Financing, by intensifying its focus on financial accessibility to weaker sections of society and by increasing its investments in agriculture and renewable energy sectors. Our Microfinance programmes have bolstered local economies while giving individuals the opportunity to provide their families with food, shelter and education. We also engage with several non-profit organisations working to support the elderly, underprivileged children and the differently-abled. On the environmental front, we are one of the few banks in India that integrates climate change mitigation into our operational strategy. This year itself, we have refurbished IBL House, one of our major corporate centres in Mumbai and are aspiring towards making it a Platinum Rated LEED Certified Green Building. We have invested in energy and space saving cloud technology and have stood first in CDP's carbon disclosure rankings in the financial sector.

For IndusInd Bank, sustainability is an evolving journey. While we recognise that there's still a long way to go, we take pride and satisfaction in the progress made so far. Our efforts have borne fruit as we operate in increasingly sustainable ways and as we create both economic and social value in the communities that we serve. Each one of us has a pivotal role to play and through this report, I invite all of you to be a part of this journey, as we continue to navigate the landscape of sustainability.

Yours sincerely,
Romesh Sobti
Managing Director & CEO

INDUSIND BANK

Sustainability Report 2015-16

About this Report

At IndusInd Bank, we stride towards the prosperity of our business, customers and shareholders and have persevered to embed sustainability into our actions and engagements with each passing year. Guided by our CSR (Corporate Social Responsibility) mission, 'Good Ecology is Good Economics', we have actively considered the environmental and social impacts and influence of our business on the larger community and have leveraged our capabilities to make a positive contribution beyond our core business. This report highlights our sustainability performance in 2015-16.

This year's Sustainability Report is aligned with the launch of the Bank's non-banking Sports Vertical, 'IndusInd For Sports', which aims to make sports an integral, intrinsic and strategic element for both internal and external stakeholders. Using the unique power of sports to attract, mobilise and inspire, 'IndusInd For Sports' attempts to bring out the sporting best – human values, inclusion and sustainability. The vertical will entail engagement activities for customers, employees and the community through well thought-out programmes.



Reporting Period and Cycle

IndusInd Bank has published its Sustainability Report every year since 2010. Our 6th Annual Sustainability Report covers the financial year from April 1, 2015 to March 31, 2016, referred to hereafter as FY '15-16. Previous reports can be found here: <http://www.indusind.com/content/csr-home/sustainability-report.html>

Report Scope and Boundary

This report incorporates the pan-India operations of IndusInd Bank and includes business verticals that cater to a wide range of financial products and services. It also encompasses the activities of the CSR department of the Bank, both within the gambit of

banking operations and within the larger community. There are no revisions in the organisational boundary of this report from the previous reporting year and no aspect of the Bank's operations or activities have been excluded from the same.

Report Content



This report has been prepared in accordance with Global Reporting Initiative's Sustainability Reporting Guidelines - GRI-G4 and conforms to the 'Comprehensive' set of disclosures covering 58 indicators. A complete list of disclosures can be found in the GRI Content Index on page 57 of this report. This report should be read in conjunction with IndusInd Bank's Annual Report for FY '15-16: <http://www.indusind.com/content/dam/indusind/AnnualReports/2015-16/2015-16/22nd-annual-report-2015-16.pdf>. While we have attempted to avoid repetition of information from previous reports, certain facts about the Bank are presented again so that this document may present a comprehensive view of our operations and initiatives. The report also references our Climate Change Response for the Carbon Disclosure Project (CDP).

The data presented in the report is based on information provided by the Bank's various business units and monitoring and reporting procedures. This Sustainability Report is published as a PDF and can also be accessed here <http://www.indusind.com/content/csr-home/sustainability-report.html>

Defining Materiality

The materiality assessment helps the Bank ensure alignment between our overarching strategy, the interests of our primary stakeholders and the Sustainability Report. Material Aspects were identified and prioritised through a series of formal and informal discussions with various business units of the Bank. A survey of key internal and external stakeholders was carried out in the last financial year and material aspects are thus assumed to remain unchanged for the FY '15-16. Topics that emerged as material from both business and stakeholder viewpoints include the following:

Aspect Boundaries for Material Topics

Material Topic	Internal	External
Priority Sector Lending - Economic Performance and Indirect Economic Impacts	✓	✓
Compliance - Product Responsibility	✓	✓
Customer Satisfaction and Brand Management - Product Responsibility	✓	
Security and Privacy - Product Responsibility	✓	✓
Employee Engagement - Labour Relations / Training and Education	✓	

Details of the materiality assessment can be found in our 5th Annual Sustainability Report 2014-15 on pages 21-22.

Our Reporting Framework

This report has been divided into 5 major sections, reflecting the framework of the GRI-G4 guidelines. A framework of the report's content is presented below:



General Disclosures: This section outlines the organisational profile, a description of key risks and opportunities, methods of stakeholder engagement as well as the Bank's Code of Conduct.



Economic Performance and Product Responsibility: This section illustrates the main economic impacts of the Bank throughout society and describes the Bank's products and services and their impacts on the Bank's key stakeholders.



Environment: Environmental stewardship and climate change mitigation are fundamental aspects of the Bank's CSR strategy. The environmental section discusses the Bank's impact on natural systems, including air, water and ecosystems. Here, we report on metrics such as energy use, Greenhouse Gas emissions and waste and the Bank's relevant mitigation strategies.



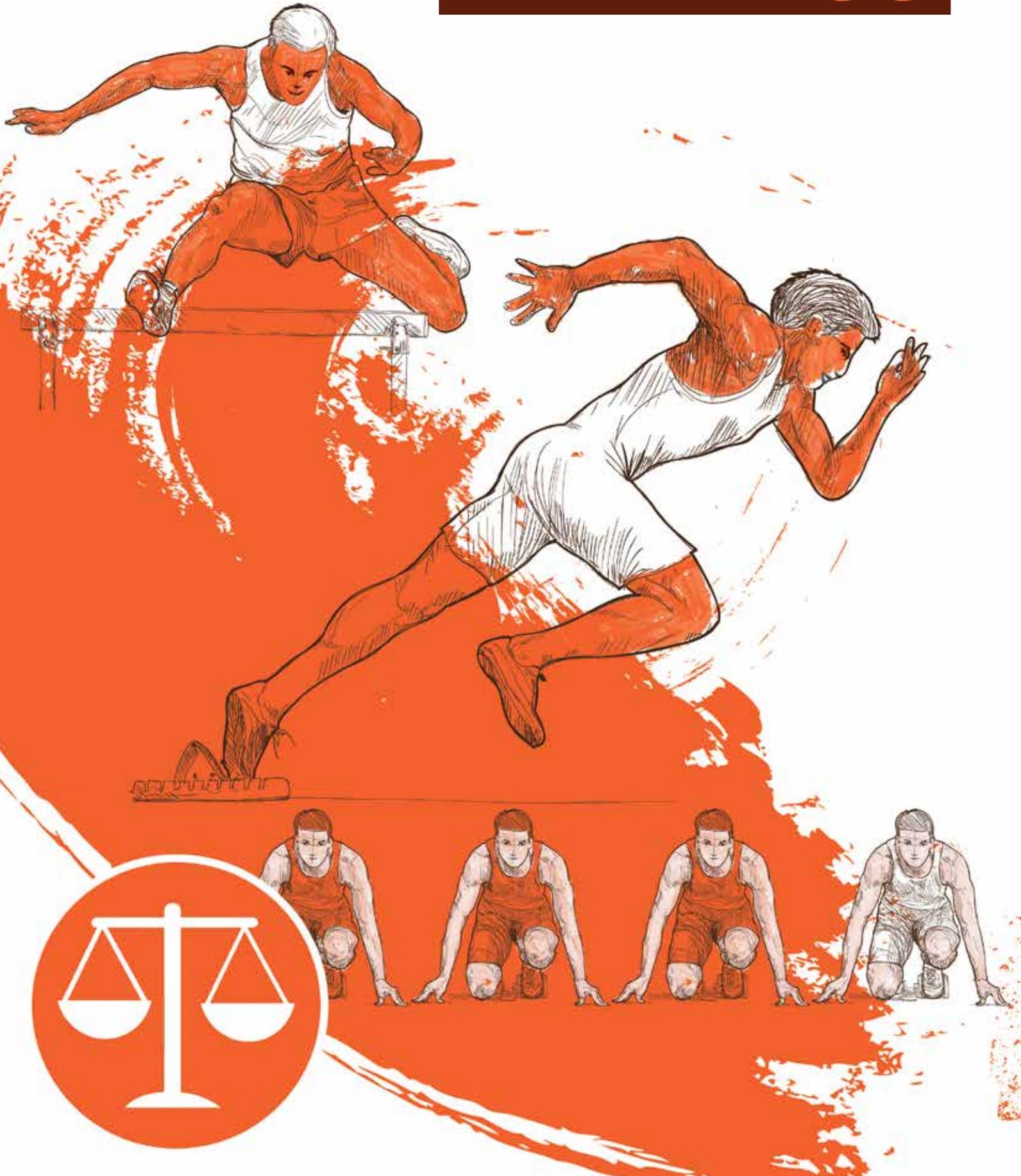
Human Rights and Labour: This section states the Bank's performance across several social indicators including employee recruitment and welfare, grievance redressal mechanisms and human rights policies.

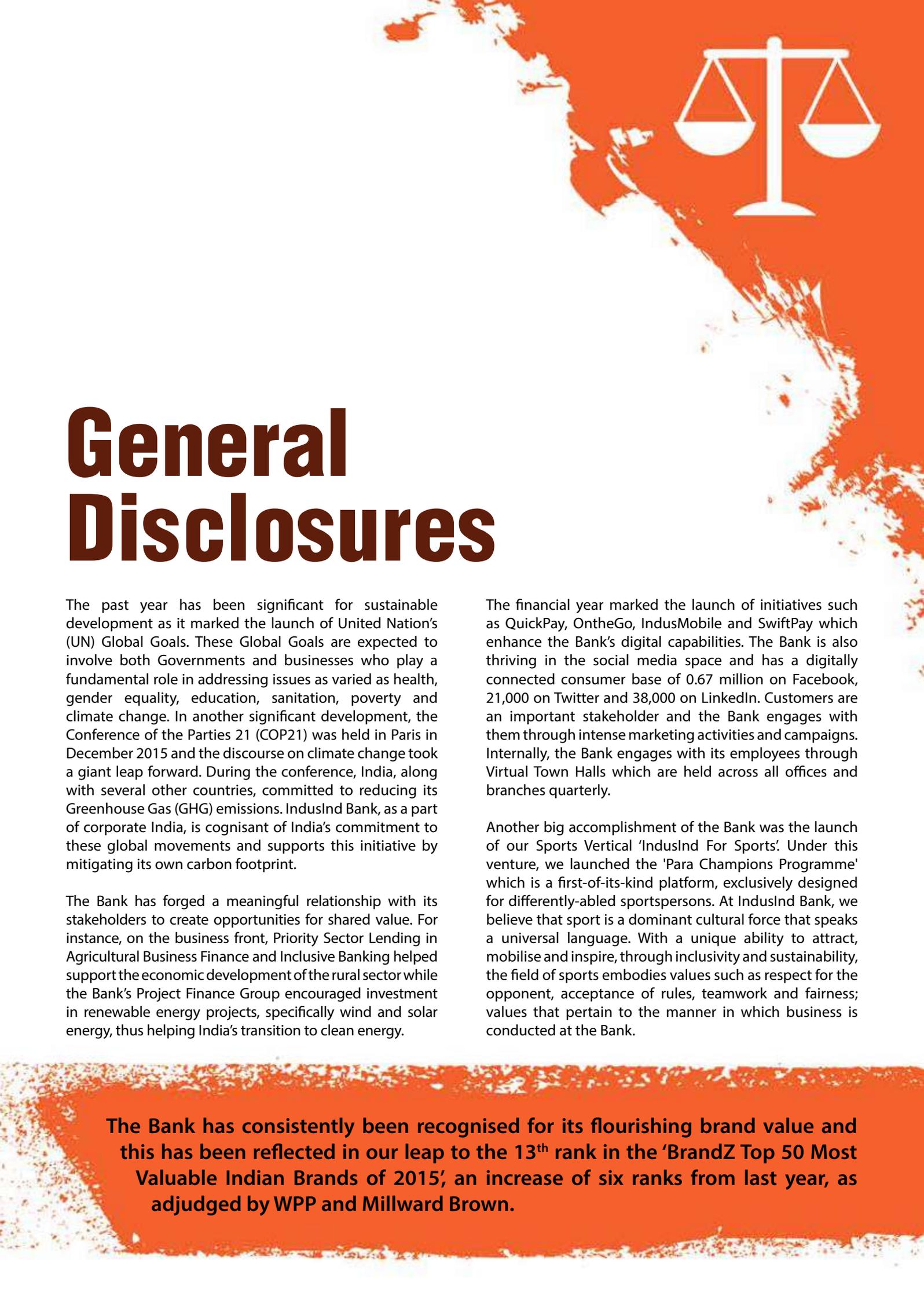


Society: The society section concerns the impacts our organisation has on society and local communities. Particularly, it presents the Bank's various community outreach initiatives and philanthropic activities. It also highlights customer satisfaction and privacy.

To help us improve reporting and ensure transparency, we welcome your feedback and questions on our report and performance. Contact us at: csrsupport@indusind.com or visit <http://www.indusind.com/content/csr-home.html>

SPORTS IS ALL ABOUT **FAIRNESS**





General Disclosures

The past year has been significant for sustainable development as it marked the launch of United Nation's (UN) Global Goals. These Global Goals are expected to involve both Governments and businesses who play a fundamental role in addressing issues as varied as health, gender equality, education, sanitation, poverty and climate change. In another significant development, the Conference of the Parties 21 (COP21) was held in Paris in December 2015 and the discourse on climate change took a giant leap forward. During the conference, India, along with several other countries, committed to reducing its Greenhouse Gas (GHG) emissions. IndusInd Bank, as a part of corporate India, is cognisant of India's commitment to these global movements and supports this initiative by mitigating its own carbon footprint.

The Bank has forged a meaningful relationship with its stakeholders to create opportunities for shared value. For instance, on the business front, Priority Sector Lending in Agricultural Business Finance and Inclusive Banking helped support the economic development of the rural sector while the Bank's Project Finance Group encouraged investment in renewable energy projects, specifically wind and solar energy, thus helping India's transition to clean energy.

The financial year marked the launch of initiatives such as QuickPay, OntheGo, IndusMobile and SwiftPay which enhance the Bank's digital capabilities. The Bank is also thriving in the social media space and has a digitally connected consumer base of 0.67 million on Facebook, 21,000 on Twitter and 38,000 on LinkedIn. Customers are an important stakeholder and the Bank engages with them through intense marketing activities and campaigns. Internally, the Bank engages with its employees through Virtual Town Halls which are held across all offices and branches quarterly.

Another big accomplishment of the Bank was the launch of our Sports Vertical 'IndusInd For Sports'. Under this venture, we launched the 'Para Champions Programme' which is a first-of-its-kind platform, exclusively designed for differently-abled sportspersons. At IndusInd Bank, we believe that sport is a dominant cultural force that speaks a universal language. With a unique ability to attract, mobilise and inspire, through inclusivity and sustainability, the field of sports embodies values such as respect for the opponent, acceptance of rules, teamwork and fairness; values that pertain to the manner in which business is conducted at the Bank.

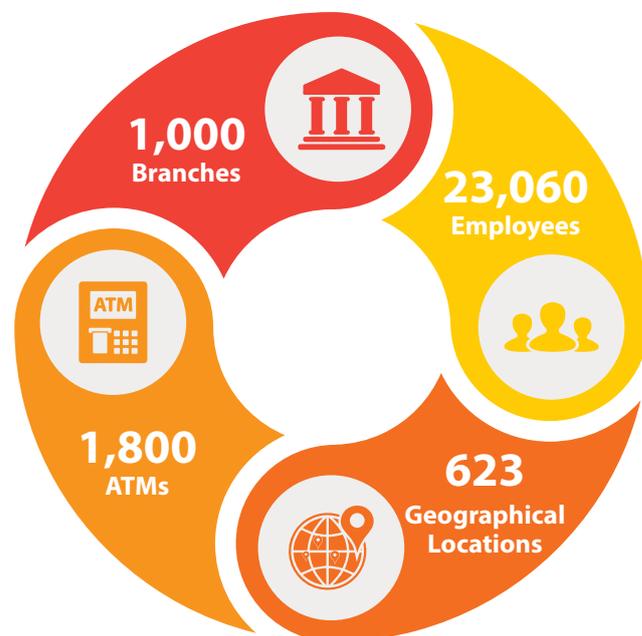
The Bank has consistently been recognised for its flourishing brand value and this has been reflected in our leap to the 13th rank in the 'BrandZ Top 50 Most Valuable Indian Brands of 2015', an increase of six ranks from last year, as adjudged by WPP and Millward Brown.

On the social front, the Bank supports the cause of women empowerment by creating awareness among them on their legal rights and disseminating legal and financial education. Over 15,000 women have been trained through the programme so far and the aim is to cover 65,000 women over four years with an objective to reduce the number of cases of domestic violence and female infanticide and foeticide.

The Bank has also elevated its position within the Carbon Disclosure Project Rankings and now stands in first place in the financial services sector in India. Our carbon mitigation approach of using energy efficient technologies, transforming data centres into green facilities, installing on-site solar and constructing LEED certified Bank properties, has proven to be an effective mitigation strategy and has delivered tangible outcomes.

Our actions on sustainable development are motivated by both reputational and legislative risks associated with the Companies Act, 2013 and by physical risks posed to our assets and employees by climate change. Opportunities associated with the creation of new markets in sustainable agriculture and renewable energy as a response to climate change have also driven some of our business decisions. The Bank's domain expertise in project finance of wind, solar, ports, logistics and power transmission projects has unleashed opportunities in project underwriting. For further information on our climate related risks and opportunities, please view our CDP response at www.cdp.net

branches was accompanied by a growth in our employee base which stood at 23,060 people as of March 31, 2016.



Financial Performance

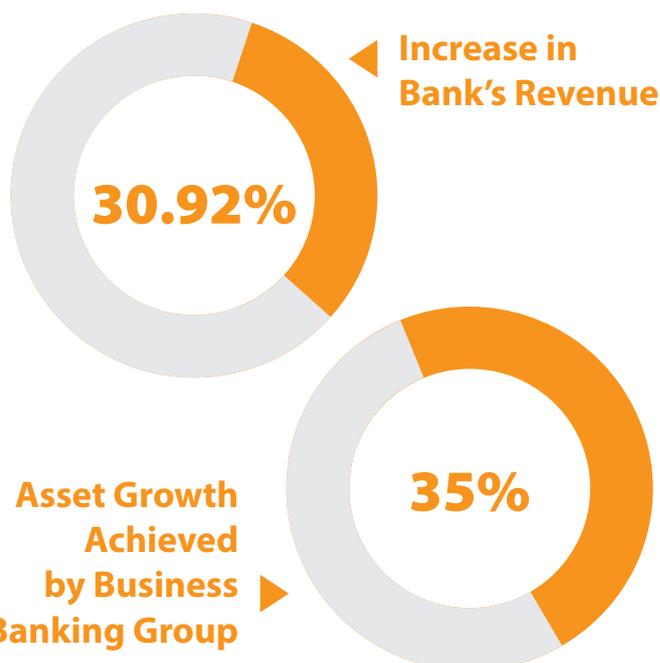
Despite a challenging year for the Banking sector, IndusInd Bank posted consistently strong results. The Bank's revenue grew by 30.92% to ₹78,135.20 million and the Business Banking Group achieved Asset growth of 35% during FY '15-16. Further details on our financial performance can be found in the next chapter of this report.

About IndusInd Bank

IndusInd Bank began its operations in 1994 under the aegis of Mr. Srichand P. Hinduja, a leading NRI businessman and head of the Hinduja Group. The Bank is a leading provider of commercial, transactional and electronic banking products and services and caters to the needs of both consumer and corporate customers. Today, the Bank is one of India's leading private sector banks. It enjoys clearing bank status for both major stock exchanges - BSE and NSE - and major commodity exchanges in the country, including MCX, NCDEX and NMCE.

People and Locations

IndusInd Bank has seen strong momentum in its retail banking sector in recent years. This year, the Bank opened its 1,000th retail branch and as of March 31, 2016, it has 1,000 branches and 1,800 ATMs spread across 623 geographical locations around the country. The Bank also has representative offices in London, Dubai and Abu Dhabi and a strategic alliance in Doha. This growth in

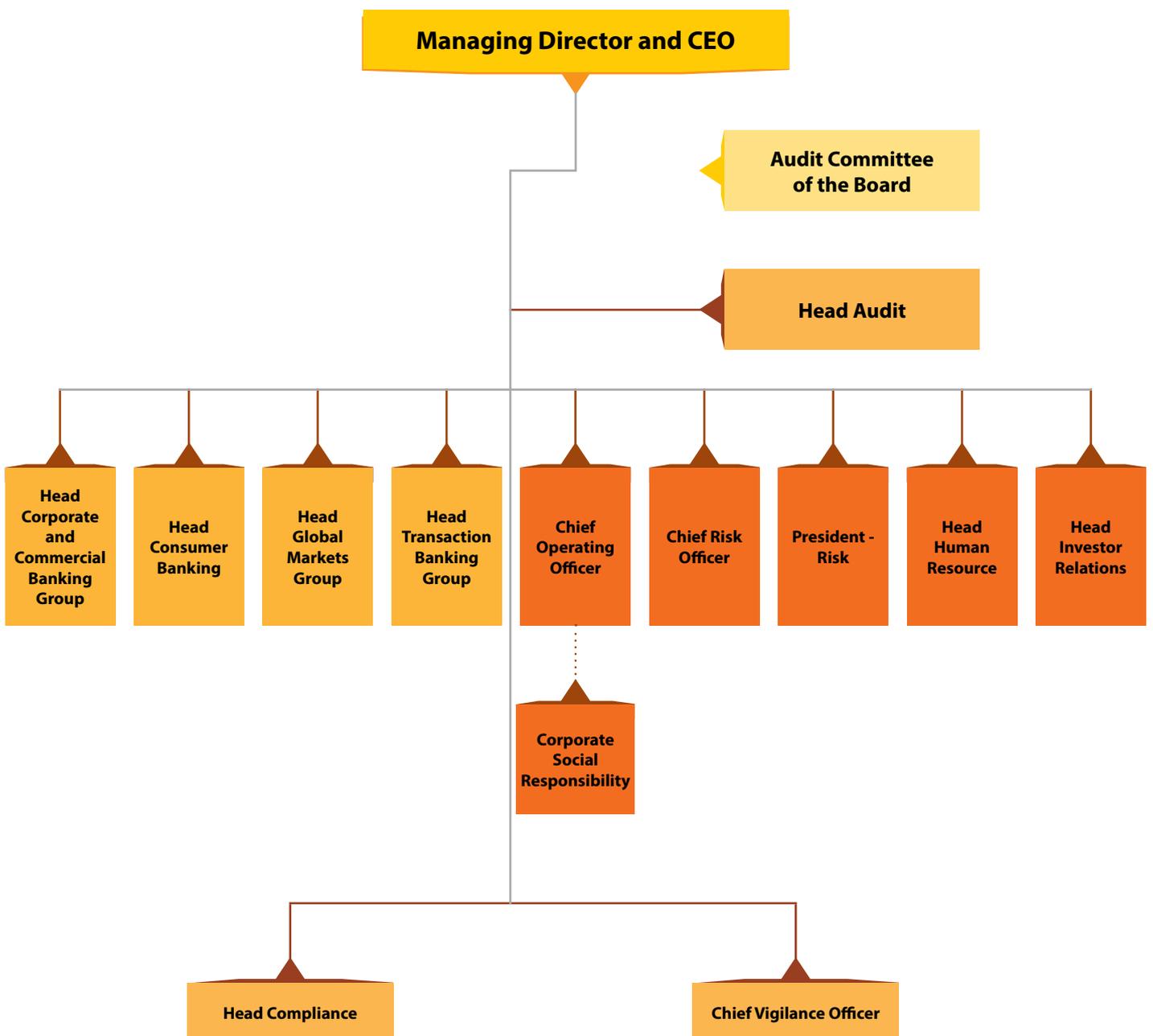


Governance

IndusInd Bank has always strived to strengthen its corporate governance systems by focusing on stakeholder and shareholder relations and accountability and by paying attention to the way we run and operate our business. The company is under the management of Mr. Romesh Sobti (MD and CEO) and is led by a Board of Directors. As of March 31, 2016, the Board had eight directors, including six independent directors and one

woman director as per the regulations stated in Section 149 of the Companies Act, 2013. At the functional level, the Board has constituted several committees to take strategic decisions and monitor the activities falling within their terms of reference. Further details about the Board of Directors and of the Committees of the Board and their activities during the year can be found on pages 110, 115-123 of our Annual Report 2015-16.

Organisational Structure of the Bank



Managing Sustainability at the Bank

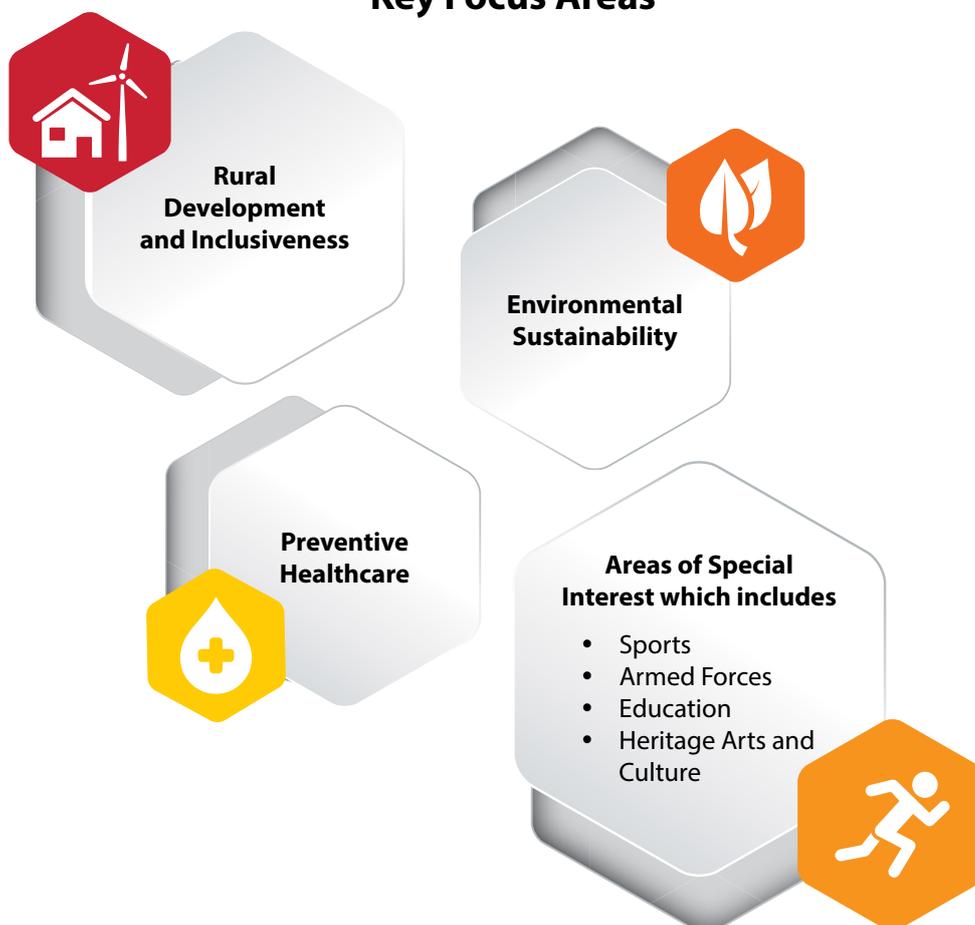
Sustainability is an integral part of IndusInd Bank's operations. The Bank has been efficacious by being responsive to a rapidly evolving environment and by adopting a strategy that is sustainable and innovative - giving equal impetus to human capital, financial capital, natural capital and intellectual capital. Sustainability and Corporate Social Responsibility (CSR) are governed by the CSR Committee of the Board. This Committee comprises of board members including MD and CEO, Mr. Romesh Sobti and is headed by Ms. Kanchan Chitale (Chairperson). The role of the CSR Committee of the Board is primarily to review, sanction and approve projects proposed by the CSR department. The focus areas include rural development, health and sanitation and environmental sustainability which includes but is not restricted to climate change. This year, the Bank has chosen to focus on two additional areas of sustainable development: Sports development (with a focus on people with disabilities) and the conservation of India's cultural and historical heritage.

The board is also engaged in the development of

sustainability strategy and policy through other committees working on these issues such as the Human Resources Committee, the Vigilance Committee, the Finance Committee and others. Further details about committee functions and responsibilities are outlined in the Bank's Annual Report. The Bank exercises the precautionary principle through ERM (Enterprise Risk Management) and ORM (Operations Risk Management) which safeguard environmental concerns.

The management overview for corporate sustainability at the Bank is provided by the Chief Operating Officer (COO) and at a functional level; the Corporate Social Responsibility (CSR) department is directly under the supervision of Head - Corporate Services (CS) which forms part of the COO function at the Bank. The CSR department is responsible for the implementation and facilitation of various sustainability driven initiatives at the Bank. Details about the CSR Committee can be found at the link: <http://www.indusind.com/content/csr-home/our-approach/meet-the-bank.html>

Key Focus Areas



Engaging with Stakeholders

Managing and being cognisant of stakeholders' expectations is fundamental to our business. Various initiatives have been taken to enable dialogue with stakeholders to gain their insights and feedback. This helps us plan our future direction and motivates us to be accountable. Engagement with key stakeholders is summarised here:

Stakeholder	Description	Channels of Engagement	Issues of Interest
Customers	The Bank's customer base consists of retail banking customers as well as corporate banking clients. The Bank is committed to meeting their expectations and engaging with them in a result-oriented and transparent manner.	<ul style="list-style-type: none"> • Various formal and informal means at branches, video banking • EDMs and social media • Dedicated customer care channels • Customer Satisfaction Surveys Frequency: Interactions with customers are continuous and on-going	<ul style="list-style-type: none"> • Customer data privacy and security • Ease of use and availability of banking services • Grievance redressal mechanisms and response
Employees	IndusInd Bank has 23,060 full-time employees working out of branches and offices. The Bank aims to provide its employees a safe and diverse work environment with opportunities for growth and development.	<ul style="list-style-type: none"> • Town Hall Meetings • Training and skill development sessions • Bank's intranet portal, webcasts, newsletters • Listening Post (Redressal) • My Idea (Idea Junction) • Performance Management process Frequency: Interactions with employees are continuous and on-going	<ul style="list-style-type: none"> • Benefits and remuneration • Health and safety in the workplace • Grievance redressal mechanisms and response • Training and skill development
Shareholders and Investors	Our shareholders and investors share our vision for the Bank and we are committed to building a sustainable business and creating long-term value.	<ul style="list-style-type: none"> • Road shows and investor meets • Investor grievance mechanism • Annual Report, CDP response and Sustainability Report • Roundtables, quarterly conference calls and face-to-face meetings • Annual General Meeting Frequency: Need based, monthly, quarterly, annually and on-going	<ul style="list-style-type: none"> • Financial performance • Risk assessment and management • Compliance • Sustainability performance
Senior Leadership	Senior leadership at the Bank consists of the Board of Directors and the Core Executive Team (CET). Together, they drive the business and strategic decisions of the Bank.	<ul style="list-style-type: none"> • Board Meetings • Meetings of Committees of the Board • Direct Reporting Frequency: Board meetings are held 6 times in a year, Committee meetings are held as per regulatory guidelines / directions of the Board	<ul style="list-style-type: none"> • Compliance and governance • Financial performance • Employee welfare and training • Sustainability

Stakeholder	Description	Channels of Engagement	Issues of Interest
Suppliers and Service providers	The Bank is committed to upholding sustainable procurement practices and ensuring that suppliers and vendors are aware of and adhere to compliance standards as required.	<ul style="list-style-type: none"> • One-to-one supplier meets • Techno-commercial discussions • Service engagements • Meetings related to audit, governance and compliance • Supplier sustainability programme Frequency: Quarterly and on a periodic basis	<ul style="list-style-type: none"> • Service delivery and quality • Operational efficiency • Business intelligence
Regulatory Authorities	The Bank engages with a number of financial regulatory authorities (RBI and SEBI) and is compliant with all relevant regulations and laws.	<ul style="list-style-type: none"> • QIPs with RBI • One-to-one meetings and group meetings • Emails and letters • Submission of performance reports Frequency: Need Based	<ul style="list-style-type: none"> • Compliance and governance • Corporate Social Responsibility
Society and NGOs	The Bank engages with the broader community through its financial products and services. We also engage with civil society groups and NGOs through CSR activities.	<ul style="list-style-type: none"> • Employee payroll giving programme • Community and rural development programmes • Biodiversity conservation programmes • Financial and legal literacy programmes Frequency: Need Based and monthly	<ul style="list-style-type: none"> • Rural development • Financial literacy • Sustainable development and climate change

Our Supply Chain

The Bank engages with a diverse supplier base that provides goods, services and IT and non-IT support. We have robust vendor on-boarding and selection criteria which are governed by the Bank's Outsourcing Policy and Procurement Policy. The policies highlight the importance of equal opportunity employment, health, safety and well-being of employees and adherence to compliance practices by vendors and suppliers.

Over the course of the last two years, IndusInd Bank has also focused on completing a supplier sustainability assessment of its large spend suppliers. In FY '15-16, the Bank incisively assessed the indirect carbon emissions accruing from the sourcing of products and services from these large spend suppliers. The Bank endeavours to engage with these suppliers to mitigate their carbon emissions.

Public Policy and Advocacy

The Bank endorses economic, environmental and social charters; a few frameworks that guide us are:



ISO 14064



India GHG Program-
World Resources Institute



Carbon Disclosure Project

The Bank is also an active member of several industry associations including:



Indian Merchants'
Chamber (IMC)



Confederation of
Indian Industry (CII)



Bombay Chamber of
Commerce and Industry (BCCI)



Federation of Indian Chambers
of Commerce and Industry (FICCI)



Indian Bank's
Association (IBA)



Indian Institute of
Banking and Finance (IIBF)



International Chamber of
Commerce (ICC)

Engaging with the Government on Renewable Energy Finance



The first RE-Invest conference organised by the Ministry of New and Renewable Energy (MNRE) was aimed at increasing investment in the Renewable Energy (RE) sector and gained participation from more than 200 global investors and delegates from Non-Banking Financial Companies (NBFCs), Government Banks and Renewable Energy Players. RE-Invest hopes to serve as a platform to connect global investors with

RE stakeholders in India. IndusInd Bank has committed to investing ₹1,00,000 million in the renewable energy sector. Bridging the gap between RE sector players and the funding required to act on climate change is integral to the Bank's commitments as a financing institution. We hope to continue to support ardent RE stakeholders and contribute to increasing India's energy independence sustainably.

Ethics and Integrity



IndusInd Bank is committed to building a company that actively promotes transparency, ethics and integrity while engaging and meeting the needs of our various stakeholders. Our values, principles, standards and norms of behaviour are inscribed in our Code of Conduct.

Managing Compliance Risk

We have a dedicated Compliance Function that facilitates management of Compliance Risk and has defined

policies to ensure adherence to statutory guidelines. The Function autonomously scrutinises and monitors compliance aspects at various stages. The Compliance Function monitors and reports to management the compliance status based on the certifications provided by Branch Managers and the heads of various functional units. The Bank has also taken several steps to ensure better compliance at the execution stage by enhancing processes and controls and by ensuring early detection of any deviations. These efforts are strengthened by our

Code of Conduct which guides our senior leadership and employees to ensure that the needs and interests of our stakeholders are taken into account in a balanced and transparent manner. The Compliance Function is also a part of the Operational Risk Management Committee, and vets new products and processes and reviews changes proposed to existing ones.

The Bank also ensures that good corporate governance

is instilled into the culture of the Bank by periodically engaging with employees and creating awareness about the Bank's compliance framework and the consequences of non-compliance. The Bank publishes and disseminates several compliance guides which cover compliance topics from domestic and global areas, compliance flashes to enhance awareness, a Compliance Newsletter and also organises regular seminars on compliance aspects, etc.

Year	Guides	Flashes	Seminars	Bytes	AML News	Tidbits	Fraud Modalities	Flash Messages
2015-16	3	15	25 Seminars covering 576 Branch Managers (BM), Manager - Customer Service Operations (MCSOP) and BSMs (Business Service Management) at 8 Centres	11	19	19	23	25

Compliance Monitoring

The Bank has implemented various mechanisms to ensure compliance. For example, test studies were carried out for sample branches, corporate office departments and associate agencies to assess the level of compliance in significant areas. Sample checks were undertaken in areas considered important from a compliance perspective like meeting Know Your Customer (KYC) requirements, cash transactions, handling of AML (Anti-Money Laundering) alerts, forex transactions, etc. Customer service aspects like display of notices and codes, holding customer service meetings, security and surveillance and other such aspects were also verified. Additionally, parameter-based testing is done for specific areas like obtaining of PAN, cash transactions of walk-in customers, etc. The Bank's continued efforts at monitoring and ensuring compliance in the FY '15-16 have been successful, as this year the Bank has not received any fines for non-compliance with regulations regarding its products and services.

Fines or actions against the Bank	
Fines paid for non-compliance by IndusInd Bank	None
Actions initiated against IndusInd Bank for non-compliance by regulatory bodies	None
Any products offered as part of IndusInd Bank's portfolio banned in any markets or have been subjected to questions by stakeholder or public	None

Anti-corruption Activities

IndusInd Bank has a zero tolerance stance towards corruption and unlawful behaviour by its employees. This policy is emphasised in our Code of Conduct and is reviewed during induction and training programmes. In

the FY '15-16, 3,992 employees attended programmes and seminars on anti-corruption to keep abreast with good practices and control measures.

The Bank has a number of reporting mechanisms to address issues related to corruption and unethical behaviour. These include a robust Whistle-blower Mechanism which has raised the bar for ethical behaviour, Listening Post where employees can communicate directly to the CEO and Direct Reporting to Chief of Internal Vigilance for any vigilance matters, the Head of Compliance for any matter where a compliance issue may be involved and the Head HR for any queries regarding the Code of Conduct.

Cases of Misconduct

During FY '15-16, 1,224 cases pertaining to operations related staff accountabilities, vigilance, sexual harassment and behavioural misconduct were reported through the various channels mentioned above. Of these, 88 cases were reported via the Whistle-blower Mechanism. No cases of corruption were found or reported during this year. All of the reported cases have been concluded and punishments have been imposed. The average duration for logical conclusion of these cases ranges between 15-60 days which is unique in the Banking space.

Staff Accountability Cases in FY '15-16

Cases	Vigilance	Non-Vigilance	Total
Resolved	11	1,213	1,224
Under Process	1	51	52
Total	12	1,264	1,276

Awards and Accolades



IndusInd Bank's stellar track record on multiple parameters has earned the Bank several accolades and awards in FY '15-16. Some of these accomplishments are shared below:



'Golden Peacock Award for Innovation Management' presented at the 15th London Global Convention on Corporate Governance and Sustainability

'Outstanding Achievement in Safety Management' in the Banking Sector - Category: Gold by GreenTech Foundation, New Delhi and National Safety Council of Singapore

'Top honours' at the Cyber Security for Business Impact conference organised by CSO FORUM for implementing security projects having positive Business Impact

The Asian Banker Achievement Awards 2015, Technology Implementation Awards for **'Best CRM Project'**

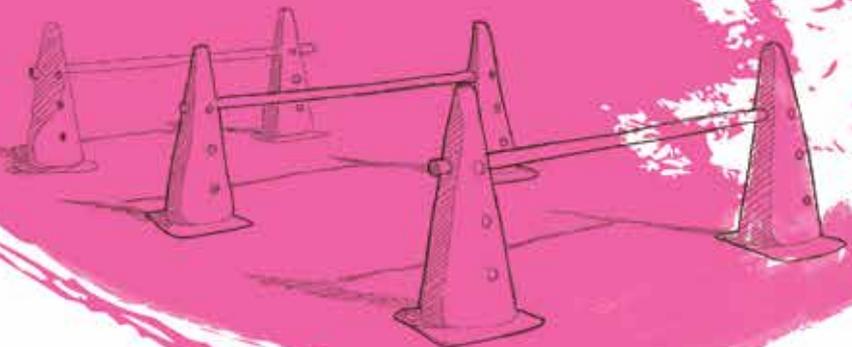
'Excellence in Procurement Sustainability' Runner-up Award in 3rd Annual CPO Forum

IBA Banking Technology Conference, Expo and Awards 2016 Winners in the categories: **'Best Payments Initiative'** amongst Small banks
'Best Financial Inclusive Initiative' amongst Small banks

CMO Asia 2015 award for **'Excellence in Social Media and Digital Marketing'** for Best Integrated Digital Campaign for Video Branch

Runner-up in the category **'Best Fraud and Risk Management Initiative'** amongst Small banks

SPORTS IS ALL ABOUT INCLUSION





Economic Performance and Product Responsibility

This has been a year of determined execution and delivery resulting in improved all-round performance. As part of our efforts to provide expanded services to existing and new customers in rural India, we launched a slew of banking products that are convenient and easy to use and have moved towards tapping this important market through our geographical presence and digital networks. Albeit a challenging environment for the banking sector, we have posted growth across all key parameters.

Following COP21 and the announcement of the UN's Global Goals mission, countries around the world, including India, started working towards meeting the 17 sustainable development goals that addressed issues like poverty alleviation, universal prosperity and protecting the planet. Eager to support these goals, the Bank has explored financing options with the objective of supporting weaker sections of society and encouraging sustainable technologies. The Bank has also brought in foreign investment from Asian Development Bank (ADB) through IFMR Capital to support microfinance institutions within India. We have pioneered a collaborative model

of partnering with efficient financial intermediaries to support financial inclusion among previously unbanked populations.

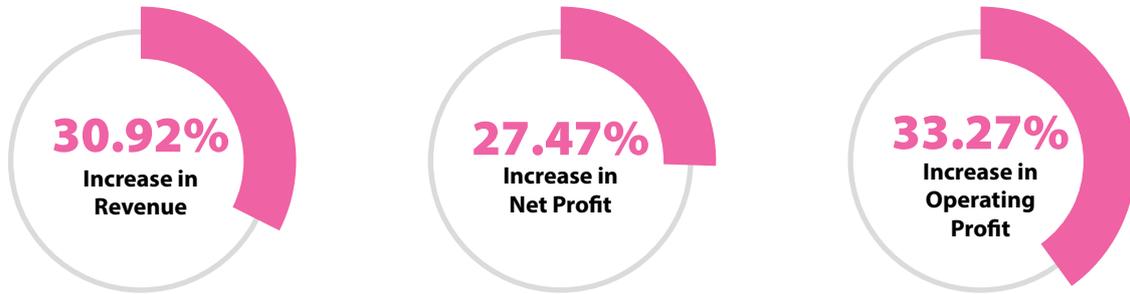
In FY '15-16, the Bank opened 199 new branches and 313 off-site ATMs and set up co-branded ATMs to broaden our pan-India outreach. We have also digitised a number of our services to reduce turnaround time and simplify banking processes for our clients. All of this also allows us to shift manpower from back-end services to front-end customer services, thus improving our clients' experience. Through these initiatives, the Bank has lived up to its promise '*Aapne Chaha Humne Kiya*' (You desire, we deliver).

Financial Performance

At IndusInd Bank, we measure our success on three key parameters: productivity, profitability and efficiency. Despite a slowdown in global markets, the Bank has continued to maintain a steady growth rate due to a growing product portfolio and client base. The Bank

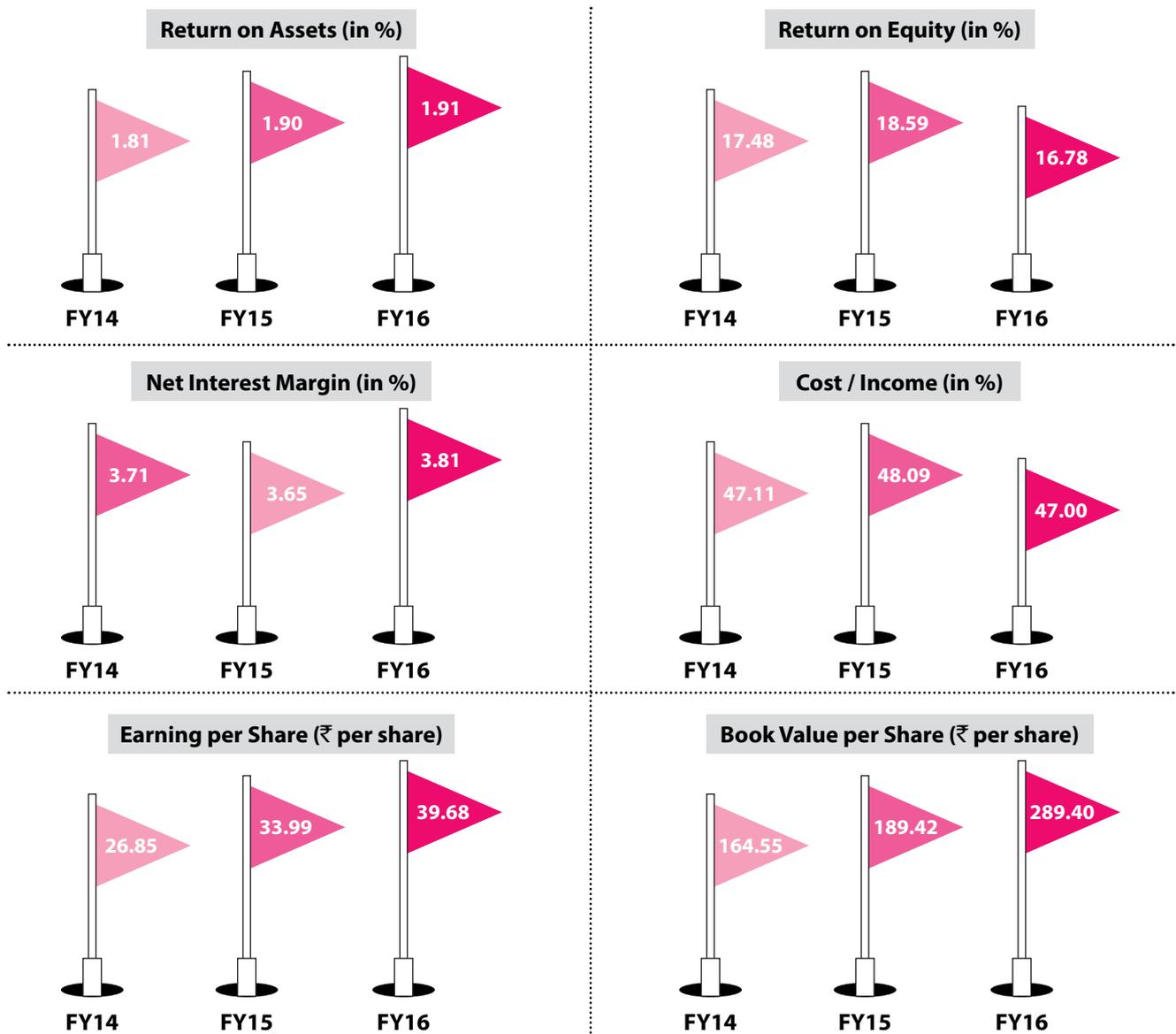
As we continue to develop a perceptive understanding of the dynamic demands of today's consumer, we are on track to accomplish our target of doubling our profits, branches and clients within three years.

showed revenue of ₹78,135.20 million, an increase of 30.92% over the previous year. The net profit increased by 27.47% to ₹22,864.50 million and, in parallel, operating profit also increased by 33.27% to ₹42,979.40 million.

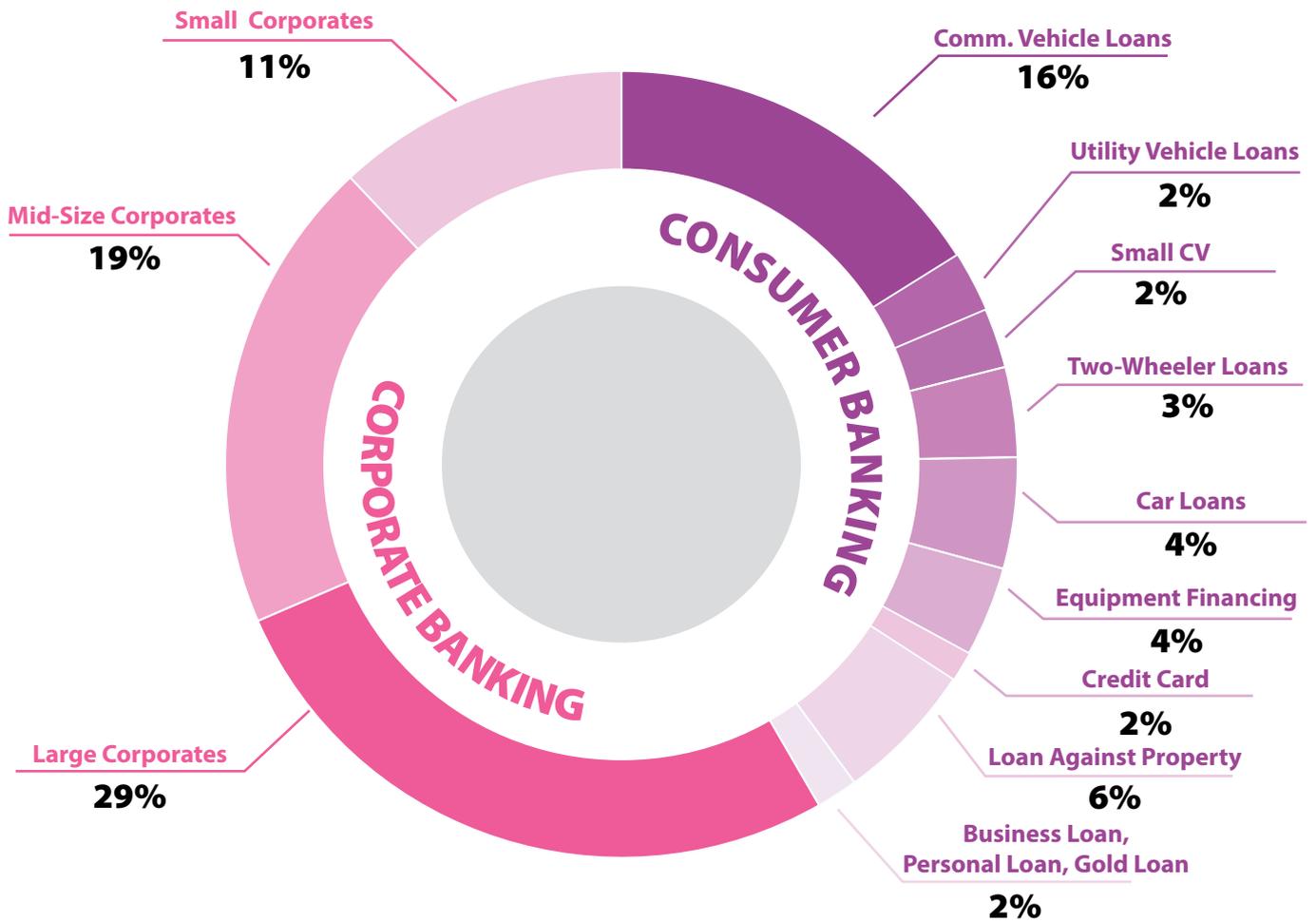


Despite stress in the corporate sector, the Bank managed to maintain a stable asset quality, with only a marginal increase in Net Non-Performing Assets from 0.31% to 0.36%. The Bank increased its branch network to 1,000 branches, 1,800 ATMs and more co-branded ATMs through partnerships with white label ATM operators. The revenue per employee also grew from ₹3 million to ₹3.39 million. The Net Interest Income was up by 32% to ₹45,165.70 million and Return on Assets was 1.91% against 1.90% in FY '14-15. In addition, total advances and deposits registered a growth of 29% and 25% respectively.

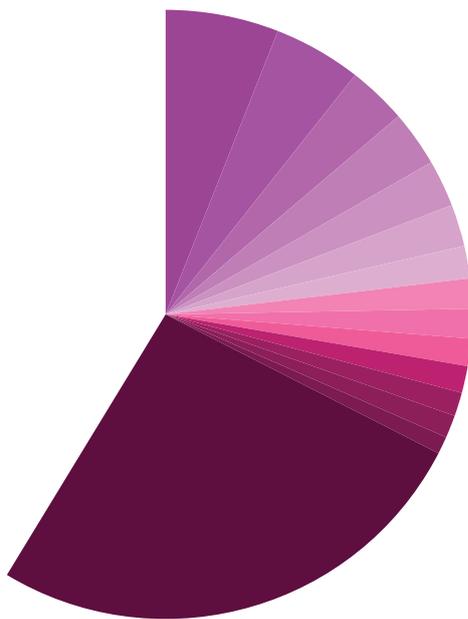
A summary of our financial performance for this year is found below:



The Bank has a diversified loan book which encompasses both Consumer and Corporate Banking:



Diversified Corporate Loan Book



■ Gems and Jewellery	5.97%
■ Lease Rental	4.64%
■ Telecom- Cellular	3.12%
■ Real Estate	2.95%
■ Power Transmission	2.48%
■ NBFCs (other than HFCs) /NBFC-MFI	2.23%
■ Steel	1.72%
■ Media, Entertainment and Advt.	1.59%
■ Constn. related to infra.- EPC	1.57%
■ Housing Finance Companies	1.45%
■ Services	1.43%
■ Contract Construction-Civil	1.26%
■ Power Generation	1.21%
■ Pharma	0.92%
■ Other Industry	26.13%

Fostering Economic Development



As IndusInd Bank grows into a high-street brand, there is tremendous opportunity to positively contribute to India's national transformation. The Bank's approach to fostering economic development centres around serving unbanked and under-banked sections of society by focusing on sectors that are on the cusp of break-through such as renewable energy, agricultural lending and microfinance.

The Bank fully comprehends that if environmental

and social issues are not integrated into the overall risk management framework, the probability of risks from defaulting may increase. This may also represent a significant reputational risk. In recognition of this, an environment and social policy will be developed and aligned to the Bank's risk management framework to address environmental and social risks arising out of non-compliance to national laws and regulations or unexpected changes in the environment and social conditions.

Highlights of FY '15-16

Renewable Energy

- A voluntary commitment to the Ministry of New and Renewable Energy (MNRE), Government of India (GoI) for the next 5 years to finance ₹100 billion of Renewable Energy (RE) projects of 2,000 MW
- Of this, the Bank has sanctioned ₹46,178.80 million for projects whose total MW capacity is 1497.3 MW
- Fulfilled highest % of RE-Invest commitment among all private, public and foreign banks who made similar commitments

Agricultural Lending

- 50% annual increase in agricultural lending by the Inclusive Banking Group (IBG)
- Disbursal of ₹16,780 million through 0.95 million accounts to poor agricultural borrowers
- Dairy loans of ₹2,923.10 million and warehouse loans of ₹3,292.80 million
- Plan for special emphasis on agricultural working capital

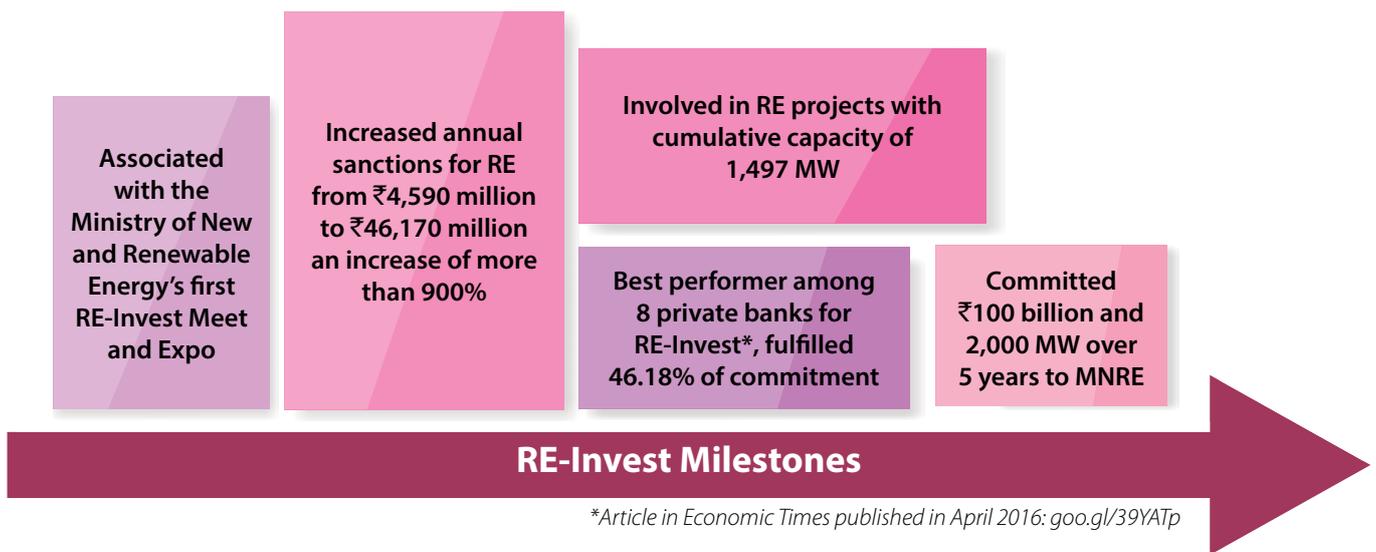
Inclusive Banking

- Reached 2.3 million households
- Partial Guarantee Facility arrangement with ADB and IFMR for \$20 million, to increase the funding to select microfinance institutions
- SKS Savings Initiative, in collaboration with SKS Microfinance, to offer increasingly diverse financial products
- More than 60% Business Correspondent loans given in 'below average' and 'low' areas of CRISIL Inclusive Index
- 65% and 81% increases in loans to weaker sections (above ₹30,000 million) and MSMEs (above ₹20,000 million) respectively

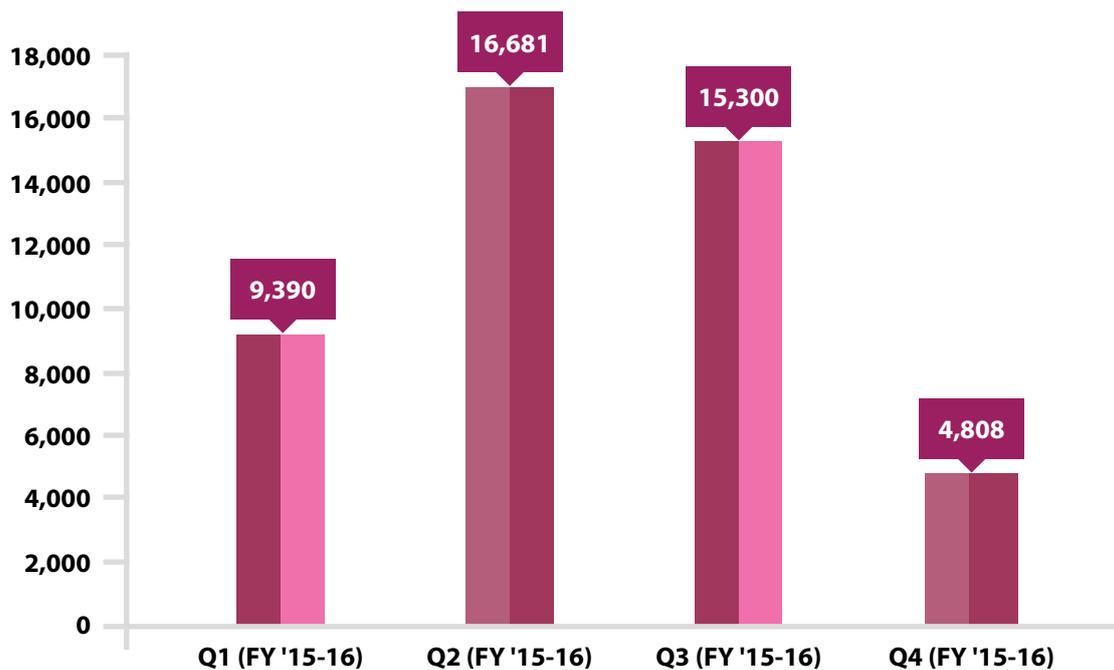
Renewable Energy

Last year, the Corporate Banking Group launched 'Project Finance' with a specialisation in wind and solar energy, roads and power transmission. This year, as a part of the Renewable Energy Global Investors Meet and Expo (RE-Invest), a Government of India (GoI) initiative to invest in renewable energy, the Corporate Banking team aimed to reach greater heights in our Renewable

Energy (RE) investments, specifically solar and wind projects. India is currently facing an energy crisis, with more than 60% of our energy coming from coal-fired power plants and is even importing coal to produce power. This initiative by IndusInd Bank brings us one step closer to energy independence through the use of clean and renewable energy.



Renewable Energy Projects Sanctioned (in ₹ million)



Building Solar Capacity in Telangana



Like many Indian states, Telangana faces a power shortage. The State Government has recognised Telangana's vast potential for solar power generation and announced a new Solar Policy in 2015 to bridge the gap. Solar energy is inexhaustible, low-maintenance and emission-free with rapidly improving technology standards.

The Government carried out a competitive bidding for the construction of 500 MW of solar capacity in the state. In this process, a leading Renewable Energy player, won the right to build 124 MW across two locations. IndusInd committed a total of ₹6,910 million for this project, helping to make this beneficial project a reality.

Wind Energy in Rajasthan



Rajasthan's installed wind capacity is the fourth highest amongst Indian states. The state has an immense wind power potential, which while currently under-tapped, will play an important role in meeting the State's energy needs in the near future.

Recognising this potential, a large business house set up two wind power plants in Jaisalmer and Barmer; IndusInd Bank has committed ₹4,361 million to these projects. Furthermore, in December 2015, the Bank extended a working capital of ₹300 million towards the project.

Agricultural Lending

IndusInd Bank also aims to contribute to growth in Indian markets through financing options for the agriculture and agriculture-allied sectors. Though a majority of the employment in India is in the agricultural sector, its contribution to the national GDP has steadily decreased every year. IndusInd Bank has created a variety of financing options to support the growth of this industry including commodity finance, SME loans and agri-allied and agri-ancillary loans. In FY '15-16, the Bank's agricultural lending across all three products was over ₹100 billion.

In commodity financing, the Bank used Joint Liability Groups (JLGs) through intermediate financiers to reach out to farmers wherein, each financier is connected to 200-400 farmers. Loans from the Bank help farmers

develop hygienic and perennial storage facilities, in-turn enabling them to meet demands. The Bank has extended loans of ₹3,292.80 million for warehouse construction and refurbishment with the aim of improving the availability of food commodities.

The Bank's Consumer Finance segment also supported investments in agriculture by launching Tractor Funding, a significant initiative towards our priority sector lending and financial inclusion programmes. In FY '15-16, tractor loans grew by 250% to ₹8,570 million. Dairy is another area of focus for the Bank and in FY '15-16, ₹2,923.10 million were sanctioned for dairy finance. The Bank has plans to increase this emphasis on dairy in rural areas in the future.

Renewable Energy for Farm Irrigation



The retail agri-business aims to enable its clients to fulfill their farm energy requirements through renewable energy investments, especially solar. The subsidy offered by NABARD can decrease costs of irrigation pumps by almost half, which enables rejuvenation of existing irrigation infrastructure and optimisation of available water. As part of the offering, IndusInd Bank finances small farmers, especially from Tamil Nadu and Karnataka who opt to purchase and install solar water pumps.

To enhance our community outreach for the financing of solar water pumps, the Bank has associated with M/s AK Surya Power Magic Pvt. Ltd., a company empaneled by the Ministry of New and Renewable Energy (MNRE) to promote a Solar Water Pumping Programme through NABARD in the states of Tamil Nadu, Andhra Pradesh, Karnataka, Maharashtra, Madhya Pradesh and Telangana. They focus on renewable energy and are specialised in lift irrigation solutions using solar power. In the past few months, the Bank has received several proposals in this segment and is focusing on expanding its reach to other states in India.

Mother Dairy Fruit and Vegetable Pvt. Ltd. (MDFVPL)

Mother Dairy's prime focus is the welfare of farmers rather than profits, and it passes on a major portion of its milk sales price to the farmers' unions. MDFVPL has approximately 12,000 Village Co-operative Societies and approximately 0.42 million farmers under its procurement network.

Mother Dairy has established Milk Procurement Groups (MPGs) across Indian states covering 7,000 villages and 1.2 million farmers. To improve the supply chain, it has set up 655 bulk milk coolers at key locations. The farmers form Self-Help Groups (SHGs), open a collective bank account and bring their supply of milk to the collection centres. Since the farmers have a ready buyer for the milk, uncertainty and risk in their business is reduced drastically. However, being a seasonal business, there is a high working capital requirement during the winter months. The programme brings the farmers into the formal banking system through cashless payment deposits in the SHG accounts.



IndusInd Bank has multiple banking relationships with MDFVPL, which operates in dairy, dairy products, horticulture and edible oils. For example, the Bank is providing supplier finance to Bani Milk Producer Co. Ltd. (BMPCL) and Saahai Milk Producer Co. Ltd. (SMPCL) who are critical suppliers to Mother Dairy.

Kisan Credit Card

The Bank launched the Kisan Credit Card (KCC) in association with our retail agri-business to support farmers in their credit financing needs. The KCC offers loans, overdrafts and RuPay to low-income clients who are directly in the agricultural field or in an agriculture-allied

field. The Bank has provided more than 2,000 customers with KCC to fulfill their working capital requirements which will eventually help them to grow economically. Of these customers, nearly 50% belong to economically weaker sections of society.

Financial Inclusion and Rural Banking

As the world came together to adopt the UN's 17 sustainable development goals; eradication of poverty, decent work and economic growth, innovation and sustainable industrialisation, social and economic equality became a priority for IndusInd Bank and India as a whole. The Indian Government created numerous schemes under the Prime Minister's Jan Dhan Yojana (PMJDY) to stimulate the economy and encourage access and participation across all sections of society. The Bank has championed this cause through extensive services in microfinance and financing options for weaker sections of society.

This year, the Bank partnered with the Asian Development Bank (ADB) and IFMR Capital, wherein they offered \$20 million towards partial guarantee for the facilities offered by the Bank to select Microfinance Institutions (MFIs), thereby increasing the size and scope of lending. After due diligence and assessment, the Bank extended loans to Janalakshmi, SVCL and Annapurna Microfinance. The facility offered under this route to Janalakshmi stood to be the largest exposure our Bank has taken under a guarantee programme. The plan is to widen the engagement with such multilateral agencies like ADB.

The Bank has pioneered a business model of collaborating with efficient financial intermediaries

(Business Correspondents) who act on the Bank's behalf to deliver various products and services. The Bank has an extensive microfinance partnership network across India, covering 11 states and 104 districts. In FY '15-16, our microfinance partnerships have allowed us to reach out to 13,860 villages and 209 slums to support 2.3 million households; 1.8 million households directly and the remaining approximately 0.48 million households through indirect channels, to improve their financial background and increase their financial participation. The borrowers, 99% of whom are women, are primarily from unbanked or under-banked geographical areas and a majority of them are from below average or low ranked districts, as ranked by the CRISIL Inclusiveness Index. Loans are typically taken by *Dalits*, tribals and individuals from weaker sections of society and 43% of the loans are for agriculture and agri-related sectors.

The lending was largely conducted under the Joint Liability Group methodology wherein each of the members stands guarantee for the rest, thereby building in peer pressure and social collateral as credit comfort. The business model was successful with excellent portfolio quality. Learning from IndusInd Bank's experience, the model was replicated by other banks.

Key Milestones and Achievements



1

Crossed ₹10 billion in outstanding loans under the Business Correspondent Model pioneered by IndusInd Bank.

2

IndusInd Bank has been approved to act as a local currency lender of ADB for a partial loan guarantee of US \$20 million for loans to select MFIs. IFMR Capital is also a partial loan guarantor under this arrangement.

3

Successful pilot for efficient liability accounts for the poor, the Bank is now ready to scale up.

The Bank truly believes that every section of society should have access to the entire array of financial services and in keeping with our mission to provide solutions that specifically cater to customer needs; we have designed a range of banking solutions for weaker sections of society. Our SKS Savings Initiative, in collaboration with SKS Microfinance, helps bottom-of-the-pyramid customers gain access to Basic Savings Bank Deposit (BSBD) accounts, which encourage the poorer sections of society to save money. The pilot was initiated at 5 branches under the Business Correspondent engagement with SKS and depending on its success, the programme will be scaled up. Apart from this, the Bank along with SKS has also initiated Aadhar Based Payment Systems wherein transfer

of funds was facilitated through Aadhar number. SKS uses this facility to transfer its disbursement to customer accounts.

Innovations in Products and Services



IndusInd Bank strives to continuously create innovative solutions for our clients, allowing us to be a forerunner in the market by staying relevant to our client-needs. To this end, we have introduced new products and services to help us serve our clients better. These include strengthening our Gems and Jewellery financing arm, a cognitive platform to

Multiple Enterprises: Cloth and Mats Businesses



Ms. Sharadha lives in the small town of Jolarpet in Tamil Nadu's Vellore district. Her husband is a porter at the local railway station, and they have three adult children. The family was finding it difficult to meet their financial needs so Ms. Sharadha started a cloth business, taking loans from moneylenders and microfinance institutions. After repaying her initial loan, she borrowed ₹15,000 from IndusInd Bank to expand her business. Along with her cloth business she also started a mats business in parallel. From a meagre income of less than ₹5,000 a few years back, Sharadha now earns more than ₹25,000. IndusInd is proud to have supported her dreams with continuous financial support in a convenient, affordable and transparent manner.

Mechanising Agriculture and Supplementing Farm Incomes



Malti Devi is from a farming family in Gobrahia village in west Champaran district, Bihar. With 3 sons and a daughter, it was difficult to sustain the family on the income of a small farmer. Malti Devi wanted to start an animal husbandry business, but was struggling for loans. Local microfinance institutions lent her money to purchase cattle. In 2012, she got a loan of ₹12,000 from IndusInd Bank to expand the cattle business. In 2014, she borrowed another ₹20,000 and used it to buy a pump machine for irrigation of her agri-crops. Today, her household income has increased manifold from ₹40,000 to ₹0.15 million per year from her cattle business and farm.

understand client needs, numerous mobile applications and online services to simplify banking processes for our clients and an increased use of social media platforms for customer interactions.

Gems and Jewellery

In 2015, IndusInd Bank acquired the Diamond and Jewellery business from Royal Bank of Scotland, becoming one of the largest banks in India to finance this segment. This market provides employment for over a million skilled artisans and hence, offers a large scope for profitability through scale and cross-selling of assets. IndusInd Bank has entered into a long-term partnership with ABN AMRO Bank to better facilitate industry and client insight to improve revenue opportunities and risk management. The total loan portfolio for this acquisition is ₹41,000 million. The Bank received three awards for this segment from the Gems and Jewellery Export Promotion Council for highest growth of sanctioned limits, highest finance sanctioned and highest limits sanctioned.

The diamond industry has implemented 'Kimberley Process' certification to prevent risks from 'conflict diamonds'. A Kimberley Process Certificate guarantees that a diamond is legitimate and does not violate any of the Kimberley Process guidelines pertaining to the System of Warranties created by the World Diamond Council. In order to eradicate risk from the Gems and Jewellery segment, IndusInd Bank ensures that a Kimberley Process Certificate is required for every transaction of rough diamonds conducted through their financing processes.

Digital Services

The Bank has focused on digitising a large portion of our banking services to provide customers with convenience and efficiency in their transactions. QuickPay, launched in July 2015, allows customers to send e-gift cards and e-cheques to anyone with just their email ID or mobile number, without requiring any bank account details. The Bank also launched SwiftPay in November 2015. This is a mobile application to allow customers to set reminders

for upcoming bills, track their billing history and make bill payments on time, thus encouraging responsible banking behaviour amongst our customers.

IndusMobile, the Bank's mobile application, allows customers to check account balances, generate mini-statements, transfer funds, make payments and recharges, book deposits and use QuickPay on-the-go through their phones. The app also allows customers to withdraw money at ATMs without their cards using a 'Cash on Mobile' service. This service has seen over 0.1 million transactions per month since its launch in December 2015. The Bank also launched an initiative called 'On The Go', a social media based programme that allows customers to directly message the Bank through Facebook or Twitter to make balance enquiries, to locate the nearest branch / ATM and to request a mini-statement. Customers can also contact the IndusInd Bank video branch through their Facebook page to initiate QuickPay on Facebook or use any other video branch facilities.

The Bank launched a tab-based application for two-wheeler loan sourcing, which has greatly improved turnaround time in the credit delivery process. Hand-held terminals across India have significantly improved loan collection for the Consumer Finance Department. Turnaround time in consumer financing has also been improved by digitising document transfers across centres, which eliminates inefficiencies in courier time of the documents. The Bank has also deployed a custom-built, client-based solution for laptops that allows clients in rural branches to access browser-based banking solutions on low-bandwidth internet access. This solution has been successfully deployed across 25 rural unbanked branches.

The Bank is currently building a cognitive platform to better understand our clients' financial needs. This platform is being built by combining advanced analytical models with a state-of-the-art campaign management system. This platform will be able to proactively engage and serve clients through human and digital channels to build long-lasting relationships and make relevant offers to our clients at the right time.



SPORTS IS ALL ABOUT SUSTAINABILITY





Environment

The Bank has adopted best environmental practices to address the challenges of environmental degradation and climate change. Our environment policy, first developed in 2012, outlines five significant areas of focus which help the Bank address the threats posed by climate change. There has been a continuous effort by the Bank to utilise our natural resources in the most efficient manner and to create a positive environmental footprint.

Our commitment towards carbon management is demonstrated through our position as a leader in the Carbon Disclosure Project Rankings in the Banking and Finance Sector in India. Our efforts on energy efficiency

were recognised when they were included as part of an in-depth study, prepared by CDP on Indian companies, which was unveiled before world leaders and global business leaders during the COP21 in Paris.

Our flagship employee engagement programme, 'Green Champions' along with our new outreach programme 'Green Commandos', also aid our efforts by bringing about awareness and behaviour change amongst our workforce. On the business front, the Bank is aligned with India's Renewable Energy Mission and has committed to providing financial assistance to projects with a proposed capacity of 2,000 MWh between 2015 and 2019.

Materials Conservation and Waste Management



Although, the service sector is less energy intensive when compared to extractive industries, we have continually implemented measures to curtail energy and material usage especially when it comes to the use of electronics such as computers and printers and paper for printing.

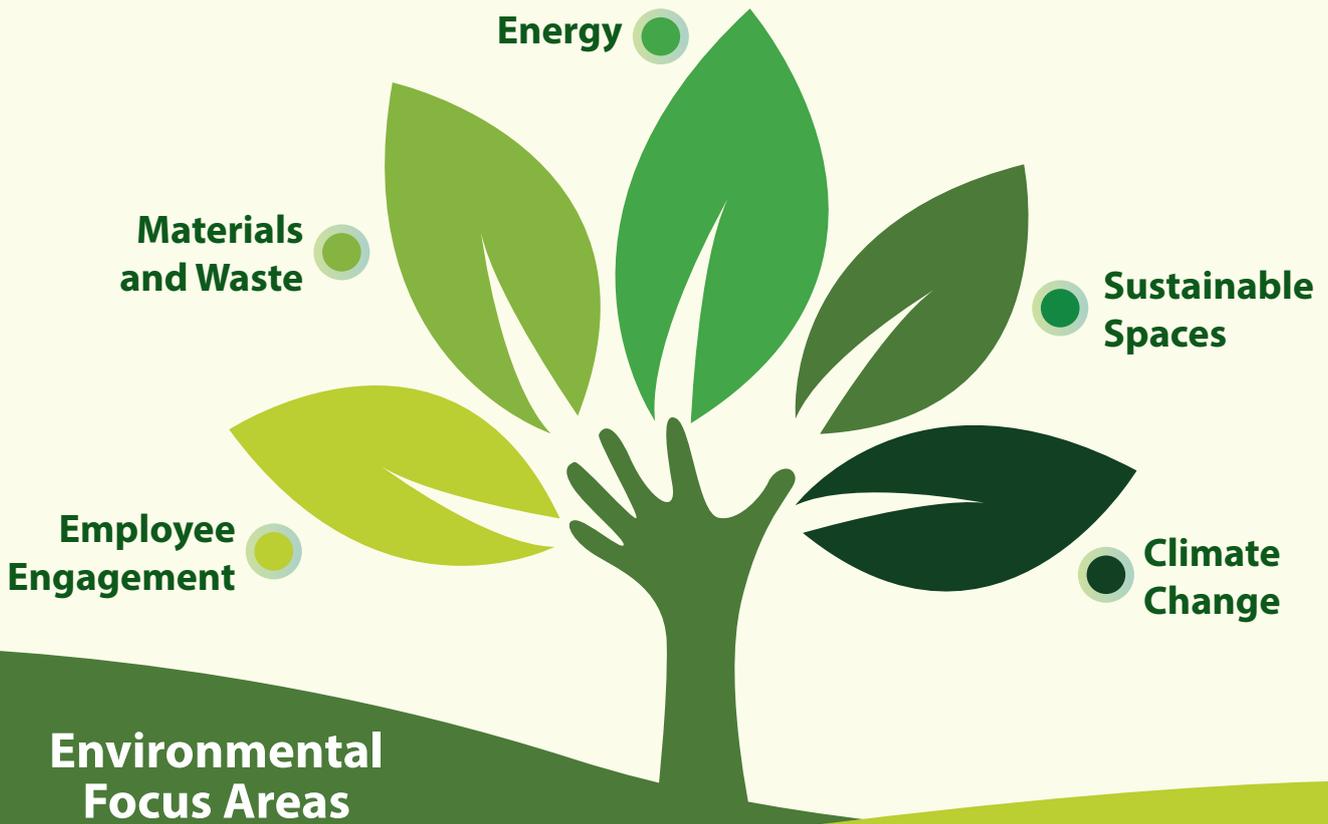
Paper Consumption

In the banking sector, paper is used extensively for services such as account statements, forms, written communication, bills, other documentation and internal communication. In the FY '15-16, the Bank used 853.12 metric tonnes (MT) of paper. By implementing a paperless

Over the years, we have implemented several initiatives to ensure efficient resource consumption within the Bank through green procurement, behaviour change and waste management.

procurement acquisition process, the Bank has been able to contain the increase in paper consumption to 6.42% despite a branch network growth of around 25% from the previous year.

We have constantly endeavoured to reduce our Greenhouse Gas emissions by making environmentally sustainable decisions within our operations and through our investments in green IT and infrastructure.



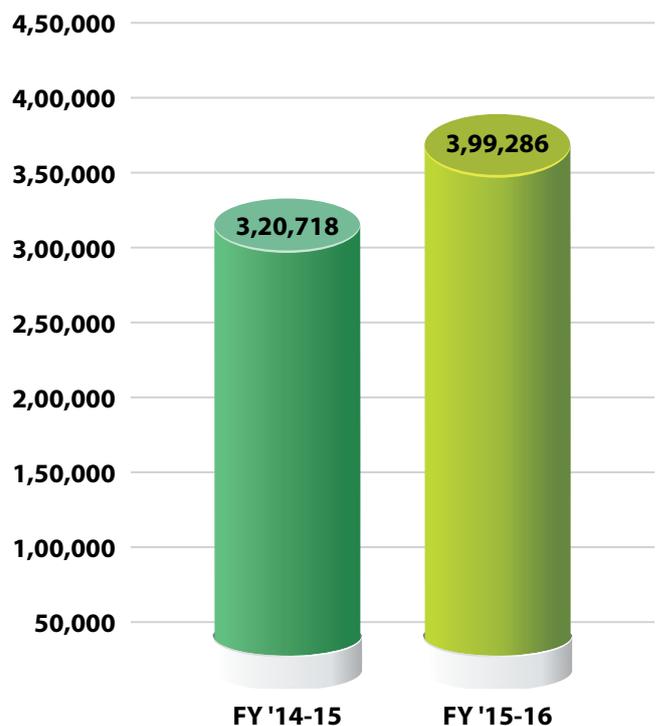
Using Technology to Reduce Paper Use

The Bank has used information technology interventions such as paperless fax, document imaging and processing, use of multi-function devices and hand-held terminals to reduce our paper consumption. Our customers are also given choices to opt for e-statement registrations and other facilities like online banking and mobile banking which further brings down our paper usage downstream of our own operations. The Bank's Corporate Global Market operation has introduced a paperless processing mechanism for the export collection transactions of the Gems and Jewellery business operations. This initiative reduces our paper consumption by 500 reams of paper each month.

Recycling Paper

The Bank entered into a partnership with ITC Ltd., through their Wealth-Out-of-Waste (WOW) programme four years ago. This enabled us to recycle our waste paper every year and in FY '15-16, the Bank channelised 6,023 kg of A4 paper for recycling. This initiative diverts waste paper from landfills which in turn results in reduced GHG emissions along with the creation of raw materials for other products. Furthermore, as part of our responsible procurement strategy, four of our paper products are made from 70% sugarcane waste (bagasse).

Annual E-Statement Registrations:
E-statement registrations showed an increase of 24% over the previous year



Managing our Hazardous Waste

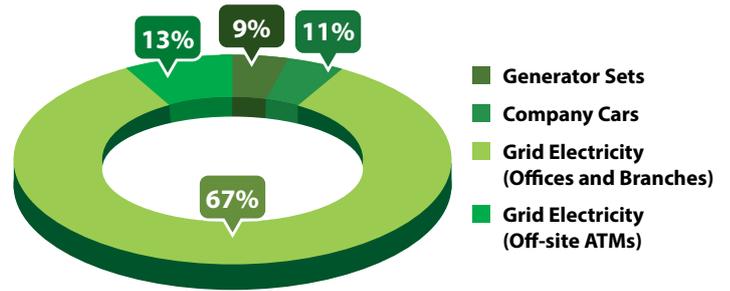
Within the category of hazardous waste, the management and disposal of E-waste is relevant to the Bank. This is managed in accordance with the Government’s ‘E-waste

Management and Handling Rules 2011’. The Bank collected 36,650 kg of E-waste for disposal through Government authorised recyclers in FY ‘15-16.

Energy

Energy, represented by electricity and fuel use, forms a substantial source of resource consumption at IndusInd Bank. It accounts for less than 5% of our operational spend, but is responsible for nearly 90% of our GHG emissions. In FY ‘15-16, we utilised 74,191 MWh (2,67,087 GJ) of energy, most of which was accounted for by the use of purchased electricity at our offices, branches and off-site ATMs.

A Break-up of Energy Consumption in FY ‘15-16



Electricity Conservation and Efficiency

The Bank has invested in technological solutions to aid its efforts to conserve electricity and increase efficiency. The various initiatives include the installation of timers at signages, replacement of trulights with LEDs in the

signages and virtualisation of our servers. The Bank has also implemented power saving initiatives across 16,287 laptops and desktops which help monitor and manage electricity consumption remotely.

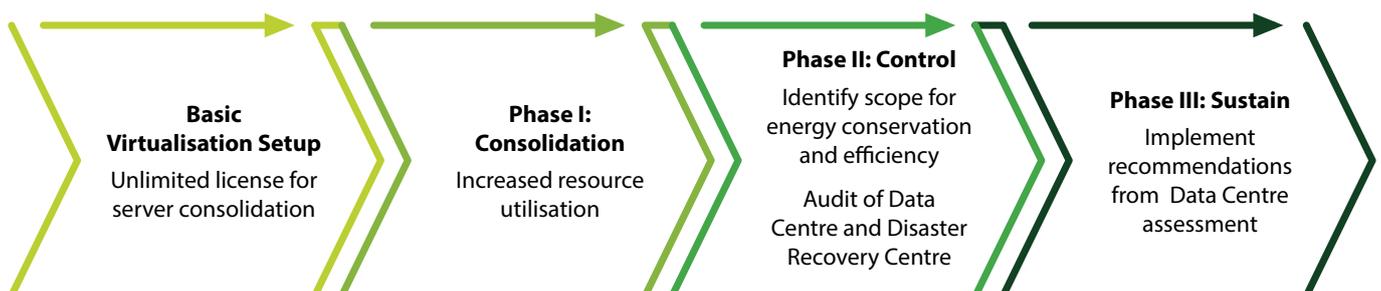
Energy reduction Initiative Description	Scale	Electricity Saved* (in MWh)	Emissions Reduced (in MT of CO ₂)
Timers installed at 300 signages	Pan-India	702.00	578.75
Replacement of ‘trulight’ signages with LED signages	Pan-India	201.04	165.75
Server virtualisation	Mumbai and Chennai	1,520	1,091.81

*Figures represent savings over a period of one year.

Greening our IT

The Bank has developed a Green IT roadmap to optimise our Data Centre operations and reduce our carbon footprint. Our 4 year roadmap consists of three phases and we are currently in the second phase. This initiative will bring a

20% reduction in our power consumption and will optimise space requirements in our Data Centre and Disaster Recovery Centre. The virtualisation of our servers has led to savings of 1,520 MWh of electricity and 1091.81 MT of CO₂.

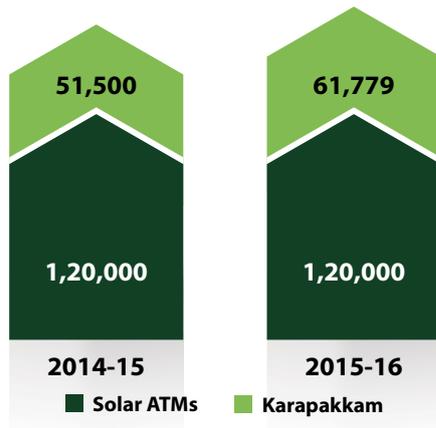


Banking on Solar

Eight years ago, the Bank installed its first Solar ATM in Mumbai, thus becoming a pioneer in the financial sector. Since that time, the Bank has continued to explore solar solutions such as grid integrated and rooftop solar. The grid integrated rooftop solar panel system at our Karapakkam office generated 61.78 MWh of clean energy in FY '15-16. In FY '16-17, the Bank commenced

the installation of an additional 100 grid-tied Solar ATMs. IBL House, one of our corporate offices in Mumbai, has also been refurbished and will house additional rooftop solar systems to generate clean, low-carbon energy in the coming years. This year, our existing solar installations have helped the Bank avoid over 160 MT of CO₂ emissions.

Units of Solar Energy Generated (kWh)



** Data for Solar ATMs is estimated based on the average capacity of the solar installations and not on actual metre readings.*



Technology vs. Transportation

The Bank's business frequently requires employees to travel by air and as a result, business travel contributes to 45% of the Bank's scope 3 GHG emissions. IndusInd Bank has reduced the number of trips by employees by providing digital online meeting and collaboration solutions. Employees are encouraged to use a voice, video and data enabled 'Lync' system to engage with colleagues across the country, thus reducing the need

for inter-city travel. We have also installed state-of-the-art video-conferencing facilities at several corporate and regional offices across the country, thus reducing air travel by senior executives and directors. The Bank's strong technology platform allows customers to complete several banking transactions through video-banking, e-banking and mobile banking facilities, thereby avoiding unnecessary travel.

Creating Sustainable Spaces

The Bank has embarked on a journey to green its facilities especially through the use of sustainable materials, technology and design. Last year, after achieving LEED Gold rating for its Gurgaon Branch, another facility at Mumbai - IBL House is being transformed to achieve LEED Platinum rating. This facility spread across 19,685 square feet is designed to generate solar energy, uses

environmentally benign and regionally procured materials and has an efficient water management system equipped with rain water harvesting and water efficient fixtures. The facility's total connected lighting power is 15% below ASHRAE standards and is designed to save 1,65,540 kWh of electricity due to efficient lighting, HVAC and solar installations.

A Climate-friendly Supply Chain

In order to ensure that the Bank sources from a reliable and secure supply chain, a supplier sustainability assessment of the large spend suppliers was conducted

in FY '14-15. Initial profiling across indicators such as environment, carbon and resource management indicated that over 75% of responding suppliers

measure their carbon footprint, of which 50% have set emission reduction targets. The survey also showed that over 80% of responding suppliers have obtained 3rd party certifications for products such as energy star certifications. In continuation to this assessment, in FY

'15-16 the Bank incisively assessed the indirect carbon emissions accruing from sourcing of products and services from these large spend suppliers. By sourcing from this pool, our overall emissions can be impacted by more than 8%.

Engaging Employees on Environmental Sustainability



Our Green Champions (GC) Programme

The Bank continues to run its flagship employee engagement programme - Green Champions under the 'Hum aur Hariyali' initiative. The GC programme was conceptualised with the following objectives in mind:

- To integrate the concept of sustainability into the employee culture at IndusInd Bank
- To build leadership skills and capacity amongst employees which will empower them to take sound decisions and bring about a positive change in the society
- To create opportunities for the Green Champions to carry out localised action
- To reduce IndusInd Bank's energy and resource consumption by creating awareness among the employees on energy and resource efficiency

Over the last 8 years, our employee-volunteers have

played a pivotal role in creating awareness on social and environmental issues within the Bank and in their communities outside the Bank. Throughout the year, they have engaged with their peers through activities like water audits, collection drives and awareness campaigns. The Green Champions were also mentors to the next line of volunteers - the Green Commandos.

In recent years, the Bank has also formally inducted the Green Champions Programme into our employees' KRAs. An online system to track, manage and evaluate the performance of the Green Champions has been put into effect and GCs are required to maintain and submit qualitative and quantitative reports of their activities to the CSR department. GCs are evaluated on the basis of a number of criteria including the number of campaigns they implement, timely reporting and their engagement with Green Commandos. Each year, the best performing Green Champion is recognised with an award.

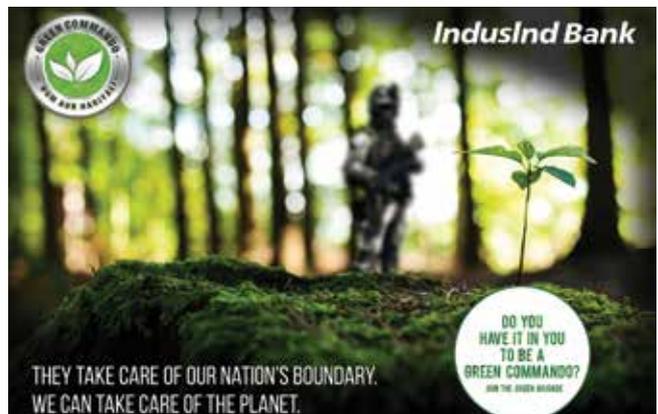


Green Champion of the Year - 2016 - Bhaurav Tangri, North Zone

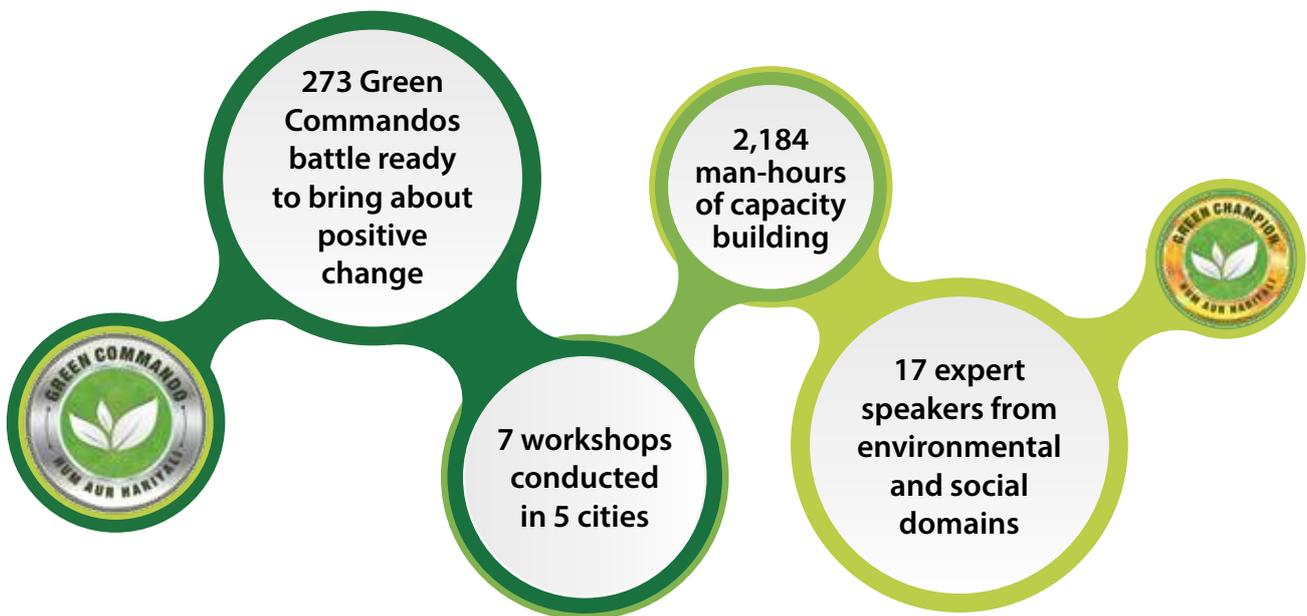
Bhaurav Tangri, a veteran GC, has been awarded 'The Best Green Champion' two years in a row. Over the past year, he has actively worked to promote awareness on environmental and social causes. He conducted the maximum number of water audits, car pooled to work, collaborated with housekeeping staff to reduce AC usage in his office and organised kitchen gardening workshops for the community and Bank's customers. He also helped raise ₹2,00,000 for the Bank's Share2Care programme and used the money collected from recycling paper to distribute sweets and bicycles to an orphanage on New Year's Eve. Change-makers like Bhaurav are a tribute to the success of our GC programme.

Green Commando Programme

The Green Commando Programme is an extension of the Green Champions Programme which falls under the 'Hum aur Hariyali' initiative of the Bank. Last year, over a 1,000 Green Commandos registered to pledge their support and become a part of the Bank's sustainability journey. Green Commandos training programmes were conducted at Mumbai, Chennai, Delhi, Kolkata and Pune and they were educated on imminent social and environmental issues. These Green Commandos have commenced activities for the year, ranging from volunteering at NGOs to creating various awareness campaigns on saving electricity, water and paper. They have also been promoting the different causes of the 'Share2Care' Campaign.



Highlights of the Green Commando Training Programmes



The Green Commandos Programme uses a gamification format to motivate employees to take action on environmental and social issues. Each action accrues points which can be tracked live on the Green Commando's platform on the Bank's intranet. Volunteering commandos get the opportunity to rise through the ranks – going from a Sustainability Subedar to Sustainability General as they progress during the year. The Commandos and Champions are awarded for their actions through public recognitions and rewards, sponsored by the Bank.



Green Champions and Green Commandos in Action Across the Bank



Green Commandos led by Ankit Mittal help reuse old clothes by organising a collection drive in partnership with Goonj.



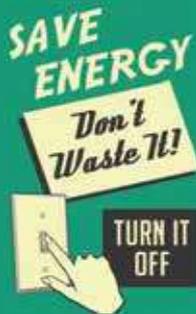
Volunteers from IndusInd Bank's Contact Centre in Mumbai help clean-up the Yeoor Hills and Dadar Beach.



GC Surabhi Chopra teaches underprivileged children with a start-up NGO called Spark-A-Change-Foundation. She also raises awareness about environmental issues.



The Bank's Patna Branch organises 'Green Greet Grow', and distributes free saplings to local business owners and customers.



Green Commandos at our Vasant Kunj zonal office in Delhi came together to start a 'Save Electricity Campaign' in support of National Energy Conservation Day.



GC Neeraj from Kolkata is passionate about the issue of water. He has run awareness drives in his office and has even reduced the size of drinking water bottles to reduce wastage.

Sharmila, a GC from South Zone, has had a busy year. She contributed to reduce electricity usage at her office, organised kitchen gardening workshops and created awareness about environmental issues in her neighbourhood.



Green Champion Sajid Hodekar rescued a baby bird at our corporate office in Mumbai. The little bird, an Indian Golden Oriole, was being attacked by crows before Sajid rescued the bird and took it to a local NGO for treatment and release.



Campaigns at the Bank

Environmental sustainability is a key focus area of the Bank's corporate responsibility strategy; therefore, our campaigns are designed to impact the Bank's entire value chain.

One Quarter with Water: Last year, the Bank organised a company-wide campaign called 'One Quarter with Water' that focused on creating awareness among employees about water conservation and identifying and implementing water-saving opportunities. As part of the campaign, Green Champions with the help of Green Commandos and branches undertook water audits pan-India to understand water consumption patterns in the Bank. Using this information, strategies to manage water more efficiently were devised for the Bank. The FY '15-16 saw initiatives such as the replacement of water jars with water filters in order to reduce transport related emissions and half-filling of water bottles in order to avoid wastage. The Bank also received ideas on water conservation through the Myldea portal and is exploring options to invest in more water efficient fixtures at its locations.

Urban Afforestation: In the FY '15-16, IndusInd Bank sponsored the plantation of 3,000 indigenous tree species under CERE's Urban Afforestation Project (UAP). The plantation is expected to sequester over 555 MT of CO₂ over the next 10 years. The aim of the project is to increase



the green cover in cities like Mumbai while also helping the Bank reduce its carbon footprint. The project also focused on planting 21 different species of native trees like Kadamb, Palash, Umar and Phanas to protect local biodiversity and promote native flora and fauna. The 3-5 feet tall saplings have been planted at locations as diverse as police grounds in Worli and farmlands in Bhiwandi and have been geotagged onto a map to track their growth and development. The Bank will be planting another 5,000 trees as part of this programme in the next financial year.

Share2Care: The Bank's payroll giving scheme 'Share2Care' is an initiative which allows its employees to donate to NGOs that work for social and environmental causes, leveraging our resources and expertise to bring about positive change. Further details about this initiative are given in the 'Society' section of this report.



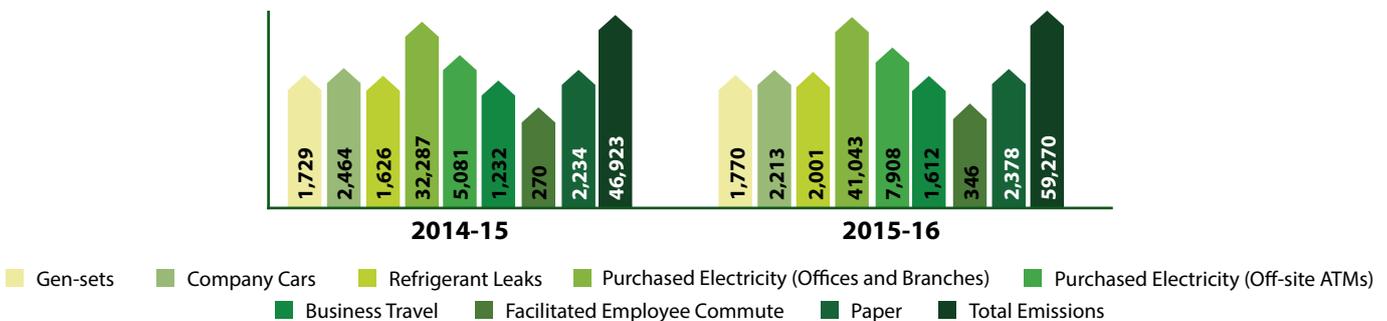
Tackling Climate Change



The Bank realises the impact global warming and climate change have on our business and has made efforts to mitigate the carbon footprint of both our services and our operations. In order to achieve this, the Bank has been measuring its carbon footprint for the past five years and reporting its emissions through the Carbon Disclosure Project (CDP). Last year, the Bank started preparing its

GHG inventory in conformance with the ISO 14064-1: 2006 standard and sought external verification for the same. Details of the Bank's carbon footprint are provided below. Please refer to pages 67-68 of Sustainability Report 2014-15 to read more about the GHG Accounting and Inventorisation process.

IndusInd Bank's GHG Inventory (MT of CO₂e)

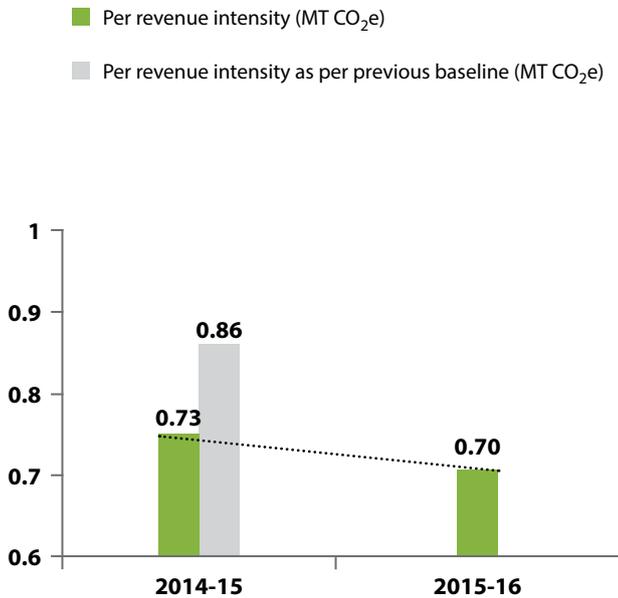


Note: Carbon footprint for FY '14-15 has been recalculated for certain sources due to change in methodology and use of more appropriate emission factors. The methodology for calculating emissions from refrigerant leaks has changed and the weighted average emission factor is now considered for emissions calculations for Purchased Electricity instead of combined average.

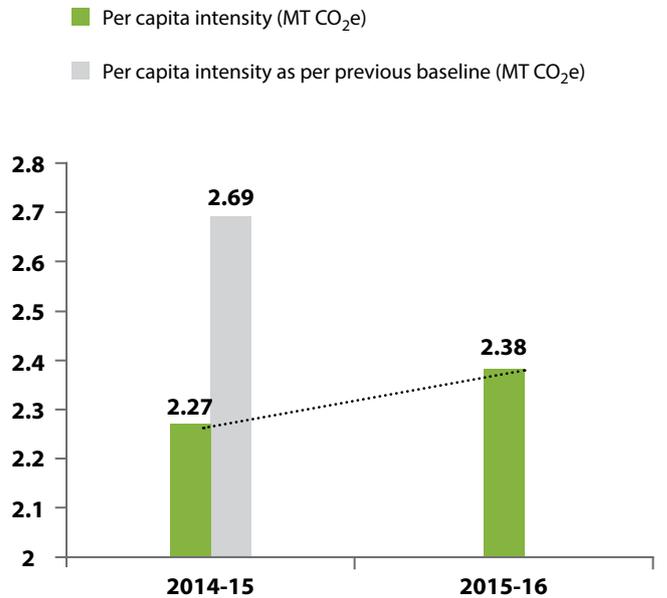
Last year, the Bank had included two new sources of GHG emissions in its inventory - electricity consumption at off-site ATMs and refrigerant leakage from air-conditioning

units. There have been no additions to our inventory in FY '15-16. The Bank measures its emissions intensity on a per capita and per revenue basis which is used as a benchmark.

Per Revenue Intensity (in ₹ Million)



Per Capita Intensity



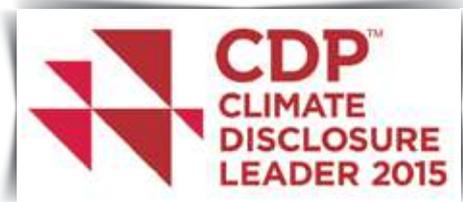
**Emissions of FY '14-15 are indicated as per previous and current baselines to exhibit change due to revised emission methodology. The base year was recalculated due to changes in methodology suggested by a 3rd party auditor. These changes better reflect the Scope 1 and Scope 2 emissions of the Bank.*

This year, the Bank's carbon intensity per FTE has increased as a result of the organic growth of the Bank - our employee base has increased by 3,939 employees from last year and there has been an addition of 199 new branches. The Bank's intensity per revenue (in ₹ Million) has decreased by 3.20% because of the increase in revenue of the Bank which has grown by 31% from ₹59,682.80 million to ₹78,135.20 million. The decrease may also be attributed to the various emission reduction activities implemented by the Bank in FY '15-16.

runner, investing in on-site solar energy solutions and LEED certified green buildings. We have also taken several directed actions to reduce our carbon footprint including implementing the use of energy efficient technologies such as LED lighting and Server Virtualisation and transitioning to green resources such as recycled paper. This year, the Bank's energy conservation programme was recognised by CDP who showcased the Bank's efforts through a case study presented at COP21 in Paris.

Climate Strategy and Mitigation

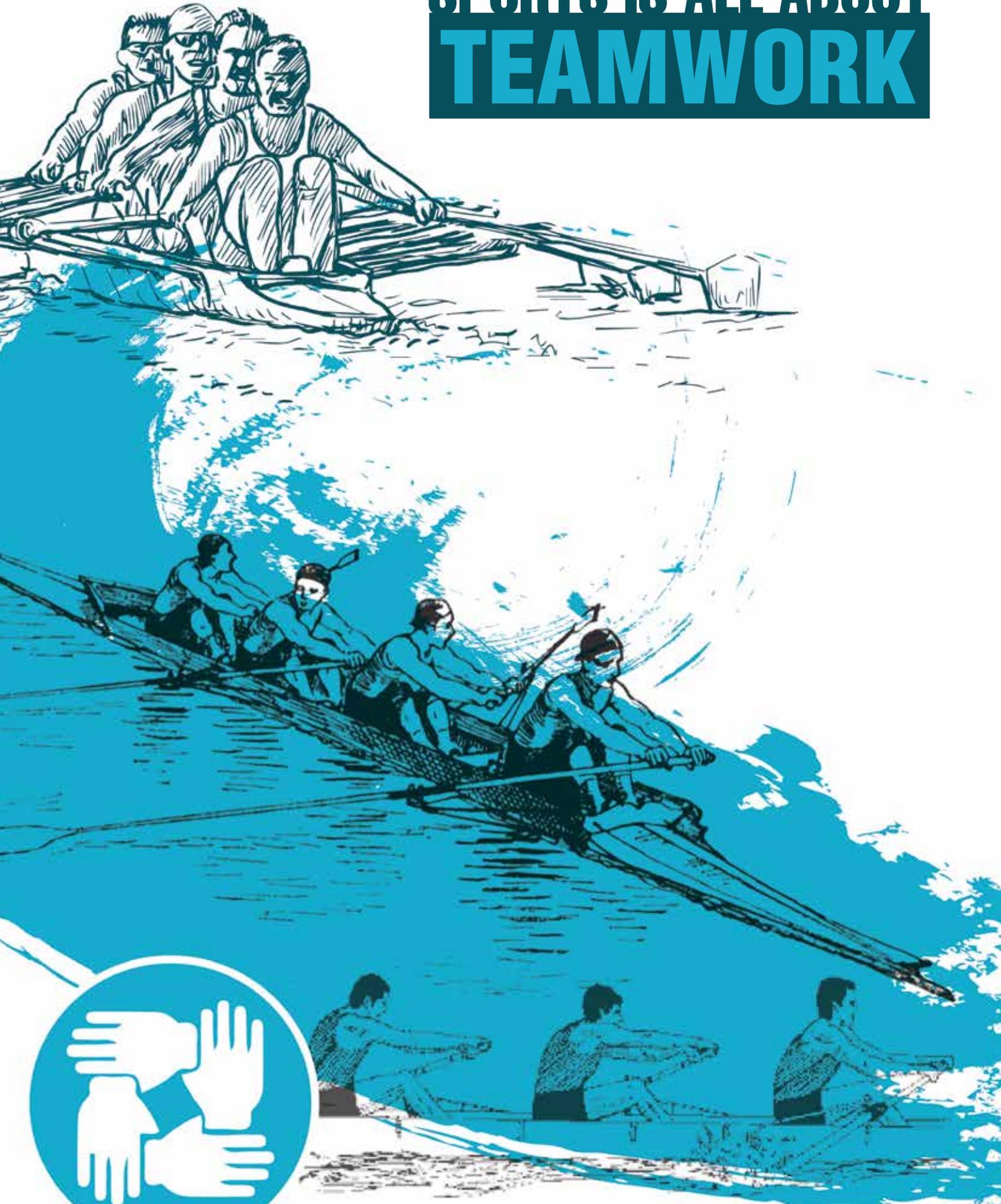
IndusInd Bank has consistently strived to ingrain sustainability into our everyday activities. Our Environment Policy and CSR strategy, which specifically address the issues surrounding climate change, influence the Bank's business, operations and employee programmes. Climate-change related aspects such as, the need for energy efficiency and conservation, growing markets for renewable energy and evolving Government Legislation that promotes climate-smart investments have all influenced our business strategy.



On the operational front, IndusInd Bank has been a front

In the coming years, IndusInd Bank will continue to work towards minimising the environmental impact of our business and our operations. Our focus on technology and employee engagement will ensure that we continue to meet our environmental obligations without compromising on the needs of our customers, shareholders and investors.

SPORTS IS ALL ABOUT TEAMWORK



Human Rights and Labour

At IndusInd Bank, we treasure our internal stakeholders and strive to organise and maintain a group of like-minded, dedicated and passionate individuals. We are aware of the importance of a satisfied workforce and hence, have implemented various policies and processes to provide an ambient work environment to our employees, who in turn would deliver superior customer service. Our Human Resources (HR) strategy is designed to offer excellent opportunities and avenues for gaining knowledge through our ethical work culture and challenging work assignments.

Workforce by the Numbers



The Bank is a preferred career destination for the High Potential Talent industry to build a long-term career. The Bank's hiring was as per the Manpower plan, which was in synchronisation with the business plan of the Bank. Our workforce has increased by 21% from 19,121 to 23,060 employees in FY '15-16. Out of the 23,060 employees in the Bank, 2,335 are hired on a contractual basis. As of 31st March 2016, a total of 4,002 permanent employees of the Bank were women.

Employee Attrition



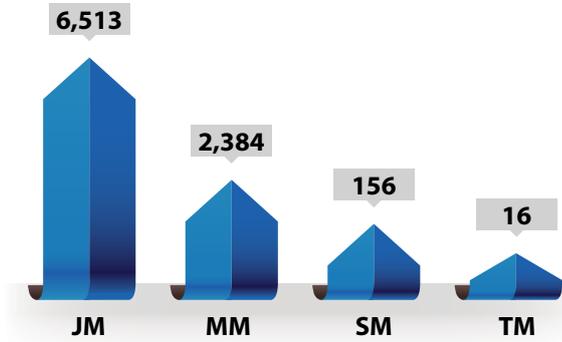
The Bank's attrition is on the decline. Similar to the industry trends, the attrition is relatively higher at the Junior and Lower Middle Management levels. At strategic and leadership levels, attrition is negligible which indicates that employees want to be a part of the Bank's growth journey.

The impact of attrition was mostly felt at Junior and Lower Management Levels, mainly in the frontline sales and branch operations roles. As a market reality, these employee segments tend to switch jobs for higher salaries and enhanced profiles, and due to personal reasons such as marriage, relocation, studies, health, etc.

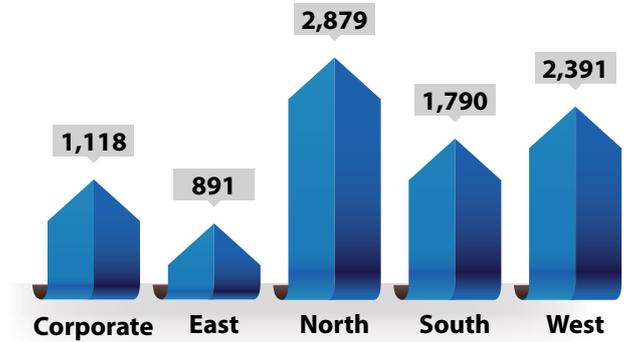
The Bank addresses attrition through several career development initiatives and provides our employees with supportive measures such as market-linked compensation, an enabling work environment, mentoring by seniors, learning opportunities, career planning and also seeks to bond and connect with employees through various employee engagement measures.

The Bank highly values its employees and interacts with them throughout the year through various engagement channels.

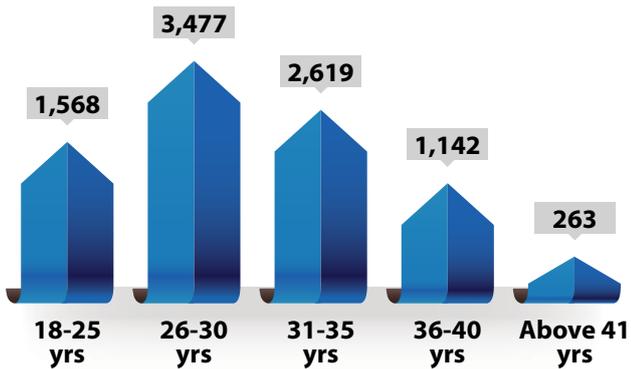
New Hires by Grade Category



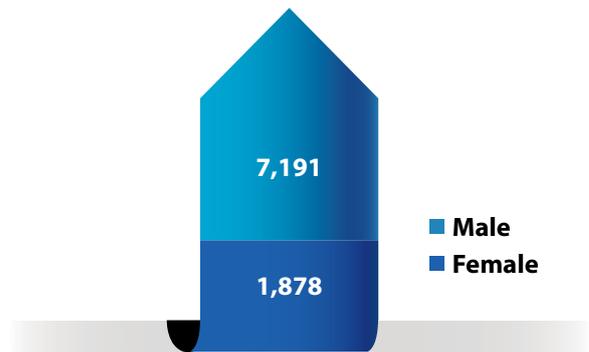
New Hires by Region



New Hires by Age Group

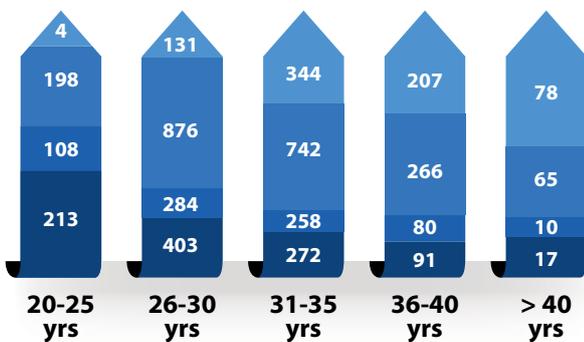


New Hires by Gender



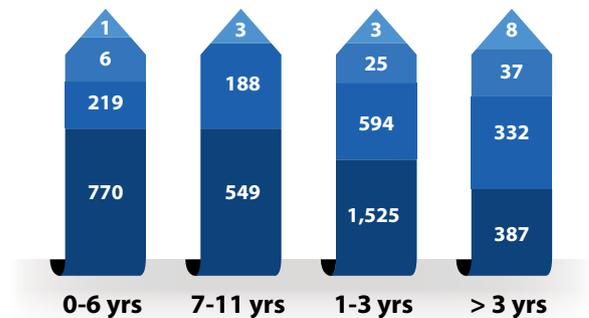
Age vs. Tenure-wise Attrition

■ 0-6 yrs ■ 7-11 yrs ■ 1-3 yrs ■ > 3 yrs



Grade vs. Tenure Attrition Bands

■ JM ■ MM ■ SM ■ TM



Employee Benefits and Welfare

We are aware that engaged employees are better performers and are more motivated to ensure success for the organisation. Keeping this in mind, we reward and acknowledge the efforts of our employees through performance management processes such as Goal Setting, Mid-year Review and an Annual Performance Review. The Bank's Compensation Policy is based on a 'Pay-for-Performance' philosophy and the Performance Management is strongly aligned to the compensation of employees. We are persistent in our efforts to retain and attract talented professionals and support our employees in their personal and professional growth. Certain benefits and rewards such as health care and insurance are offered to the full-time employees. To know more about the medical benefits provided to our employees, please refer to page 37 of our Sustainability Report 2014-15. Apart from the aforementioned benefits, the Bank also has an Employee Stock Option Scheme which enables its employees to be a part of its growth. The eligibility of an employee and number of options to be granted are approved by the Compensation Committee of the Board of Directors. A total of 37,570,300 options, which comprise 6.31% of the Bank's equity capital, have been granted in FY '15-16. For further details on other employee benefits provided by the Bank such as gratuity scheme and provident fund, please refer to pages 156, 186-187 of our Annual Report 2015-16.

Employee Health and Safety

IndusInd Bank provides a safe, healthy and secure workplace for all its employees, contractors, visitors and customers as mentioned in our HR Policy and the Workplace Health and Safety Policy. Furthermore, the Bank's Workplace Health and Safety Policy puts into effect safety measures, escalation mechanisms and ways to handle emergency situations to ensure a safe work environment. The Bank's E-learning module on 'Workplace Safety' creates awareness on the various potential hazards and accidents at the workplace. Around 3,956 employees have been sensitised about workplace safety through this module. Since the Bank has invested in health and safety training and the nature of work within the Bank is not hazardous, there have been no reported cases of injuries or fatalities in FY '15-16.

Fire Safety Training

The Bank ensures our employees are prepared at all times in case of a fire emergency. Periodic fire evacuation

drills and training programmes are conducted at various locations of the Bank. Electronic Direct Mailers (EDMs) are shared with all the employees on fire safety measures and emergency preparedness. The fire safety training is not only limited to our employees but also covers security staff stationed at high-rise buildings. In order to create awareness, standees displaying information on fire safety were placed across 30 offices across all zones. In FY '15-16, the Bank conducted Fire Safety Training Sessions for 8,200 employees through 558 sessions, achieving 16,400 man-hours of training.



Fire drills across offices and branches

Women's Safety

Training sessions on women's safety were conducted for women employees. During these sessions, our female employees were trained on various self-defence techniques using common implements and accessories for protection and were sensitised on common safety issues and incidents that could affect them. In FY '15-16, 820 women employees were educated through 28 such sessions achieving 3,280 man-hours of training.



Employee Training and Education



At IndusInd Bank, we focus on developing our human capital for business success with emphasis on imparting desired functional and behavioral competencies to our employees through custom-designed classroom training programmes and E-learning modules.

In FY '15-16, the Bank conducted 7,14,209 man-hours of training for 1,32,571 participants in areas of leadership,

team building, managerial effectiveness, customer service, banking products, banking operational processes, induction, compliance and technology platforms. Today, the Bank rates amongst the best Indian private sector banks for its learning interventions. In recognition of its efforts, the Bank had been reckoned amongst the best Indian private sector banks by Indian Banks' Association (IBA) for Best Use of Technology in Training and E-learning.

Training Details for FY '15-16

Sr. No.	Type of Training Programme	No. of Programmes	No. of Participants	Total Training Man-Hours	Avg. Training Man-Hours
1	Orientation to IndusInd Bank	203	4,028	72,720	18.1
2	Product and Sales Training - CB SEED, COO, MT and Products	490	9,932	2,86,278	28.8
3	Process Training- GBO, IT and Compliance	107	2,527	39,766	15.7
4	Induction Training-CFD	26	3,181	28,633	9.0
5	CFD-DRA	11	1,971	80,038	40.6
6	CFD-PACE, ME and Leadership development programme, Recovery in banks	9	191	3,119	16.3
7	E-Learning modules	438	1,10,531	1,99,151	1.8
8	External Training	90	210	4,504	21.4
Total		1,374	1,32,571	7,14,209	

Branch Manager Development Programme

A six-day classroom induction training programme was conducted for new Branch Managers along with a refresher programme for existing Branch Managers. The classroom programme is preceded by a six-day online

learning programme on the Bank's products, processes, compliance, policies, etc. The entire programme is directed at bridging the skill gaps of Branch Managers and making them conversant with products, sales and customer relationship elements, compliance, operational processes, etc.



MCSOP Enhancement and Leadership Programme

The key objective of this programme is to impart standardised branch banking operational process training to Manager Customer Services and Operation Process (MCSOPs) for better customer service. The two-day initiative imparted training on functional as well as behavioural aspects. The functional aspects focus on providing practical knowledge on branch banking operations while the behavioural aspects focus on imparting leadership skills for better team management, more effective delegation and better performance management.

Indus Pro Certification

This certification workshop continues to be a learning thrust area for the Bank. It has served its purpose by inculcating the right sales approach and customer service skills amongst the front-liners. Over the past few years, the Bank was able to cover 4,000 front-liners through these workshops, a group that is making an invaluable contribution to the business growth of the Bank. The focus is to continue this initiative and train more front-line staff across every Business Unit. In FY '15-16, 77 programmes were conducted pan-India covering over 1,600 participants in job roles such as Relationship Managers and Customer Service Executives.

Talent Management



Our Bank realises the importance of human capital and is conscious about creating a workplace where employees can actualise their potential. The Bank's strategic agenda continues to implement benchmark HR practices, which intend to offer employees a fulfilling career, work-life balance, market-linked compensation and a positive work culture.

Performance Management

Identification of High Potential Talent based on performance and potential measures was initiated across various Business Units of the Bank with a view to create a talent pool with niche skills and competencies. The intent is to develop and retain critical performers and leaders who can lead the Bank's future business growth. Performance Management Processes namely- Goal Setting, Mid-year Review and Annual Performance Review helped to outline employee performance objectives through SMARTs, review employee performance and recognise and reward based on tangible achievement against performance objectives.

The annual performance appraisal for FY '15-16 was executed in alignment with the Bank's objective of linking rewards to performance. Over 13,300 employees were appraised as a part of the annual performance appraisal process. The mid-year performance review for FY '15-16 was used as a platform by the business line managers and HR to mentor employees,

provide developmental feedback and develop performance plans for employees to enable achievement of their annual performance objectives. Over 15,000 employees were covered as a part of the exercise.

Performance Management Workshops

These workshops were conducted across the Bank to educate and create awareness on the performance management processes. The objectives of these workshops are:

- Help employees understand the Performance Management processes of Goal setting, Mid-Year review and Final review
- Set clear performance expectations through SMART goals
- Objectively complete self-evaluation
- How to give effective feedback
- How to work with subordinates for their performance enhancement

These workshops helped individual contributors as well as people managers. Over 200 people managers learnt the nuances of how to give effective feedback and do developmental counseling of subordinates for performance enhancement. Over 6,000 individual contributors were covered through E-modules on aspects of self-appraisal and how to do a better self-evaluation against pre-set SMARTs at the beginning of every financial year.

Employee Engagement

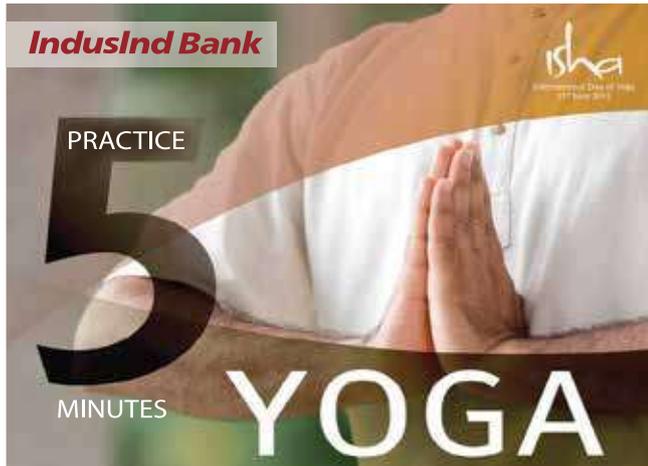


Employee engagement is integral to empower our employees with various skills and knowledge on issues that are of utmost priority to the Bank. The Bank believes

that engaged employees are better performers, therefore we strive to nurture our employees and ensure satisfaction at the workplace.

International Yoga Day

In June 2015, the Bank celebrated International Yoga Day by conducting an employee wellness initiative for 300 employees through 7 sessions. The Bank partnered with Isha foundation with an objective of encouraging healthy lifestyles amongst the employees during office hours.



Women's Wellness Initiative

In this initiative, an informative and educative programme on wellness was organised for women on the occasion of International Women's Day and several women employees attended this workshop.

Regular Communication with Employees

The Bank acknowledges that the whole-hearted support of its internal stakeholders requires communication and dialogue. The Bank adopts transparent formal as well as informal communication channels to connect with employees, gather feedback and ideate innovations. Keeping this factor in mind, the Bank started streaming live video addresses from the Managing Director - 'Virtual Town Halls' - across all offices and branches every quarter. This was appreciated and valued by internal stakeholders. Apart from such quarterly town halls, the Bank continued communication with its employees through an internal employee portal 'Pulse' and by providing regular mailers on various banking-related topics, thereby keeping them updated on all developments. There are multiple platforms through which the Bank engages with its employees, some of these are mentioned below.

Indus Parichay

Indus Parichay is an internal recruitment initiative,

deployed to identify potential candidates from our existing employees' social network. The direct relationship between the candidate and the referring employee allows the candidate to develop a strong understanding of the Bank, its business and the recruitment process. Candidates' fit with the company's culture, departments and teams is improved as the expectations of candidate and employer match. This year, we have received 3,294 successful referrals.



Myldea

The Myldea initiative which began in 2008-09, continues to inspire IndusIndians to come up with solutions for complex business issues. Through this portal, the Bank has in the past implemented ideas for improving business processes and customer services. The new Myldea portal has enabled real-time tracking of the ideas submitted. This year, the portal has received around 790 ideas out of which 20 were implemented.

Newsletter and Workshops

The Bank also has various monthly and quarterly newsletters, including 'Know your CSR', which aims to inform and engage employees on the Bank's sustainability initiatives, Corporate Social Responsibility (CSR) activities, Green Champions Programme and Green Business News.



This, along with various employee engagement workshops for our Green Champions and an environmental E-learning

module for all Bank employees improves their adherence to social and environmental practices of the Bank.

Human Rights and Ethical Procurement



The Bank is aware of its responsibilities towards its employees and the society at large and adopts international Human Rights mandates to ensure enforcement of the same. Our practices and policies such as our internal communication mechanism, employee service rules, code of conduct, sexual harassment policy, etc., address our approach to upholding human rights and have been elaborated in pages 48-49 of the Sustainability Report 2014-15.

Furthermore, the Bank is an equal opportunity employer and implements fair HR processes relating to hiring, training, promotions and staff benefits. Employees are provided opportunities on merit without discrimination based on marital status, belief, political opinion, culture, language, ethnicity, race, gender, religion, caste, age or disability. As of 31st March, 2016, 4,002 permanent women employees and 7 differently-abled employees are a part of the workforce. The Bank has taken measures to facilitate the seamless integration of the differently-abled employees into the workforce. The Bank has not received any complaints pertaining to human rights in FY '15-16.

Stakeholder Reporting Channels

The Bank has created a number of reporting or escalations channels for grievance redressal. Employee communication is promoted through all channels - vertically, horizontally and across the board. Three prominent and well-established channels of the Bank, through which employees can voice their concerns, are the Whistle Blower Mechanism, Listening Post and Direct Reporting. The Direct Reporting channel is used for employee litigation issues. In FY '15-16, 7 employees have challenged the decision of their dismissals or terminations in the Courts and Tribunals. Please refer to page 50 of Sustainability Report 2014-15 for the detailed processes of these mechanisms.

The Bank has a zero tolerance policy towards sexual harassment at the workplace and hence, has a mechanism in place that encourages women employees to notify any anxiety arising out of gender differences. Complaints are escalated for quick investigation and the case is examined by a Committee of Experts, comprising of female social workers and senior female executives. The Bank had organised comprehensive workshops for employees on sexual harassment, who in turn shared this knowledge

with other women employees. In FY '15-16, 20 cases of sexual harassment were reported, all of which have been resolved.

Cases Reported Using the Mechanisms

Name of Mechanism	Number of Cases Reported
Whistle Blower Mechanism	88
Direct Reporting	7
Sexual Harassment	20

Ethical Procurement

The Bank has a clear policy on engaging with vendors and suppliers. We ensure that none of our business processes or our vendors and suppliers support child, forced or compulsory labour. Our Procurement Policy states that vendors indulging in unethical practices or using unscrupulous means or any collusive practices with other vendors will be blacklisted. The risk of child, forced or compulsory labour is addressed through vendor on-boarding procedures which include site visits. As a company, IndusInd Bank would like to associate with vendors and suppliers that abide by standards and progressive labour practices, including and not restricted to the non-employment of child labour, providing equal opportunity to women employees, ensuring health, safety and welfare of employees and adopting safe environmental practices.



SPORTS IS ALL ABOUT HUMAN VALUES





Society

At IndusInd Bank, we work to enrich the community by contributing to its social and economic development in a long-lasting and sustainable manner. It is a responsibility that we consider vital to our organisation's growth and we work with civil society organisations and business correspondents to ensure that our community investments create positive impact.

The main focus of the Bank's activity and one of our

hallmark programmes has been the promotion of financial and legal literacy - especially amongst women and weaker sections of society. Added to this, is our Share2Care programme that supports six different NGOs and engages our own employees in bringing about positive change. In 2015, IndusInd Bank also supported the Prime Minister's Swachh Bharat Mission by constructing toilet facilities in rural Maharashtra and Uttar Pradesh.

Our CSR Strategy



The Bank has developed a CSR strategy which reiterates our CSR mission, highlights the need for good governance and implementation, identifies focus areas and provides a clear methodology for the process of project selection and evaluation. The Bank ensures that each project has a significant environmental and social impact, or is considered vital by our internal and external stakeholders. The Bank has taken into account the opinions of our stakeholders while determining our primary focus areas for the CSR strategy.

While identifying CSR projects, the Bank follows a strict process of evaluation. The Implementing Agencies (IAs) undergo a rigorous screening process wherein they submit information during a preliminary evaluation, following which they submit details of the project such as cost, feasibility, scalability and impact during a more comprehensive evaluation. All of this is executed keeping the Bank's overarching strategy in mind. Post selection and empanelment, the Bank monitors and evaluates the projects through the IAs by means of regular updates.

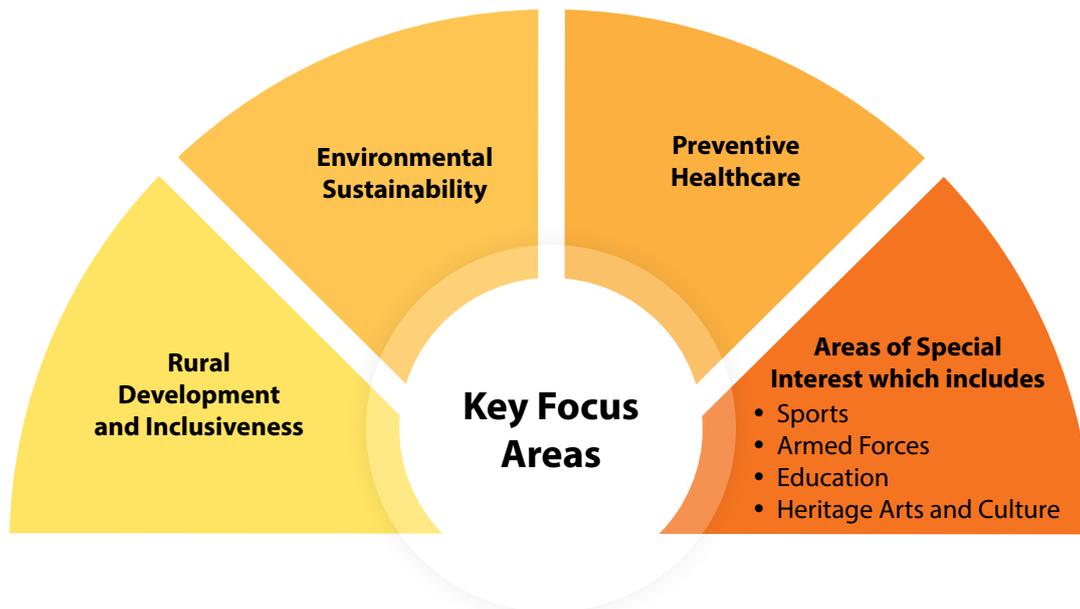
Societal development is a priority for IndusInd Bank and we intend to continue our strong collaborative approach towards implementing solutions and bringing about positive change in the communities in which we live and work.

Our Community Development Initiatives



The Bank has spent ₹273.20 million on various social and environmental activities in FY '15-16. Our focus areas include Rural Development and Inclusiveness, Environmental Sustainability, Preventive Healthcare, Education, Sports and Arts and Culture. During FY '15-16,

a total of 1.27 % of our Net Profit, averaged over the last three financial years, was spent towards CSR activities. Details on our CSR policy and expenditure can be found in Annexure VI to the Director's Report on pages 53-57 of our Annual Report 2015-16 (<https://goo.gl/p5ZFQc>).



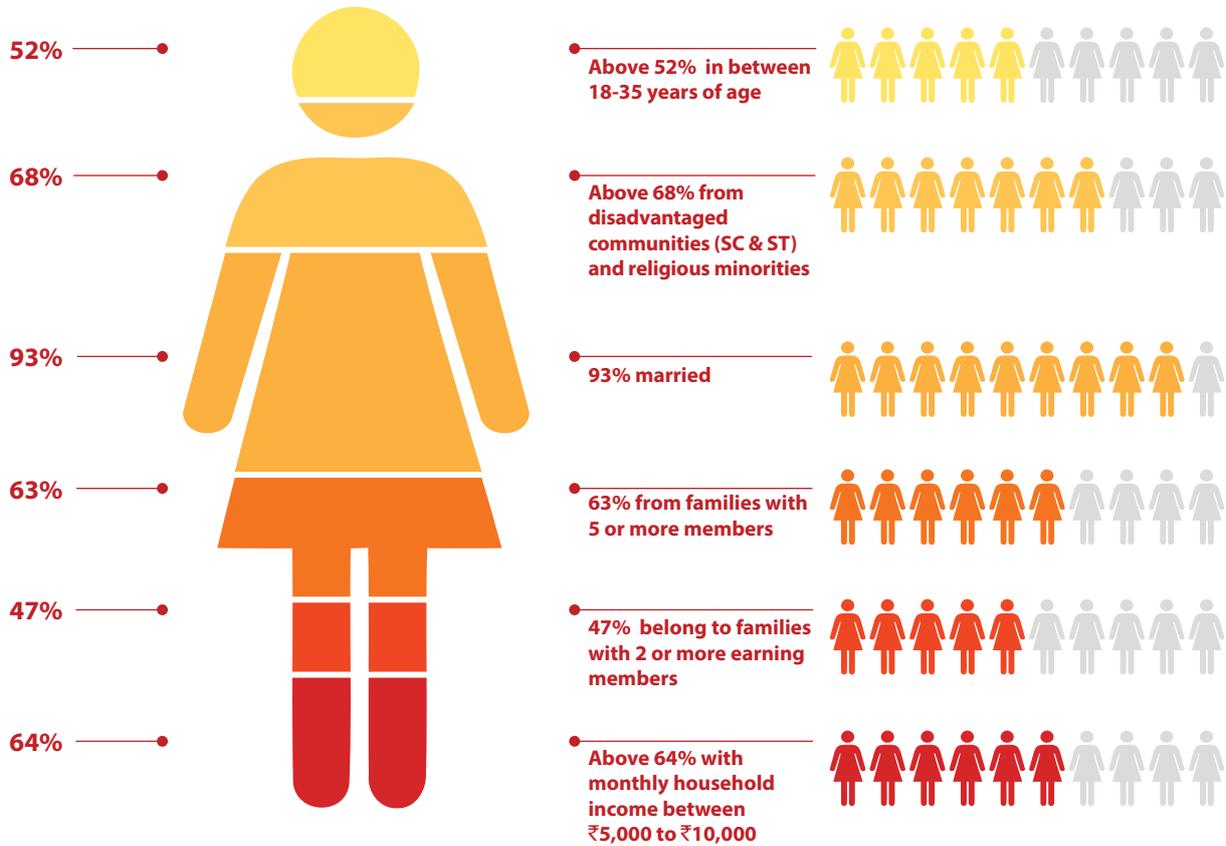
Legal Literacy Programme for Women

From rape and domestic violence to the lack of healthcare and education, millions of women in rural India experience daily peril and are unaware of their rights as women and citizens of the country. To begin to address this issue, the Bank in partnership with our Business Correspondent, Samhita Development Network, is carrying out a Legal Literacy Programme for marginalised women in Bhopal, Gwalior and Sagar districts of Madhya Pradesh. The objective of the programme is to provide legal rights literacy training that informs women of their rights and entitlements and various laws that protect them. Our goal is to cover 65,000 women over the course of three years, with the objective of reducing the number of incidents of domestic violence and female infanticide and foeticide. Around 15,000 women have been trained under the programme so far.

The programme has successfully created awareness amongst women on legal recourse in cases of physical abuse and violence. Pre and post tests conducted on the respondents demonstrated that 83% of the women were now aware of protection measures, women helpline numbers and the procedure to file a complaint in their police stations.



Profile of Participants



Helping Women Fight Abuse

One of our participant's husband is an alcoholic and would physically abuse her and their children regularly. The trainers at Samhita suggested she could file a case under Protection of Women from Domestic Violence Act and call on the helpline number 1090 in case of any emergency. One day, when the husband came home late and forced her and their son out of the house, she immediately called on the helpline and the police came and arrested her husband.

In another story of courage, a mother of two sons had filed a complaint against her husband of 16 years for domestic violence years ago when her younger son was 4 months old. At that time, he was counselled but our participant's situation did not improve. She approached the trainers to help her get a divorce and was promised legal support after proper counselling by Samhita.

IndusInd Swachh Vidyalaya

In FY '15-16, the Bank supported the nationwide campaign of Swachh Bharat Abhiyaan through IndusInd Swachh Vidyalaya and constructed/refurbished 56 toilets, 32 in Kolhapur, Maharashtra and 24 in Eastern Uttar Pradesh, benefitting over 5,000 school-going children. Apart from building these toilets, the Bank also maintained them for a year before handing them over to the SSMCs (School Sanitation Management Committee) comprising of teachers, Parent Teacher Association (PTA) members and

members from the Panchayat. The project has created major awareness on health, hygiene and good sanitation practices within the local community and schools. Interactions with the children post the Bank's interventions revealed that the children are not only aware of good hygiene practices, but have also influenced their parents and community members on its importance. Each of the classes in the schools has a 'Swachh Mantri' who drives the agenda and motivates peers to follow good practices.



Lack of sanitation facilities is a major stumbling block for education programmes in rural India which can be addressed by offering sustainable solutions. Solving this issue is an essential step and of paramount importance to begin a new chapter for a child's future.

- Paul Abraham, COO



The year 2015 saw the construction of nearly 10 million toilets across the country as part of the PM's Swachh Bharat Mission. Yet, according to a survey by the National Sample Survey Organisation (NSSO), over half the people in rural areas - over 52% - did not choose to use them. The study indicated that despite the cleanliness mission targeting students by providing toilets in schools, nearly 57% of children (below the age of 15 years) chose open defecation instead. To ensure that this problem did not plague IndusInd Bank's Swachh Vidyalaya Campaign, the Bank and our partner organisations focused a major part of our efforts on eliciting tangible behaviour change and ensuring continued infrastructural support.

All the Bank's adopted schools and toilets are maintained by cleaners as per a strict schedule and the regular payment and attendance of cleaners is ensured. Furthermore, sanitation committee meetings are organised monthly to guarantee the smooth functioning of all the toilets. In terms of behaviour change, the Bank has taken several steps to engage students on the subject of sanitation and health. The students at each school have been sensitised about sanitation issues through awareness sessions, debates, hand-wash campaigns and even drawing competitions. Every effort has been made to make the topic fun and interesting for the students.

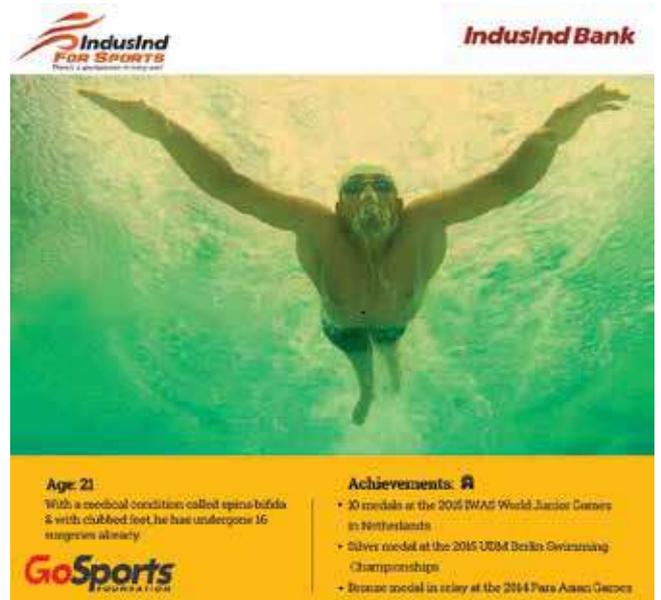
This attention to detail and our on-going support have ensured that the Swachh Vidyalaya Campaign will continue to be successful and will bring about sustained change over the long-term.



IndusInd Bank - The Para Champions Programme

This year, as an integral component of 'IndusInd For Sports', the Bank launched a unique Para Champions Programme which is being carried out in partnership with GoSports Foundation. Through this programme we have supported 18 differently-abled athletes as they are trained to bring laurels to the country. The Paralympics provides a platform to showcase the sporting prowess of people with disabilities while also serving as a catalyst for disability rights by ensuring integration, equality of

opportunity, and accessibility of the built environment. This initiative encapsulates our values as we endeavour to make a visible difference in the lives of these para-athletes. These athletes, who have triumphed in life against all odds, continue to be an inspiration for all. By promoting their inspiring stories in the public domain, we hope to inspire many others while bridging social barriers, building social acceptance and creating circles of excellence.



Skill Development of Drug Rehabilitated Children

The Bank continues to collaborate with SUPPORT, an NGO in Mumbai, to provide vocational skills to drug rehabilitated street children. After completion of detoxification, the children are sent to Saphale for a long-term rehabilitation programme where they are motivated to learn basic vocational skills. Following this training, SUPPORT facilitates

their recruitment into private industrial units which initiates their integration into mainstream society. In FY '15-16, the programme supported 110 young adults and trained them on screen printing, welding, carpentry, housekeeping, electrical work and other specific vocational skills to help them become employable and independent.

Young India Fellowship Programme

At IndusInd Bank, we believe in empowering young people and supporting their work as change-makers in society. In FY '15-16, the Bank supported deserving meritorious students of Ashoka University through the Young India Fellowship (YIF) programme, renowned for introducing several young entrepreneurs in the social sector. The fellows are chosen by means of a six-step selection process including review, writing tests and interviews. The YIFs engaged with the social sector have moved on to represent grass-root organisations in Education and Development, Arts and Culture, Agricultural value-chain companies and residential schools for special children, amongst others.



Empowerment of the Differently-Abled

In partnership with Rajiv Gandhi Foundation, the Bank has distributed 15 specially-designed vehicles for the differently-abled through their 'Access to Opportunities' programme. In addition to distributing vehicles, the programme also includes training, access to information about academic and livelihood options and scholarship support to students with special needs. The recipients

are from all over India and are nominated by a selection committee comprising of representatives from NGOs, Government, Industry, the Disability Commissioner's Office and individuals working in the sector. Of the 18 sponsored beneficiaries, 10 are pursuing bachelor and higher degree qualifications while doing part-time work.



Contribution to Social Causes

Apart from major social projects, the Bank has also pledged its support towards a number of different social causes. In the past year, we have been involved in promoting Indian culture and arts through Uttung Sanskrutik Pariwar Trust, supporting education of meritorious needy students through IndusInd Foundation, supporting primary healthcare and education interventions of Rajmata Vijaya Raj Scindia Centre for Development and

participating in the Terry Fox Run of the Tata Memorial Hospital to support the cause of treating cancer in children. The Bank has also extended support to 'Little Sisters of the Poor', an organisation supporting the aged homeless in Bangalore. In 2016, the Bank helped promote education through the Parikrma Science Festival, which is a forum for students from different schools to learn science in an interactive and relevant manner from eminent scientists.

Share2Care

The practice of volunteering and charitable giving is very prevalent in the Bank and we continue to encourage our employees to contribute to a cause of their choice. The Bank's payroll-giving scheme 'Share2Care' is an initiative which allows its employees to donate to NGOs that work for social and environmental causes, leveraging our resources and expertise to bring about positive

change. In the past year, employees have raised funds for SUPPORT, Nalandaway Foundation, Samarthanam, Aaranyak, HelpAge India and Prayas and their contributions have made a huge difference in the areas of Education, Empowerment of Women, Opportunity for the Differently-abled, Nature Conservation and Elderly Care.

 <p>Prayas</p> <p>Prayas works in the most backward areas of Gujarat and Madhya Pradesh, mainly to empower single women and women from socio-economically backward families.</p>	 <p>HelpAge India</p> <p>HelpAge India works with the disadvantaged elderly. It is operational in 23 states and provides medical services, poverty alleviation and income generation schemes for the elderly.</p>	 <p>Samarthanam</p> <p>Samarthanam is based out of Bangalore and helps empower visually impaired, disabled and underprivileged children.</p>
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NGOs as part of Share2Care

 <p>Nalandaway Foundation</p> <p>Nalandaway Foundation, based in Chennai, works with children from the poorest districts in India, helping them raise their voices and issues through theatre, visual arts, music, dance, radio and films.</p>	 <p>Aaranyak</p> <p>Aaranyak is a Guwahati-based organisation which fosters environmental research across 28 sites in the North-East, including conservation of the vulnerable one-horned Rhino and Brahmaputra dolphins.</p>	 <p>SUPPORT</p> <p>Based in Mumbai, SUPPORT is one of the very few NGOs which runs long-term residential De-addiction & Rehabilitation Centres to address the needs of drug-using street children and youth.</p>
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NalandaWay Foundation: Using Art to Inspire

NalandaWay's Arts Labs use art as a medium to teach children a sense of self-worth and individuality, encourage self-expression and stimulate imagination. The labs provide exposure level and specialised courses to children who show promise in fine arts, craft, music, dance, drama and media. Art experiences offer children opportunities to think and feel as they explore, problem solve, express and interpret the world around them. Currently, NalandaWay runs 10 art labs in the city of Chennai. In 2015-16, IndusInd Bank's contributions helped NalandaWay conduct 1,176 sessions in fine arts, dance and theatre for over 1,600 children, 812 of whom were selected for further structured learning.



Making a Difference Through HelpAge India



Established in 1978, HelpAge India has become a voice for the disadvantaged elderly. The charity envisions a society where the elderly have the right to an active, healthy and dignified life and works in several areas to see this vision through. With IndusInd Bank's support, the organisation has been able to help people like Smt. Vijayanti, a widow who has been living with her sons and daughters-in-law, but was struggling with daily finances.

After the death of her husband, Smt. Vijayanti inherited the house but had no source of income. One of her sons was unemployed and suffered from alcoholism and her other son didn't earn enough to provide for the family. Due to her old age, she was unable to work and hence, could not help her family financially.

Smt. Vijayanti came across HelpAge last year while dropping her granddaughter to school. "HelpAge has been of great help to me and my health. It is amazing how for just ₹10 they can provide medicine for 2 weeks. Earlier I used to pay ₹300-400 every month", she said while praising HelpAge.

Today, Smt. Vijayanti is educated and aware about Government pension schemes and other benefits offered to senior citizens. With HelpAge India's interventions, information on Government schemes and programmes are reaching the uninformed masses and people are becoming more aware of their rights. The Bank's employee payroll giving programme has made a huge difference in the lives of several senior citizens like Vijayanti.

Customer Driven Initiatives



IndusInd Bank endeavours to leverage our acute understanding of client needs and innovative approach to banking and financing, to remain a leader in the Banking sector. Our steady growth, despite a market decline on the macroeconomic scale, is indicative of our capacity to grow with the support of strong client relationships. Our advances in the finance sector, from digital services for

our on-the-go customers to unique financing structures in Priority Sector Lending, are a testament to the Bank's ability to create a strong, varied portfolio that perfectly meets the needs of a diverse customer base. The Bank aims to use our keen customer insight to scale up in profitability, productivity and efficiency by venturing into innovative products and market segments.

Held to a Higher Standard

IndusInd Bank is a member of the Banking Codes and Standards Board of India (BCSBI) and has voluntarily adopted their Code of Commitment for customers, which informs the Bank's dealings with customers in our day-to-day operations. Furthermore, the Code of Commitment is available for public viewing on our website. It ensures that clear information on our products and services is shared with our customers along with the terms and conditions

and interest rates/service charges that apply to them. It also states that our advertising and promotional literature shall be clear and not misleading. The Bank has also voluntarily adopted the BCSBI code for micro and small enterprises, which guides the Bank's interaction with these customers during day-to-day operations and during times of financial difficulty.

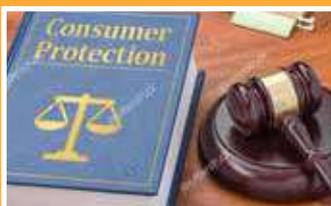
Addressing Customer Concerns

The Bank follows a clearly-defined method of addressing customer complaints. All customer complaints are handled by the Branch Head, who can then refer the complaint to a Nodal Officer if the complaint is not resolved within 7 days. If the Nodal Officer is unable to resolve the complaint, the issue is then escalated to the Banking Ombudsman. In FY '15-16, the Bank received 25,467 customer complaints, in addition to the 340 complaints pending from the previous year. Of these, 455 (1.78%) of complaints were pending in FY '15-16 which got resolved in April 2016. The Bank did not identify any substantiated leaks, thefts, or losses of customer data. There have been no complaints from any of the Bank's stakeholders with respect to ethics, bribery and corruption in FY '15-16.

about us on a real-time basis. The Bank has also started a Social Media Command Centre which works for 12 hours on all 7 days to respond to all customer queries / feedback etc., received via various digital forums, social channels, news portals etc.

The Bank has also continued its journey with Radian6, an ORM (Online Reputation Management) tool which helps in listening to what the customers are saying on various online platforms. This tool also helps the Bank to know about various news articles being written in the media

The Bank is committed to delivering superior and consistent service at all times and believes in a strong client centric approach to service customers across all client touch-points. The Bank regularly conducts 'Voice of Customer' surveys through Net-banking and ATMs, to gauge client experience. This survey is conducted within 48 hours of the transaction on any particular channel to ensure top of the mind recall on client experience. Over the course of FY '15-16, basis the 'Voice of Customer' survey conducted through Net-banking, the customer satisfaction score has increased from 66% to 78%, signifying a significant improvement in the client experience. For ATM transactions, customer satisfaction score has maintained a steady annual average of 86%.



Putting Customers First

In 2016, IndusInd Bank launched our new Customer Rights Policy that clearly outlines the rights of our customers and the responsibilities of the Bank towards them. The policy addresses issues such as the 'Right to Fair Treatment', the 'Right to Transparency' and the 'Right to Privacy' amongst others. The complete policy is available at our website at: <https://www.indusind.com/content/dam/indusind/PDF/customer-rights-policy.pdf>

GLOSSARY

ADB	Asian Development Bank	ICC	International Chamber of Commerce
ATM	Automated Teller Machine	IFMR	Institute for Financial Management and Research
BCCI	Bombay Chamber of Commerce and Industry	IIBF	Indian Institute of Banking and Finance
BCSBI	Banking Codes and Standards Board of India	IMC	Indian Merchant Chamber
BM	Branch Manager	ISO	International Organisation for Standardisation
BSBD	Basic Savings Bank Deposit	IT	Information Technology
BSE	Bombay Stock Exchange	KCC	Kisan Credit Card
BSM	Business Service Management	LEED	Leadership in Energy and Environmental Design
CB	Corporate Banking	MCSOP	Manager Customer Services and Operation Process
CDP	Carbon Disclosure Project	MCX	Multi Commodity Exchange
CET	Core Executive Team	MFI	Microfinance Institutions
CII	Confederation of Indian Industry	MNRE	Ministry of New and Renewable Energy
COO	Chief Operating Officer	MT	Management Training
COP21	Conference of the Parties 21	NBFC	Non-Banking Financial Company
CRISIL	Credit Rating Information Services of India Limited	NCDEX	National Commodity and Derivatives Exchange Ltd.
CSR	Corporate Social Responsibility	NGO	Non-Governmental Organisation
CS	Corporate Services	NMCE	National Multi Commodity Exchange
EDMs	Electronic Direct Mailers	NSE	National Stock Exchange of India Ltd.
ERM	Enterprise Risk Management	NSSO	National Sample Survey Organisation
FICCI	Federation of Indian Chambers of Commerce and Industry	ORM	Operations Risk Management
FTE	Fulltime Employees	ORM	Online Reputation Management
FY	Financial Year	PTA	Parent Teacher Association
GBO	Global Banking Operations	QIP	Qualified Institutional Placement
GC	Green Champion	RBI	Reserve Bank of India
GHG	Greenhouse Gas	RE	Renewable Energy
GRI	Global Reporting Initiative	SEBI	Securities and Exchange Board of India
HR	Human Rights	SMART	Specific Measurable Achievable Realistic Timebound
HR	Human Resources	SSMC	School Sanitation Management Committee
IA	Implementing Agency	UN	United Nations
IBA	Indian Banks' Association	YIF	Young India Fellowship

GRI CONTENT INDEX

The report should be read in conjunction with IndusInd Bank's Annual Report 2015-16, Sustainability Report 2014-15 and the Bank's response to Carbon Disclosure Project.

General Standard Disclosures	Disclosures	Location in the Sustainability Report	Page Numbers	NVG Principle
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G4-2	Key impacts, risks, and opportunities	General Disclosures, Engaging with Stakeholders	13, Annual Report 2015-16, Risk Management, pg 87-90 Carbon Disclosure Project Response	
Section: Organisational Profile				
G4-3	Organisation name	About this Report	6-7	
G4-4	Primary brands, products, and services	About IndusInd Bank	10	
G4-5	Headquarters location	-	Back Cover	
G4-6	Where the organisation operates	People and Locations	10	
G4-7	Nature of ownership and legal form	-	Annual Report 2015-16, Directors' Report, pg 15-26	
G4-8	Markets served	-	Annual Report 2015-16, Directors' Report, pg 15-26	
G4-9	Scale of the organisation	People and Locations	10	
G4-10	Total number of employees by type	Workforce by Numbers	10, 39-40	
G4-11	Collective bargaining agreements	None		Principle 3
G4-12	Supply chain description	Our Supply Chain	14	
G4-13	Organisational changes during the reporting period	Report Scope and Boundary	6-7	
G4-14	Precautionary principle	Managing Sustainability at the Bank	12	
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G4-16	Membership associations	Public Policy and Advocacy	15	Principle 7
Section: Identified Material Aspects and Boundaries				
G4-17	Entities included in financial statements	-	Annual Report 2015-16, Annexure I to the Directors' Report, pg 27	
G4-18	Process for defining report boundaries and content	Defining Materiality	7, Sustainability Report 2014-15, pg 21-22	
G4-19	Material aspects included in the report	Defining Materiality	7, Sustainability Report 2014-15, pg 21-22	
G4-20	Descriptions of material aspect boundaries within the organisation	Defining Materiality	7, Sustainability Report 2014-15, pg 21-22	
G4-21	Descriptions of material aspect boundaries outside the organisation	Defining Materiality	7, Sustainability Report 2014-15, pg 21-22	
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G4-23	Changes from previous reports in terms of scope and/or boundaries	Report Scope and Boundary	6-7	

General Standard Disclosures	Disclosures	Location in the Sustainability Report	Page Numbers	NVG Principle
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G4-34	Governance structure of the organisation	Governance	11-12, Annual Report 2015-16, Committees of the Board, pg 115-123	
G4-35	Process for delegating authority for sustainability topics from the board to senior executives and other employees	Managing Sustainability at the Bank	12, Annual Report 2015-16, CSR committee, pg 123 Annexure VI to the Directors' report, pg 53	
G4-36	High-level accountability for sustainability topics	Managing Sustainability at the Bank	12, Annual Report 2015-16, CSR committee, pg 123 Annexure VI to the Directors' report, pg 53	
G4-37	Processes for consultation between stakeholders and the board on sustainability topics	Engaging with Stakeholders, Our CSR strategy	13-14, 47	Principle 4
G4-38	Composition of the board and its committees	-	Annual Report 2015-16, Committees of the Board, pg 115-123	Principle 1
G4-39	Whether the chair of the board is also an executive officer	Yes	Annual Report 2015-16, Directors, pg 18	
G4-40	Nomination and selection processes for the board and its committees	-	Annual Report 2015-16, Directors, pg 18	
G4-41	Board conflicts of interest	-	Annual Report 2015-16, Related party transactions, pg 24, 125	
G4-42	Board and executives' roles in the organisation's mission statements, strategies, policies, and goals related to sustainability impacts	Managing Sustainability at the Bank	12, Annual Report 2015-16, Committees of the Board, pg 115-123 Annual Report on CSR activities, pg 53	
G4-43	Board knowledge of sustainability topics	Committee meetings, Board notes and other related communications		
G4-44	Board performance with respect to governance of sustainability topics	-	Annual Report 2015-16, Performance evaluation of the board, pg 20 Annual evaluation of board performance and performance of its committees and of directors, pg 124	
G4-45	Board role in the identification and management of sustainability impacts, risks, and opportunities	Engaging with Stakeholders	13-14, Annual Report 2015-16, Risk Management, pg 20 Risk Management Committee, pg 120 Stakeholder relations committee, pg 119	

General Standard Disclosures	Disclosures	Location in the Sustainability Report	Page Numbers	NVG Principle
Section: Governance				
G4-46	Board role in reviewing risk management processes for sustainability topics	-	Annual Report 2015-16, Risk Management, pg 20 Annexure VI to the Directors' report, pg 53 Risk Management Committee, pg 120	
G4-47	Frequency of the board's review of sustainability impacts, risks, and opportunities	Meetings held by the Committees of the Board	Annual Report 2015-16, Annexure VI to the Directors' report, pg 53 Operational Risk Management, pg 89	
G4-48	Highest committee or position that formally reviews and approves the organisation's sustainability report	Chief Operating Officer	-	
G4-49	Process for communicating critical concerns to the board	Ethics and Integrity	15-16	Principle 1
G4-50	Nature and total number of critical concerns that were communicated to the board	Ethics and Integrity	15-16	Principle 1
G4-51	Remuneration policies for the board and senior executives	-	Annual Report 2015-16, Remuneration Policy, pg 23 Human Resource and Remuneration Committee, pg 122 Disclosure on Remuneration, pg 191	
G4-52	Process for determining remuneration	-	Annual Report 2015-16, Remuneration Policy, pg 23 Human Resource and Remuneration Committee, pg 122 Disclosure on Remuneration, pg 191	
G4-53	Stakeholders' views on remuneration	-	Annual Report 2015-16, Remuneration Policy, pg 23 Human Resource and Remuneration Committee, pg 122 Disclosure on Remuneration, pg 191	
G4-54	Ratio of the annual total compensation for the organisation's highest-paid individual to the median annual total compensation for all employees	-	Annual Report 2015-16, Annexure III to the director's report, pg 32-33	
G4-55	Ratio of percentage increase in annual total compensation for the organisation's highest-paid individual to the median percentage increase in annual total compensation for all employees	-	Annual Report 2015-16, Annexure III to the director's report, pg 32-33	
Section: Ethics and Integrity				
G4-56	Code of conduct	Ethics and Integrity	15-16, IndusInd Bank website	Principle 1
G4-57	Helplines or advice lines for employees	Human Rights and Ethical Procurement	45	Principle 3
G4-58	Mechanisms for reporting concerns about unethical or unlawful behavior	Ethics and Integrity Human Rights and Ethical Procurement, Addressing Customer Concerns	15-16 45 55	Principle 1, Principle 3

Specific Disclosures	Indicators	Location in the Sustainability Report	Page Numbers	NVG Principle
Category: Economic				
G4-DMA		Economic Performance and Product Responsibility	19	
G4-EC1	Economic value	Financial Performance	19-21, Annual Report 2015-16, Profit and loss account, pg 143-144	
G4-EC2	Climate change risks	-	Annual Report 2015-16, Risk Management pg 87-90 Carbon Disclosure Project Response, www.cdp.net	
G4-EC4	Financial assistance from the government	None		
G4-EC6	Proportion of senior management hired from the local community	100%. Significant locations of operations is pan-India and senior management is hired from India.		
G4-EC7	Infrastructure investments	Fostering Economic Development	22-26	Principle 2, Principle 8
G4-EC8	Indirect economic impacts	Fostering Economic Development	22-26	Principle 2, Principle 4 Principle 8
G4-EC9	Local suppliers	Significant locations of operations is pan-India and most of our suppliers are based out of India		
Category: Environmental				
G4-DMA		Environment	29	
G4-EN1	Materials by weight or volume	Materials Conservation and Waste Management	29-31	Principle 6
G4-EN2	Recycled input materials	Paper Consumption	29-30	Principle 2, Principle 6
G4-EN3	Energy consumption (Scope 1 + 2)	Tackling Climate Change	36-37, Carbon Disclosure Project Response, www.cdp.net	Principle 6
G4-EN6	Energy reductions	Energy	31-32, Carbon Disclosure Project Response, www.cdp.net	Principle 6
G4-EN7	Energy reductions in products and services	Energy	31-32, Carbon Disclosure Project Response, www.cdp.net	Principle 2
G4-EN15	GHG emissions (Scope 1)	Tackling Climate Change	36-37, Carbon Disclosure Project Response, www.cdp.net	Principle 6
G4-EN16	GHG emissions (Scope 2)	Tackling Climate Change	36-37, Carbon Disclosure Project Response, www.cdp.net	Principle 6
G4-EN17	GHG emissions (Scope 3)	Tackling Climate Change	36-37, Carbon Disclosure Project Response, www.cdp.net	Principle 6
G4-EN18	GHG emissions intensity	Tackling Climate Change	37, Carbon Disclosure Project Response, www.cdp.net	Principle 6
G4-EN19	Reduction of GHG emissions	Energy	31-32, Carbon Disclosure Project Response, www.cdp.net	Principle 6
G4-EN25	Hazardous waste	Managing our Hazardous Waste	31	Principle 6
G4-EN27	Mitigation of environmental impacts of products and services	Environment	29-37	Principle 2
G4-EN29	Environmental fines and sanctions	None		
G4-EN30	Environmental impacts from product distribution and employee travel	Technology and Transportation	32	Principle 6
G4-EN31	Environmental investments	-	Annual Report 2015-16, Annexure VI to the Directors' Report, pg 56	Principle 6
G4-EN32	New suppliers screened using environmental criteria	None		Principle 2
G4-EN33	Supply chain environmental impacts	Our Supply Chain, A Climate-friendly Supply Chain	14-15 32-33	Principle 2

Specific Disclosures	Indicators	Location in the Sustainability Report	Page Numbers	NVG Principle
Category: Social				
Sub-category: Labour Practices and Decent Work				
G4-DMA		Human Rights and Labour	39	
G4-LA1	Number and rate of new employee hires and turnover	Workforce by Numbers	39-40	
G4-LA2	Benefits provided to full-time employees	Employee Benefits and Welfare	41, Annual Report 2015-16, Employee Benefits, pg 156 Employee Benefits (AS-15), pg 186-187	Principle 3
G4-LA3	Parental Leave	Maternity leave is granted as per policy		
G4-LA4	Notice periods regarding operational changes	Notice period is 90 days		
G4-LA5	Workforce represented in health and safety committees	None		Principle 3
G4-LA8	Health and safety topics covered in agreements with trade unions	Bank employees are not covered under trade unions		Principle 3
G4-LA9	Average hours of training for employees	Employee Training and Education	42-43	Principle 3
G4-LA10	Programs for skills management managing career endings	Employee Training and Education	42-43	Principle 3
G4-LA11	Employees receiving performance and career development reviews	Performance Management	43	Principle 3
G4-LA12	Composition of governance bodies and employees	-	Annual Report 2015-16, Committees of the Board, pg 115-123	
G4-LA13	Ratio of basic salary and remuneration of women to men	Human Rights and Ethical Procurement	45	Principle 3
G4-LA14	New suppliers that were screened using labour practices criteria	Ethical Procurement	45	Principle 5
Sub-category: Human Rights				
G4-DMA		Human Rights and Labour	39	
G4-HR1	Investment agreements and contracts that include human rights clauses or underwent screening	Human Rights and Ethical Procurement	45	Principle 5
G4-HR2	Employee training on human rights	Human Rights and Ethical Procurement	45	Principle 3
G4-HR3	Incidents of discrimination	Human Rights and Ethical Procurement	45	
G4-HR5	Significant risk of child labour in operations and suppliers	Ethical Procurement	45	Principle 3 Principle 5
G4-HR6	Significant risk of forced or compulsory labour in operations and suppliers	Ethical Procurement	45	Principle 3 Principle 5
G4-HR7	Security personnel trained in the organisation's human rights policies	None		Principle 3
G4-HR8	Incidents of violations involving rights of indigenous peoples	None		Principle 5
G4-HR9	Operations that have been subject to human rights assessments	Human Rights and Ethical Procurement	45	Principle 5
G4-HR11	Human rights impacts in the supply chain	None		Principle 5
G4-HR12	Grievances about human rights impacts	Human Rights and Ethical Procurement	45	Principle 5

Specific Disclosures	Indicators	Location in the Sustainability Report	Page Numbers	NVG Principle
Sub-category: Society				
G4-DMA		Society	47	
G4-SO1	Local community engagement, impact assessments and development programs	Our Community Development Initiatives	48-54	
G4-SO3	Risks related to corruption	Anti-corruption Activities	16	Principle 1
G4-SO4	Communications and training on anti-corruption	Anti-corruption Activities	16	Principle 1
G4-SO5	Confirmed incidents of corruption	Anti-corruption Activities	16	Principle 1
G4-SO6	Political contributions	None		
G4-SO7	Anti-competitive behavior	None		
G4-SO8	Fines for non-compliance with laws	Compliance Monitoring	16	
Sub-category: Product Responsibility				
G4-DMA		Economic Performance and Product Responsibility	19	
G4-PR4	Non-compliance with regulations concerning product and service labeling	None		Principle 9
G4-PR5	Surveys measuring customer satisfaction	Customer Driven Initiatives	55	Principle 9
G4-PR6	Sale of banned or disputed products	None		Principle 9
G4-PR7	Non-compliance with regulations concerning marketing communications	None		Principle 9
G4-PR8	Complaints regarding breaches of customer privacy and losses of customer data	Customer Driven Initiatives	55	Principle 9
G4-PR9	Fines for non-compliance with laws and regulations concerning products and services	None		

Material Topic	G4 Disclosure
Employee Engagement	G4-49, G4-57, G4-58, G4-LA9, G4-LA10, G4-LA11, G4-HR2
Priority Sector Lending	G4-EC7, G4-EC8
Compliance	G4-56, G4-SO3, G4-SO4, G4-SO5, G4-SO8, G4-PR4, G4-PR6, G4-PR7, G4-PR9
Product Responsibility- Customer Satisfaction and Brand Management	G4-49, G4-56, G4-57, G4-58, G4-SO3, G4-SO4, G4-PR4, G4-PR5, G4-PR7, G4-PR8, G4-PR9, G4-HR8, G4-HR11
Security and Privacy	G4-49, G4-PR8

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