

Listening to...

Changing aspirations and strengthening retail franchise



We reach out to our customers to understand their real needs and concerns, their changing lifestyles, so that we can take product design beyond skin-deep customisation.

Retail Banking

~25 MN

SA customers (2.84 mn new accounts added in fiscal 2020-21)

₹2.13 TN

AUM in wealth management

71%

Sourcing of retail assets from ETB customers

54%

Share of retail advances to total advances

15%

Growth in SA deposits CDAB

10%

Growth in retail advances

62%

Share of retail fee to total fee

*CDAB -Cumulative daily average balance

Above are standalone figures as on/for year ended 31 March, 2021 unless otherwise mentioned

Deposits



- We reported healthy growth in retail savings deposits led by: a) a focused premiumisation strategy; b) deep customer engagement; and c) correct product fitment of our savings account customers. We up-migrated potential customers to the right segment through a seamless consent-based digital journey towards a premium proposition
- Our efforts across Branch Banking, Digital Banking and Axis Virtual Centre (AVC), we have seen significant uplift in the sequential growth trajectory of our granular deposits
- We leveraged the video KYC platform to open ~1.35 lakh accounts for fiscal 2020-21
- We launched an industry-first transformational tool Emergency Savings Planner (ESP) allowing customers to calculate their emergency corpus and build a savings habit and reach the final corpus, within the stipulated period
- Launched 'Aarambh', with new and existing customised product offers (spanning savings accounts, credit cards, retail loans, fixed deposits, insurance, and other financial products) through an in-house developed proprietary algorithm involving multiple data sources

Listening to... contd.

Lending



Launched 300+ branches under the platinum branch concept for Small Business Banking (SBB) that provides various finances



Introduced 'Phygital disbursement' process for personal loans for select ETB customers to avail of instant disbursement

We are trying to diversify and grow our retail loan book, and we believe that it is going to be one of our important growth engines, going forward. The retail credit scenario in India is gradually improving and it is likely to improve further.

Our ₹334,514 crores retail loan book is well diversified and largely secured with a significantly high proportion of ETB and salaried customers. Around

81% of our retail book is secured and the unsecured portfolio is largely salaried.

Our loan origination through digital platforms grew significantly during the year. The insta-lending products focus on seamless customer onboarding, simplifying processes and creating a rewarding digital experience. During the year, we took the following initiatives:

24 x 7

Introduced '24x7' instant personal loan for New-To-Bank (NTB) customers



Tied up with Freecharge for gold loan and auto loan lead generation

Unnati

Launched project Unnati to make processes more efficient, resulting in improved productivity and TAT in home loans

Wealth management



'Burgundy' is India's top wealth management franchises in the country, with assets under management of over ₹2.3 trillion as on 31 March, 2021, a 45% growth over the previous year.

During the pandemic, we launched an engaging customer-connect initiative (Project Outreach) to ensure the well-being of their health and investment portfolio.

Burgundy Private, our private banking business completed its first anniversary. It is a comprehensive and personalised offering that leverages the strength of 'One Axis' to meet specialised wealth and banking requirements of the high- and ultra-high net-worth client segments. Burgundy private now has the trust of over 1,660 families globally.

The Bank offers a 3-in-1 smart metal card with features of a debit, credit and multi-currency card in one to Burgundy Private Customers, which helps them perform their financial transactions seamlessly, both while in India and overseas.

We also launched the fully digital premium banking account opening journey for new customers with unparalleled onboarding customer experience. To suit the new reality of online transactions, the proposition was also enhanced to include several offers and discounts, in addition to the existing benefits across lifestyles, travel and entertainment.

Axis Virtual Centre (AVC)

Our Axis Virtual Centre (AVC) channel has around 1,500 Virtual Relationship Managers managing relationships with our existing customers. This platform is driving customer acquisition, engagement and relationship management. A million interactions happen every week, reaching out to close to 25% of the Bank's book, leveraging technology and a solution-centric approach to customers' conversations. AVC contributes close to 10% of incremental SA and TD deposits, 7% of New Retail Asset Loans, 20% of New Credit Cards and 3% of TPP fees.



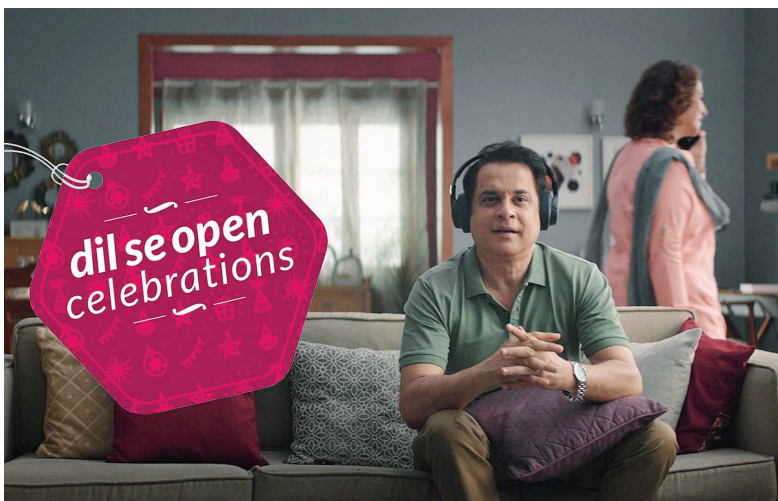
Retail forex and remittances

We are one of the largest players in prepaid forex card market with flagship offering of multi-currency card that allows users to load 16 currency options in one card

We launched 'Axis Bank Club Vistara Forex Card', the first co-branded Forex Card in association with an Indian airline company, Vistara Airlines in fiscal 2020-21. This offering is in addition to the 'World Traveller Forex Card' already offered by the Bank in association with Miles & More, Europe's largest traveller loyalty programme.

Third-party products

We are one of the fastest growing bancassurance industry players with 39% growth in fee earned from selling life insurance policies and 62% growth in fee earned from selling general insurance policies. We have a pool of 1.8 million+ mutual fund customers. We launched Direct-to-Customer (D2C) sales fulfilment process on mobile and internet banking platforms for term and health products ensuring frictionless journeys.



Dil Se Open Celebrations

During the festive time, we launched the campaign 'Jo apno ke dil ki baat sunte hai, humne unke dil ki baat suni' through films and statics. Campaign presented our offers across Cards & Payments, Loans and Subsidiaries bringing to life, One Axis' agenda.

Listening to... contd.

India Inc. and its priorities



We engage with our corporate clients and provide them necessary support to navigate the challenges in the operating environment. The small and medium enterprises have been adversely impacted by the pandemic, and our overall approach has been to address their challenges with compassion, and prioritise the prompt resolution of their concerns. We are also deepening our relationships with better rated corporates through our transaction banking offerings and leveraging 'One Axis' capabilities across the Axis Group.

Wholesale Banking

Wholesale Banking is a strong relationship-led franchise driving synergies across One Axis entities that is a 'one-stop' shop; for banking needs of Indian Corporates. We have segregated the responsibilities of coverage and product groups to ensure sharper focus.

Originations

Focus continues to remain on better rated originations and short-term loans. 94% of incremental sanctions in fiscal 2020-21 were to corporates rated A- and above. 38% of the corporate loans are short-term loans.

Transaction Bank

We are strengthening our position as a transactions-led Bank with clients and become their reliable partner through the business lifecycle. We continue to focus on increasing the share of transaction banking or flow-based businesses that include current accounts, collection and payments solutions, trade services and forex remittances.

Digital Innovation: E - Execution

We have launched an E-execution of loan documents for our Wholesale Banking clients. The customer can now digitally sign documents from the comfort of his/her office/home by way of Aadhaar authentication. This industry-first initiative has contributed to the ease of doing business for customers.

7%

Growth in wholesale advances

31%

Growth in mid-corporate book

85%

Share of corporate advances to clients rated A- and above

1ST

Rank in DCM for rupee bonds[@]

15%

Growth in average CA deposits

9.2%

Market share in GST payments

9.7%

Market share in foreign LCs[#]

3.4%

Market share in forex turnover^{*}

Commercial Banking

Growing CBG is also a strategic priority for us, as we are confident about the potential of India's Small and Medium Enterprises (SME), the real growth engines of the Indian economy. SME lending book is well diversified and predominantly focuses on working capital financing.

Project Sankalp

During the year, we undertook various initiatives under 'Project Sankalp' with a sharper focus on tech digital transformation delivering data-driven credit decisions, minimal documentation, simplified products, digitised operations and unlocking value using data for effective customer interactions.

13%

Growth in CBG advances

60%+

Reduction in documents required

86%

CBG book rated SME-3 or better

30minutes

For pre-screening versus 1 day

84%

Incremental sanctions fiscal 2020-21 to SME3 and above rated customers

3x

Increase in number of client interactions by RMs

#Source: SWIFT Watch

*Source: RBI Report

@Source: FinanceAsia

Above are standalone figures as on/for year ended 31 March, 2021 unless otherwise mentioned

Listening to... contd.

The buzz and accelerating phygital strategy



We are seeing a remarkable digital leap in the way we live, work, shop and play. While Axis has been one of the early adopters of digitalisation in India, we have always given priority to in-person communication, conveying the message that the Bank is always with the customer in good times and bad. We will continue to stay close to our customers, providing reassurance and guidance.

Digital dashboard

73%

Digitally active customers

71%

Saving accounts digitally sourced

71%

Fixed deposits opened digitally

57%

Personal loans digitally disbursed

250+

Services on digital channels

88%

Digital transactions

72%

Credit cards issued digitally

4.6

Mobile app rating

Above are standalone figures as on/for year ended 31 March, 2021 unless otherwise mentioned

We have adapted the Dil Se theme to create an 'OPEN' framework used for reimagining digital customer journeys

O

O-based redesign; putting customer at the centre and rebuilding the entire journey with a O-operations orientation

P

Building proprietary in-house capabilities

E

Ecosystems capable: Built with Axis Bank and its partners in mind

N

Number-crunchers: We are obsessed with numbers that lead to sound metrics and measurable impact across all aspects of our business

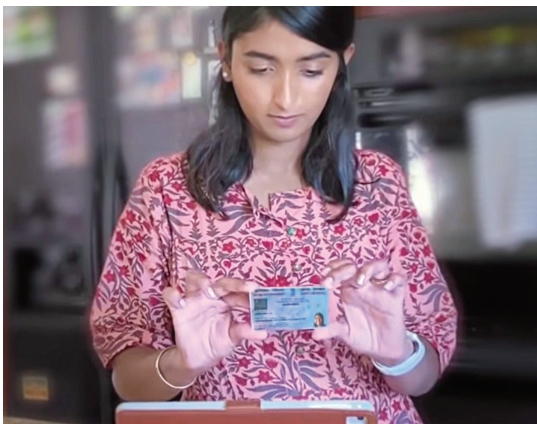
In the last year, the Bank introduced a number of digital products:

- Video KYC based onboarding for savings accounts, current accounts and credit cards; newer digital investment and insurance options across mutual funds, life and general insurance, PPF, digital FDs for NTB customers
- Introduced digital collection modes both on our channels as well as on partners via BBPS; recently launched WhatsApp banking for all banking products across savings account, credit cards, deposits and loans
- Rolled out multiple digital servicing options, which provide customers the convenience of 'at home' and instant servicing and reduce operational workload in the branches
- First in the industry to implement the Account Aggregator framework, a step towards transparency. It allows customers to share their data with other institutions (based on their consent)

Listening to... contd.

Full Power Digital Account

We have launched our game-changing 'Full Power Digital Account'. This is the only account that has 250+ banking services, which means consumers can get an instant debit card, avail of loans, receive pension, and make payments from the comfort of their homes.



Strengthening the core

- **Build platforms:** Facilitate cloud-based, modular and micro-services usage across products and services; API support to drive internal and external integrations
- **Develop data architecture:** For better customer insights, improved reporting and risk-mapping

Transactions and processes

- **Automation of processes:** AI-driven KYC verification for improved accuracy, efficiency and faster turnaround for various processes, including account opening
- AI enablement in SRs raised through Branch/digital channel. AI boosted voice BOT to increase automation and self-service on IVR
- **Branch automation and digitisation:** Lockers, e-registers, automated teller for improved efficiency and CX resulting into better sales



#ReverseTheKhata

The campaign articulated a compelling message to pay our domestic help through safer ways such as internet and mobile banking. With rising COVID cases, we encouraged everyone to make digital payments, enabling the safe transfer of money to those dependent on our customers in a cashless and secured manner.



Pay using Axis Pay or any UPI App
and help your chaiwala reopen his tea stall.

Customer engagement

- Building digital-first customer journeys (VKYC) and reimagining existing journeys (Personal Loan, Credit Cards)
- Building digital journeys to migrate customers to digital servicing
- Digital journeys to be extendable to partner channels to build ecosystems for holistic banking solutions



#TapKeLiyeClap

We reinforced the focus on hygiene to get consumers to shift to contactless card payments. The key idea we tried to communicate is that there is no need to swipe and enter PIN when payments under 2K can be simply done through a tap of one's card.

