



We understand your world

HDFC Bank: Changing Lives

Development in a large country such as ours brings with it various challenges; the foremost is to translate economic growth to sustainable development. To achieve this, it is critical that growth be inclusive.

"We understand your world"—that's the motto of HDFC Bank. This tagline is not only targeted at its 21 million customer base, the inclusive message is also for those millions who do not have access to modern banking practices and its benefits. Corporate Responsibility (CR) thus is an intrinsic part of the Bank's businesses.

HDFC Bank, both at the corporate and employee levels, is passionate about its responsibilities and is committed to delivering a sustainable future. The Bank recognizes its responsibilities towards its employees, customers, shareholders, environment and society and proactively encourages growth and development.

In light of this, the Bank has a defined Guiding Principle for all its social initiatives: 'Changing Lives by empowering individuals through Finance, Education and Training'. And to chart its path ahead in line with this principle, HDFC Bank has identified an empowering strategy.

CHANGING LIVES THROUGH VIABLE FINANCING

HDFC Bank believes in developing the capacity of individuals by empowering them to become self-reliant and contribute to the society in a holistic manner. In keeping with this, the Bank has a Board-approved plan to bring 10 million families (to put things in perspective, 40 million individuals) above the poverty line and into the banking fold. The Bank calls this "Viable Financing".

The Bank has adopted a multi-pronged approach to achieve this target. To begin with, the Bank is venturing into uncharted territories which no other new-age private bank has ever trod before. For instance, on the one hand, it has set up one of the highest bank branches in the world in Leh, at an altitude of over

Seeding hope

Amrutben in Kapadwanj of Gujarat is a hardworking woman whose family consists of six members and her main livelihood is potato cultivation. She has availed loan of ₹10,000 under HDFC Bank's MGML programme and utilized it for procuring potato seeds from Punjab. Previously, she used to borrow money from money lender at high interest rate for purchasing inferior potato seeds. The loan has helped her procure quality seeds at low price and she expects increased productivity.



10,000 ft, while on the other, it has gone into the remote district of Tawang in Arunachal Pradesh, bordering China. By expanding its reach beyond the metros (68% of HDFC Bank branches are in non-metro locations) and reaching out to the interiors, the Bank has taken the message of banking far and wide.

These apart, HDFC Bank is constantly extending its network to reach out to semi-urban and rural areas, developing and delivering products and services that are tailor-made for the rural populace. One of the main issues that have acted as an impediment to the development of financial inclusion is lack of credit in rural areas. To address this, the Bank has come up with a unique programme called 'Grameen Loan Melas' to take rural finance products to the doorstep of people who really need them. Loans worth crores for Commercial Vehicles and Two Wheeler Finance are disbursed in deep geographies.

There are also products like 'Loan Against Jewellery' and "Loan Against Gold" which have gone a long way in freeing the rural populace from the grasp of money-lenders who earlier used to strangle them with steep interest rates. These products are probably some of the most evolved forms of organized finance to have penetrated the unbanked areas of India. HDFC Bank believes that organized finance will provide people with sustainable and cheap credit. To compliment this and foster livelihood, the Bank also helps villagers form Self Help Groups. The last mile connectivity is provided by banking correspondents appointed by the Bank.

Social Award

HDFC Bank has been awarded a shield for its stellar performance under SHG/JLG linkage programme in the Skoch Financial Inclusion Award 2012 scheme under the Microfinance category. This year, HDFC Bank was the only private sector bank to receive the award.



Apart from an ever-widening branch network and organized finance, HDFC Bank has also utilized the ubiquitousness of mobile phones to take banking to the unbanked. Under this initiative, HDFC Bank and Vodafone India have partnered to open HDFC Bank Mobile Bank account with Vodafone m-paisa. Through this arrangement, customers can now perform basic banking transactions on the mobile phone and even deposit and withdraw cash, at appointed Vodafone outlets without having to go to bank branches, which may not always be at a stone's throw. This not only offers a person with the security of a bank account but also translates to substantial savings for a small farmer or a daily wage earner.

CHANGING LIVES THROUGH EDUCATION & TRAINING

An essential element of the Bank's Corporate Responsibility is its community initiatives which aim at empowering individuals at the bottom of the pyramid through developmental initiatives.

For the purpose of focusing its efforts in a continued and effective manner, Education and Livelihood support are the thrust areas identified by the Bank. Through its Social Development programmes, the Bank has touched the lives of over 2.5 lakh individuals.

Education is one of the building blocks of any nation. HDFC Bank recognises the importance and relevance of education. With the aim of having 'Every child in school and learning' its interventions are aimed at mainstreaming of schoolchildren and ensuring the



A teacher interacts with underprivileged children in an Academic Support Class

quality of education they receive. HDFC Bank has undertaken a multitude of initiatives to take focused efforts for retaining children in school and to arrest the rate of dropout. The Bank has reached out to over 1.5 lakh children through its programmes and ensured they remain in school.

PRE-PRIMARIES: As part of this initiative, pre-primaries are run in communities with a high percentage of out-of-school children with the objective of preparing and enrolling these children into mainstream education. Apart from providing basic nutritional and health needs, regular parent and community meetings are an integral part of this programme which is currently running in Kolkata, Hyderabad and Delhi.

SCHOOL ADOPTION: This programme works in partnership with NGOs and the government. It is aimed at adopting state-run schools by providing educational support to the children and to train staff to ensure better levels of learning and lower rate of drop-out in state-run schools in Pune and Mumbai.

EDUCATIONAL SPONSORSHIP: Needy and deserving children are identified based on set criteria and provided with educational support to cover the cost of their education in state-run schools in Mumbai, Sheopur and Chattisgarh. In a unique initiative supported by the Bank, 30 children from government schools have been integrated to DPS School in Ahmedabad.

ACADEMIC SUPPORT CLASSES: The programme covers around 500 first-generation children through 'after-school class' and out-of school children through 'bridge class' in Pune, Delhi and Kolkata.

Helping Hand



Shilpa Sapute's family had plunged into a crisis when her father, the sole breadwinner, lost his job. Since her brother was still in school, Shilpa had no option but to look for ways to bail her family out. She joined computer training and English speaking course in Kherwadi Social Welfare Association supported by HDFC Bank. On completion, she joined the Wadala Centre as a volunteer & started teaching basic computer course. She also completed her BA and pursued a Diploma in Social Work from Nirmala Niketan. She worked in Bal Prafulata as a Child Rights Programme coordinator for a year at a salary of ₹8000. Now she has joined an NGO as Executive Assistant to Director, drawing a salary of ₹10,000.

REHABILITATION: Under this programme, development and rehabilitation assistance is provided by the Bank to differently abled individuals. Through training and placements, they are supported to lead a life of dignity. The Bank supports rehabilitation programmes in Kashmir, Kolkata and Mumbai.

FINANCIAL LITERACY: The Bank recognises its responsibility to spread financial literacy among the members of society. The Bank's financial literacy programmes focus on the values of money and inculcate the concept of saving among children. The 'Social and Financial literacy Programme' for children is run in 458 schools in rural areas of Maharashtra, Tamil Nadu and Orissa.

TRAINING: In an educational system and occupational economy that is vastly skewed towards formal academics for gaining livelihood, it is practically the end of the road for millions of young who do not complete their education. HDFC Bank's livelihood initiatives are aimed at training and capacity development of youth and women in the age group of 18-30 years from economically weaker sections of society, and to empower them to gain access to opportunities for sustainable livelihoods and growth. Till date, the Bank has reached out to 5,000 youths.

HDFC Bank's livelihood support programmes are aimed at empowering competency-based, skill-oriented, technical and vocational training. The Bank trains youth to become electricians, welders, plumbers, computer operators, tailors, stenographers and auto mechanics. Till now, such training programmes have been carried out in Andhra Pradesh, Maharashtra and Gujarat. In Kolkata, HDFC Bank has supported the setting up of a physiotherapy training unit where visually challenged candidates undergo a diploma in physiotherapy. In a pilot project undertaken in the same city, interest-free loans were given to school drop-outs who underwent training as laboratory technicians and were successfully placed in hospitals through industry interface.

In addition to projects implemented through NGO partners, HDFC bank also drives direct community initiatives through its employees.

EDUCATIONAL CRISIS SCHOLARSHIP SUPPORT: HDFC Bank's Educational Crisis Scholarship Support (ECSS) was launched in 2011 to reach out to students, studying in private/government-aided schools, who due to personal/family constraints are unable to continue bearing the cost of education and are at risk of dropping out of school.

Joy of Giving

As a part of the Joy of Giving week, 650 HDFC Bank employees participated and raised Rs 22 lakh for four NGOs, securing second position in the Corporate Category. For its unique employee-led approach, the Bank was also given the 'Most innovative campaign' award by Give India.



Employees conduct a Power Of Banking session in Jaipur

POWER OF BANKING: HDFC Bank has created a financial literacy module which is run by its employee volunteers. 'Power of Banking' is a two-hour-long interactive module designed for schoolchildren studying in Vth to VIIIth standards and covers simple concepts about money such as budgeting, saving and banking. Power of banking has also been redesigned to introduce financial concepts and values associated with money to street children.

CHANGING LIVES THROUGH EMPLOYEE VOLUNTEERING

Employees are an integral part of all volunteering programs. With an organization of over sixty thousand people, HDFC Bank believes that they are in a unique position to leverage the knowledge base, skills and resources of its employees to 'Change Lives'. While employees are part of all the community-based interventions, the Bank also provides opportunities for employees to contribute through special programmes that are centrally driven.

PAYROLL GIVING: Under this programme, employees are provided with an easy and convenient system to donate small amounts on monthly basis and accumulate it to reach a corpus that allows them individually to donate to a charity of their choice. HDFC Bank matches their contribution, thereby, endorsing the charity they choose to support. Currently, we have approximately 4,800 employees signed onto this programme who have cumulatively supported over 50,000 individuals.



Make a Difference (MAD) Day was celebrated on January 21, where 400-plus employees across 23 locations volunteered on a working day

MAKE A DIFFERENCE (MAD) DAY: HDFC Bank celebrates 'MAD' Day annually as a community volunteering day where employees identify NGOs in their region and interact with beneficiaries. Employees conduct activities, competitions and workshops for the underprivileged community. 'MAD' Day is celebrated as an opportunity for the employees to leave their laptops, conferences calls and emails and direct their passion, determination, and skills for the benefit of communities.

HDFC BANK FELLOWSHIP: HDFC Bank supports the 'Teach for India' movement which is a nationwide campaign aiming to bridge the educational gap in India by placing young professionals in low-income schools to teach full-time for two years, advocating educational equity. Each year, two employees are

ABOUT US

Promoted in 1995 by Housing Development Finance Corporation (HDFC), India's leading housing finance company, HDFC Bank is one of India's premier banks providing a wide range of financial products and services to its 21 million customers across hundreds of localities using multiple distribution channels including a pan-India network of branches, ATMs, phone banking, net banking and mobile banking. Within a relatively short span of time, the Bank has emerged as a leading player in retail banking, wholesale banking, and treasury operations, its three principal business segments.

The Bank's competitive strength lies in the use of technology and the ability to deliver world-class service in rapid response time. As of Dec 31, 2011, the Bank had a distribution network with 2,201 branches and 7,110 ATMs in 1,174 localities.

selected for the fellowship and are given a two-year sabbatical, during which they continue to receive their basic salary.

DIVERSITY

HDFC Bank aims to have a gender inclusive environment and efforts are made to create a space in which women have the opportunity to develop, participate and contribute fairly and equitably.

To take forward the objectives of the diversity management initiative, the Bank formally launched "Sisterhood of Strength – the HDFC Bank Diversity Management Initiative". This is an umbrella brand name for an intra-Bank team that helps all women employees of the Bank to get proactive, to connect with each other, to share experiences and to identify future interventions that may be required to nurture and empower women at HDFC Bank.

Some of the other initiatives taken are

- Tejaswini Awards** – To recognise and felicitate women super-achievers
- Banking on Women** – Special workshops for women in mid-to-senior management
- Employee Wellness Programme** – A hotline service providing counseling
- Onsite crèche** – The Bank has set up its first onsite crèche at its largest office in Mumbai
- E-portal for women** – This profiles women in senior positions and allows sharing of ideas

ENVIRONMENTAL SUSTAINABILITY

HDFC Bank believes in taking responsibility for the effects of its operations in society and on the environment. It regards climate change mitigation and environmental improvements as essential elements of a sustainable business philosophy and this belief embodies the Bank's approach to reduction of carbon emissions.

It has conducted an inventory of energy-related emissions from its office buildings and retail branches and is taking steps to manage GHG emissions. The Bank is also signatory to the Carbon Disclosure Project (CDP).

An important aspect of HDFC Bank's GHG management strategy is behavioural modifications and employees are constantly being made aware of the importance of conservation.

Through all these measures, the Bank has embarked on a mission to make tangible and meaningful difference to people's lives. It will continue to walk the path and not rest till this goal is achieved.