Project Summary Information

	Date of Document Preparation: 11/6/26
Project Name	India Climate Mitigation On-lending Program - IDFC FIRST Bank
Project Number	P001210
AIIB member	India
Sector/Subsector	Multi-sector
Alignment with AIIB's thematic priorities	Green infrastructure; Private Capital Mobilization
Status of Financing	Approved
Objective	To support India's transition to a low-carbon economy by increasing the availability of financing for climate mitigation investments.
Project Description	The Project contemplates up to USD100 million in senior debt financing to IDFC FIRST Bank Limited (IDFC) for on-lending to eligible sub-borrowers in India to support climate change mitigation. IDFC is a mid-sized Indian private sector bank formed through the merger of IDFC Bank and Capital First in 2018. The merger combined IDFC Bank's banking license and wholesale banking franchise with Capital First's technology-driven retail and MSME lending platform. This enabled IDFC to transform from a predominantly wholesale lender into a diversified universal bank with a strong retail orientation. It is publicly listed in India with shares traded on both the NSE (NSE: IDFCFIRSTB) and BSE (BSE: 539437).
Expected Results	**Project Objective Indicators** • GHG emissions reduced, avoided or removed (tCO_2e / Year) • Number of electric vehicles financed including two wheelers (Number) **Intermediate Results Indicators**: • Number of sub-loans financed (Number) • Value of sub-loans financed (USDmn)

Environmental and Social Category	FI
Environmental and Social Information	**Applicable Policy and Categorization:** AIIB's Environmental and Social Policy (ESP), and Environmental and Social Standard (ESS) 1, applies to this Project. The Project has been categorized as Category FI because AIIB financing will be provided through IDFC First Bank Limited (IDFC), which will be responsible for identifying, screening, appraising, financing and monitoring eligible subprojects in accordance with agreed eligibility criteria. The financing will exclusively support retail loans to individual end-users for the acquisition of electric vehicles (EVs) for their own use. The underlying transaction is the purchase of an EV by an individual end-user, rather than the financing of an economic activity involving the manufacture, production or processing of goods. Accordingly, the underlying retail transactions are not expected to involve activities covered by AIIB's Environmental and Social Exclusion List (ESEL), which is therefore not expected to be directly relevant to these transactions. Given the limited scope and nature of the eligible activities, which are expected to have minimal or no adverse environmental and social (ES) risks and impacts. **Environmental and Social Instruments:** IDFC's Environmental, Social and Governance (ESG) Policy, Environmental and Social Policy (ESP) Framework and related governance arrangements together provide the overall ES framework for the Project. The ESP Framework serves as the key ES instrument for the facility. Given the retail EV focus, ES risks associated with individual financing transactions are expected to be limited. Accordingly, key ES considerations relate primarily to IDFC's institutional arrangements including customer protection, fair lending practices, responsible lending and customer grievance redress. **Environmental and Social Aspects:** The loan proceeds are expected to support retail EV financing. Environmental risks associated with the finance activities are expected to be limited and largely indirect. Positive environmental impacts are expected through increased adoption of electric mobility and associated reductions in greenhouse gas emissions and local air pollutants. Potential environmental considerations include battery lifecycle management and compliance with applicable national battery and waste-management requirements. Given the retail nature of the facility and exclusion of higher-risk activities, significant environmental impacts are not anticipated. Equally, social risks are expected to be minimal because financing will be provided to individual retail borrowers for EV purchases. In addition, IDFC has established policies relating to equal opportunity, diversity and inclusion, prevention of workplace harassment, human rights, employee welfare and grievance management. IDFC's ES Policy framework promotes responsible and inclusive business practices and supports equitable access to financial services.

	Occupational Health and Safety, Labor and Employment Conditions: As the financing will exclusively support retail EV purchases, material labor and occupational health and safety risks associated with financed activities are not anticipated. IDFC complies with national labor laws and related regulatory requirements and maintains policies and procedures concerning labor and employment conditions, workplace health and safety, employee welfare and employee grievance management for its own operations. **Information Disclosure and Project Grievance Redress Mechanism (GRM):** IDFC publicly discloses a summary of its ESP Framework, ESG Policy, Fair Practice Code and sustainability disclosures[1]. Stakeholder engagement is supported through customer engagement processes, grievance mechanisms and public disclosures. IDFC maintains customer grievance and complaints mechanisms, a whistleblower framework and broader governance processes that provide channels for receiving, addressing and resolving concerns raised by customers and other stakeholders. Grievances concerning retail EV financing will be submitted through IDFC's Customer Grievance Redresssal Mechanism (GRM). The information about the GRM and Bank's Project-affected People's Mechanism (PPM) will be disclosed in an appropriate manner. **Monitoring and Reporting Arrangements:** AIIB has established the monitoring and reporting mechanism with IDFC and will monitor implementation of the facility through periodic supervision. Given the retail nature and limited ES risks of the EV financing, ES monitoring will focus primarily on the FI/portfolio level rather than individual transactions. IDFC will ensure financing remains within the approved scope and maintain applicable customer protection, fair lending and grievance redress arrangements.
Cost and Financing Plan	A senior unsecured loan of USD100 million.
Borrower	IDFC FIRST Bank Limited
Estimated Date of disbursement	December 2026

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[1] https://www.idfcfirst.bank.in/scaling-up-sustainability-effort/reporting-suite

Date of Single Review Decision	October 16, 2026
Estimated Date of Financing Approval	November 5, 2026

Independent Accountability Mechanism	AIIB's Project-affected People's Mechanism (PPM) applies to the project. The PPM has been established by the AIIB to provide an opportunity for an independent and impartial review of submissions from Project-affected people who believe they have been or are likely to be adversely affected by AIIB's failure to implement its ESP in situations when their concerns cannot be addressed satisfactorily through project-level GRM or the processes of AIIB's management. For information about the PPM, please visit: https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html