

**Axis Bank Limited**  
**Business Responsibility Report 2021-22**

[Pursuant to regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")]

**Introduction:**

As a leading, private sector Bank in India, Axis Bank (the Bank) continues to play a significant role in nation building and focuses on creating positive value for all its stakeholders. The Bank's sustainability priorities are aligned to the principles of National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVG-SEE). Through this Business Responsibility Report, the Bank aims to provide transparent disclosures on its systems, processes, performance and initiatives against the nine principles of NVG-SEE. The Bank also publishes a detailed, standalone Annual Sustainability Report that is aligned to internationally recognized frameworks of Global Reporting Initiative (GRI) and the International Integrated Framework of the Value Reporting Foundation and is subject to external assurance.

The Bank's seventh Sustainability Report was published for the FY 2020-21 and its eighth report shall be published for the FY 2021-22, in continued alignment with the GRI and IIRC. In accordance with the Securities and Exchange Board of India (SEBI) circular CIR/CFD/CMD/10/2015 dated 4<sup>th</sup> November, 2015, disclosures made under this report are also referenced to the disclosures made under the Bank's Sustainability Reports.

The previous Sustainability Reports and Business Responsibility Reports of the Bank can be accessed at <https://www.axisbank.com/csr/csr-reports-disclosures>.

<b>Section A: General Information about the Company</b>		
1.	Corporate Identity Number (CIN) of the Company	L65110GJ1993PLC020769
2.	Name of the Company	Axis Bank Limited
3.	Registered address	"TRISHUL", Third Floor, Opp. Samartheshwar Temple, Law Garden, Ellisbridge, Ahmedabad - 380 006
4.	Website	<a href="http://www.axisbank.com">www.axisbank.com</a>
5.	Email id	<a href="mailto:sustainability@axisbank.com">sustainability@axisbank.com</a>
6.	Financial year reported	2021-22
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	National Industrial Classification 2008 Section K: Financial and Insurance Activities Code: 64191
8.	Three key products/services of the Company (as in balance sheet)	<ul style="list-style-type: none"> <li>• Deposits</li> <li>• Loans</li> <li>• Investments and foreign exchange</li> </ul>
9(i).	Number of international locations	One overseas subsidiary in UK, Branch in Singapore, DIFC- Dubai & GIFT City Representative Offices in Abu Dhabi, Dubai, Sharjah and Dhaka, as on 31 <sup>st</sup> March 2022
9(ii).	Number of National locations	As on 31 <sup>st</sup> March 2022, the Bank has 4,758 domestic branches including extension counters. The Bank also has extensive network of 10,990 ATMs and 5,972 Recyclers.

10.	Markets served by the Company – Local/State/National/International/	Domestic: 35 states and union territory, covering around 2,596 centres and 669 districts. As on 31 March 2022, the Bank has overseas branches at Singapore, DIFC - Dubai and an Offshore Banking Unit at the International Financial Service-City Centre (IFSC), Gujarat International Finance Tec-City (GIFT City), Gandhinagar, India.
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<b>Section B: Financial Details of the Company</b>		
1.	Paid up capital (Rs. crore)	Rs. 613.95 Cr
2.	Total turnover (Rs. crore)	Rs. 82,597.37 Cr
3.	Total profit after taxes (Rs. crore)	Rs. 13,025.48 Cr
4.	CSR spend as percentage of profit after tax (%)	2% (based on average net profits of last 3 financial years computed as per Section 198 of the Companies Act, 2013)
5.	List of CSR activities	The Bank undertakes various CSR activities in accordance with its 'Corporate Social Responsibility Policy'. The CSR activities are undertaken by the Bank, through Axis Bank Foundation (ABF), or through any other Trust, agencies or entities as deemed suitable. The details of the same can be found in the section "Annual Report on Corporate Social Responsibility (CSR) Activities" on page 85-88 of the Bank's Annual Report 2021-22.

<b>Section C: Other details</b>		
1.	Company subsidiaries/joint-ventures	The Bank has 9 unlisted subsidiaries, 1 Step down subsidiary and one associate company, as on 31 <sup>st</sup> March 2022. There are no joint ventures. Please refer to page 70 of the Bank's Annual Report 2021-22 for the complete list.
2.	Subsidiaries participating in Company's Business Responsibility (BR) initiatives	All subsidiaries as included in Section C, Response 1.
3.	Other entities ((e.g. suppliers, distributors etc.) participating in Company's BR initiatives	Nil

<b>Section D (1): Business Responsibility Information</b>		
1.a.	Director responsible for implementation of BR policies, Director Identification Number (DIN)	DIN - 00531120
	Director responsible for implementation of BR policies (Name)	Amitabh Chaudhry
	Director responsible for implementation of BR policies (Designation)	MD & CEO
1.b.	BR Head (DIN, if applicable)	N.A.
	BR Head (Name)	Abhejit Agarwal
	BR Head (Designation)	Vice President & Head - Sustainability & CSR

BR Head (Telephone number)	+91- 22 - 6226 0040
BR Head (email id)	<a href="mailto:sustainability@axisbank.com">sustainability@axisbank.com</a>

<b>Section D (2): BR Information - Principle-wise (as per NVGs) BR Policy/Policies (Yes/No)</b>										
		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1.	Do you have policy/policies for....#	Y	Y	Y	Y	Y	Y	N	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	-	Y	Y
3.	Does the policy conform to any national /international standards? If yes, specify?	Y*	Y*	Y*	Y*	Y*	Y*	-	Y*	Y*
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Y**	Y**	Y**	Y**	Y**	Y**	-	Y**	Y**
5.	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	-	Y	Y
6.	Indicate the link for the policy to be viewed online?	<p>The following policies are available on the Bank's website  <a href="http://www.axisbank.com">www.axisbank.com</a>  <a href="https://www.axisbank.com/csr/our-policies-disclosures">https://www.axisbank.com/csr/our-policies-disclosures</a></p> <ol style="list-style-type: none"> <li>1. Code of Bank's Commitment to Customers</li> <li>2. Code of Bank's Commitment to Medium and Small Enterprises (MSE)</li> <li>3. Customer Compensation Policy of the Bank</li> <li>4. Bank's Fair Practice Code</li> <li>5. Grievance Redressal Policy</li> <li>6. Code of Conduct and Conflict of Interest Norms in respect of Board of Directors</li> <li>7. Code of Conduct &amp; Ethics</li> <li>8. Corporate Social Responsibility Policy</li> <li>9. Policy on Environmental Management</li> <li>10. Environment, Social and Governance(ESG) Policy for Lending</li> <li>11. Equal Employment Opportunity Policy</li> <li>12. Citizen's Charter – A Charter for Customer Service</li> <li>13. Customer Rights Policy</li> <li>14. Code of Conduct for Direct Selling Agents</li> <li>15. Policy on Related Party Transactions</li> <li>16. Comprehensive Deposit Policy</li> <li>17. Policy on Collection of Dues and Repossession of Securities</li> <li>18. Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)</li> <li>19. Policy for Determining Material Subsidiaries</li> <li>20. Policy for Determining Material Event or Information</li> </ol>								

		<p>21. Policy for lending to Micro Small &amp; Medium Enterprises (MSMEs)</p> <p>22. Customer Privacy Policy</p> <p>23. Remuneration Policy for Non-Executive Chairman and Non-Executive Directors</p> <p>24. Remuneration Policy for MD&amp; CEO, Whole Time Directors, Material Risk Takers, Control Function Staff and Other Employees</p> <p>25. Archival Policy</p> <p>26. Dividend Distribution Policy</p> <p>27. Diversity, Equity &amp; Inclusion Policy</p> <p>28. Tax Policy</p> <p>29. Human Rights Policy</p> <p>30. Sustainable Financing Framework</p> <p>31. Anti-Bribery and Anti-Corruption Policy</p> <p>32. Policy on Board Diversity</p> <p>There may be other relevant policies that are internal to the Bank and are available to the employees through the Bank's intranet.</p> <p>The following policies of the Bank's subsidiaries companies are available on their respective websites as given below:</p> <p>Axis Asset Management Company Limited (<a href="http://www.axismf.com">www.axismf.com</a>)</p> <ul style="list-style-type: none"> <li>• Privacy Policy</li> <li>• Voting Policy</li> </ul> <p>Axis Securities Limited (<a href="http://www.axisdirect.co.in">www.axisdirect.co.in</a>)</p> <ul style="list-style-type: none"> <li>• Privacy Policy</li> <li>• Policies and Procedures Pertaining to Dealing with Clients</li> </ul> <p>Axis Finance Limited (<a href="http://www.axisfinance.co.in">www.axisfinance.co.in</a>)</p> <ul style="list-style-type: none"> <li>• Code of Conduct [Directors and Senior Management]</li> <li>• Fair Practice Code</li> <li>• Privacy Policy</li> <li>• Interest Rate Policy</li> <li>• Policy on Corporate Social Responsibility</li> </ul> <p>Axis Capital Limited (<a href="http://www.axiscapital.co.in">www.axiscapital.co.in</a>)</p> <ul style="list-style-type: none"> <li>• Policy on Inactive Client Accounts</li> <li>• Policy against Circulation of Rumours</li> <li>• Policy on code modification</li> <li>• Citizens Charter</li> <li>• Policy on Corporate Social Responsibility</li> </ul> <p>Axis Trustee Services Limited (<a href="http://www.axistrustee.com">www.axistrustee.com</a>)</p> <ul style="list-style-type: none"> <li>• Policy on Corporate Social Responsibility</li> <li>• Privacy Policy</li> </ul>
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7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes. The policies are communicated to all key internal stakeholders of the Bank and have been made available on internal platforms. The communication on policies covering all internal and external stakeholders is a continuous process.								
8.	Does the company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	-	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	-	Y	Y
10.	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	The various Head of Departments are responsible for effective implementation of the pertinent policies. The Bank's Internal Audit Department, among its mandates, assesses each department's adherence and compliance to their respective policies. In addition, the Bank's Compliance Department monitors the adherence to implementation of policies mandated by RBI.								

<b>Section D: BR Information - Principle-wise (as per NVGs) explanation</b>										
		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1.	Not understood the principles. .	-	-	-	-	-	-	-	-	-
2.	Not at a stage where it finds itself in a position to formulate and implement the policies on specified principles . . .	-	-	-	-	-	-	-	-	-
3.	Does not have financial or manpower resources available for the task . . .	-	-	-	-	-	-	-	-	-
4.	Planned to be done within next 6 months . . .	-	-	-	-	-	-	-	-	-
5.	Planned to be done within the next 1 year . .	-	-	-	-	-	-	-	-	-
6.	Other reasons . . .	-	-	-	-	-	-	^Refer to the response below	-	-

^ The Bank along with its subsidiaries works closely with collective trade and industry associations, while there is no specific policy outlined for this principle.

# Principle-wise policies

P1	Compliance Policy, Whistleblower Policy, Anti Money Laundering Policy, Policy on prevention and reporting of frauds, Policy on recognition/rewards for detection of fraud, Code of Bank's Commitment to Customers, Code of Bank's Commitment to Micro and Small Enterprise, Code of Conduct and Ethics, Code of Conduct and Conflict of Interest Norms in respect of Board of Directors, Code of Conduct for Direct Selling Agents, Policy on Related Party Transactions, Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI), Policy for Determining Material Subsidiaries, Policy for Determining Material Event or Information, Archival Policy, Dividend Distribution Policy, Tax Policy, Anti-Bribery and Anti-Corruption Policy, Policy on Board Diversity
P2	Code of Bank's Commitment to Micro and Small Enterprise, ESG Policy for Lending, Sustainable Financing Framework, Credit Policy (SME Priority Sector exposures: Concessionary pricing), Policy for lending to Micro Small & Medium Enterprises (MSMEs)
P3	Staff Housing Loan Policy, Staff Rules and Guidelines (covering leave policy, insurance benefits, superannuation scheme etc.), Policy on Prevention of Sexual Harassment, Policy on Safety for Women at Workplace, Human Rights Policy, Equal Employment Opportunity Policy, Remuneration Policy for Non-Executive Chairman and Non-Executive Directors, Remuneration Policy for MD & CEO, Whole Time Directors, Material Risk Takers, Control Function Staff and Other Employees, Diversity, Equity & Inclusion Policy
P4	Code of Bank's Commitment to Micro and Small Enterprise, Policy on Corporate Social Responsibility Policy, Credit Policy (SME Priority Sector exposures: Concessionary Pricing), Policy for lending to Micro Small & Medium Enterprises (MSMEs)
P5	Human Rights Policy, Code of Conduct and Ethics, Diversity, Equity & Inclusion Policy, Equal Employment Opportunity Policy
P6	Policy on Environmental Management
P8	Financial Inclusion practices, Policy on Corporate Social Responsibility
P9	Code of Bank's Commitment to Customers, Code of right sell for liability & investment products, Policy on outsourcing of financial services, Consumer Lending Credit Policy, Information Systems Security Policies, Citizen's Charter – A Charter for Customer Service, Customer Rights Policy, Comprehensive Deposit Policy, Policy on Collection of Dues and Repossession of Securities, Customer Privacy Policy

\* The policies are developed and aligned to applicable compliance requirements, RBI norms and guidelines, requirements of listing agreement with stock exchanges, or the Bank's internal requirements and best practices.

\*\*The policies are approved by the Board of Directors or Committee of the Board of Directors or senior management of the Bank

<b>Section D (3): BR Governance</b>		
3.a.	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	<p>In fiscal 2022, the Bank became the first Indian bank to establish a standalone ESG Committee of the Board. The Committee's primary mandate includes setting the ESG strategy and direction for the Bank and providing an oversight on its performance. The performance on aspects of BR governance is reviewed by the ESG Committee of the Board, of which the MD&amp;CEO is a member, on a quarterly basis. The Bank's CSR activities are reviewed by its CSR Committee of Directors, on a quarterly basis.</p> <p>The Bank's sustainability performance is also reviewed internally by Head – Sustainability &amp; CSR.</p>

3.b.	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	Yes. The Bank publishes the BR and Sustainability Reports annually. These Reports can be accessed at <a href="https://www.axisbank.com/csr/csr-reports-disclosures">https://www.axisbank.com/csr/csr-reports-disclosures</a> .
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## Section E: Principle-wise Performance

### Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

**1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint-Ventures/Suppliers/Contractors/NGOs/ Others?**

The Bank's Anti-Bribery and Anti-Corruption Policy is applicable to all officials of the bank, joint ventures, external and internal stakeholders working with or on behalf of the bank including across jurisdictions. It reiterates the Bank's zero tolerance to bribery and corruption and compliance with the provisions of the policy is mandatory for all employees of the Bank. The Policy prohibits offering, promising, giving or authorizing others to give anything in excess of a certain value defined in Bank's Gift Policy, either directly or indirectly, to any person or entity.

The Bank has in place a Code of Conduct and Ethics which is applicable to all its employees. The Code articulates the ethical principles and acceptable behaviour that the Bank's employees are expected to imbibe and demonstrate towards upholding the Bank's values. The Code covers aspects related, but not limited, to ethics, accountability, conflict of interest, bribery and corruption.

The Bank has also adopted Code of Conduct and Conflict of Interest norms with respect to the Board of Directors to guide them in ensuring integrity and adopting ethical practices of the highest standards while managing the affairs of the Bank.

The Bank has adopted Indian Banks' Association's 'Model Code of Conduct for Direct Selling Agents' and is applicable to all persons involved in marketing and distribution of any loan or other financial product of the Bank. Similarly, its subsidiaries also have set their respective Codes of Conduct for their employees. The Bank has a supplier Code of Conduct outlining expectations from vendors and guiding them on aspects related to ethics, bribery, corruption, and sustainable best practices.

**2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

The Bank has in place, various channels of communication including employee grievance redressal mechanisms such as H-response, Whistle blower policy & vigil mechanism and the Bank's Vigilance Framework, for stakeholders to communicate their expectations and concerns. The various channels have been discussed in the Bank's Sustainability Report for FY 2020-21 and shall also be included in its report for FY 2021-22.

The Disclosure of Customer Complaints is included as Note 4.11 forming part of the Financial Statements for the year ended 31<sup>st</sup> March 2022, on page 223 of the Annual Report 2021-22.

The disclosure on Investor complaints received and its redressal have been included in the Report on Corporate Governance on page 161 of the Annual Report 2021-22.

**Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle**

**1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

As a Financial Institution, Axis Bank is cognizant of its potential to create a significant, positive impact and contribute to nation building. The Bank's presence across the country affords it the opportunity to deliver diverse financial products and services to the under-banked and unbanked population in rural and urban India. In addition, through its digital banking initiatives and adoption of technology, the Bank is helping re-imagine customer journeys and increase outreach to remote regions, thus benefitting millions of citizens

Axis Sahyog, the Bank's flagship retail microfinance program has provided inclusive financial solutions to over 19 million families since its launch in 2013. The program is associated with 1.87 million women borrowers in 25 States and Union Territory in India.

The Rural Finance unit is also a significant distributor of the Pradhan Mantri Mudra Yojana (PMMY), a national initiative aimed at extending institutional finance facilities to micro-enterprises. As on 31<sup>st</sup> March 2022, the Bank sanctioned Mudra Loans to more than 9.9 Lakh borrowers amounting to Rs. 5251 Crores. The Bank also actively supports other national schemes including 'Pradhan Mantri Jan Dhan Yojana' (PMJDY), Pradhan Mantri Suraksha Bima Yojana (PMSBY), Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) and Atal Pension Yojana (APY), thus aiding the under-banked sections of the population to enter into formal banking channels.

The Bank has focused on scaling up investments in climate positive sectors, as well as enhance the environmental and social (E&S) risk assessment of its overall lending portfolio. Further, the Bank has committed to incremental financing of Rs. 30,000 Crores under Wholesale Banking to sectors with positive social and environmental outcomes, by FY 2026. The Bank is also committed to reducing its exposure to carbon-intensive sectors in its wholesale lending portfolio. In Retail Banking, the Bank has committed to Making 5% of its retail Two-Wheeler loan portfolio as electric by FY 2024 and offering 0.5% interest waiver on new EV loans. It is also committed to incremental disbursement of Rs. 10,000 crores by FY 2024 under Asha Home Loans for affordable housing, and increasing share of women borrower

The Bank raised India's first Sustainable AT1 Notes for USD 600 million through its GIFT City IBU in September 2021. The proceeds of the issuance were used for re-financing the Bank's wholesale banking portfolio in project categories with positive environmental and social impact.

During the year, the Bank entered into a partnership with GuarantCo, guarantee arm of the Private Infrastructure Development Group to execute a framework of USD 200 million with a programme size of USD 300 million towards accelerating the E-Mobility eco-system in India.

The Bank has also signed a Partial Guarantee Facility Agreement (PGFA) with the Asian Development Bank (ADB) to support supply chain financing for impact sectors, under which ADB will provide guarantees (variable) to the lending done by Axis Bank. The program is scalable, with an initial foundational ramp up of nearly USD 150 million.



**2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

**i. Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**

**ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

Given the nature of the Bank's business activities, which is providing banking products and services, it consumes resources such as electricity and paper, primarily for running its business operations.

The Bank has in place its Policy on Environmental Management that provides a strategic guidance to its business activities aimed at enhancing resource use efficiency and waste reduction while improving productivity and efficiency. Through varied initiatives, the Bank works towards reducing its resource consumption, which are primarily paper and grid electricity as well as focus on enhancing energy efficiency. In addition, the digitization of its internal processes has aided its efforts, such as by replacing the need for paper. The Bank has taken an ambitious target of 5% reduction in emissions intensity per employee, y-o-y. The various initiatives that the Bank undertakes has been included in its previous Sustainability Reports, accessible on the Bank's website, and shall be included in the report for FY 2021-22 which is to be published.

Given the nature of the Bank's business activities, which is providing banking products and financial services, resource consumption during usage by consumers is not a significant material issue for the banking sector in general. However, given the focus on digitization and other initiatives within the Bank, the impact is also visible among its customer base.

**3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?**

Considering the nature of banking products which is service-oriented and not material resource-intensive, sustainable sourcing for the Bank's products may not be a significant material issue for the banking sector in general. However, as a responsible corporate citizen, the Bank has been focusing on maximising its resource consumption efficiency, reducing waste output while focusing on improving its process efficiency and productivity. Even as digitization of products and services has been reducing the requirement of paper, it remains a significant resource consumed during the Bank's normal course of business, and it has focused on reducing its paper consumption further by scaling up recycling, procuring paper from more sustainable sources, and rationalizing printing requirements internally within the business. For procurement of equipment that are required to run our banking operations, such as computer hardware, lighting devices, air conditioners and DG sets, the Bank considers green procurement and ensures that energy efficiency standards are duly considered during the purchase of such equipment.

The Bank also has a Supplier Code of Conduct outlining its expectations from vendors to adopt the sustainable practices.

Towards reducing its dependence on grid electricity, the Bank has invested in scaling up its captive solar power generation capacity through rooftop solar installations. As on 31<sup>st</sup> March 2022, the Bank has 7.05 MW of rooftop solar capacity spread across 245 locations. The Bank's 3 largest offices, in Mumbai and Bangalore are running on 100% renewable power, and the Bank continues to actively explore power purchase agreement (PPA) model for procuring clean energy from the grid. At its large offices, the Bank has invested in making its office buildings more energy and resource efficient, focusing on improved lighting, efficient water management and waste management.

**4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

Given the nature of business as a Bank, its operations are not material intensive and does not involve procurement of raw material that needs further processing to manufacture goods. However, as a large Bank with over 4,500 branches and offices in several rural and urban setups across the country, the Bank contributes greatly to the development of local economies in which it operates and prefers procuring its resources from local vendors. This includes manpower requirements for offices and branches that are generally hired locally, wherever applicable.

The Bank has laid down defined procurement standards, supplier code of conduct & guidelines and has a vendor management portal as a one stop platform for communicating with the vendors.

Under its CSR focus, Axis Bank Foundation, through its community development initiatives, helps communities including women entrepreneurs, and local & small producers, through market linkages to sell their produce in local markets.

**5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

As a financial service provider, the Bank's usage on raw material and as a result, waste generation, is very limited. The two material resources that Bank relies on are paper and computer & technology hardware, thus, they are also the source of waste generation. The Bank has deployed necessary systems and processes to effectively and sustainably manage paper waste and e-waste.

The Corporate Office of the Bank at Mumbai has partnered with government authorised service providers that collect its dry waste and recycle them into usable stationary products. In addition, the Bank digitization efforts across its office and branch locations are also helping rationalise its paper requirements. The Corporate Office also has an organic waste composter and Sewage Treatment Plant that further reduce its waste output.

The e-waste generated by the Bank primarily consists of computers, monitors, modems, switches, laptops, scanners, routers, printers, and UPS systems. For effective, safe management of e-waste the Bank has engaged with authorised vendors empanelled with MPCB (Maharashtra Pollution Control Board) and CPCB (Central Pollution Control Board) for disposal of e-waste in compliance with pertinent government regulations.

**Principle 3: Businesses should promote the wellbeing of all employees**

**1. Please indicate the Total number of employees (as on 31.03.2022)**

85,815

**2. Please indicate the Total number of employees hired on temporary/ contractual/ casual basis. (as on 31.03.2022)**

9,791

**3. Please indicate the Number of permanent women employees. (as on 31.03.2022)**

21,158

**4. Please indicate the Number of permanent employees with disabilities (as on 31.03.2022)**

49

**5. Do you have an employee association that is recognized by management?**

The Bank does not have an employee union. The Bank respects the right of 'Freedom of Association'. The Bank ensures that all employee grievances are received and addressed through various channels such as H-Response (virtual helpdesk to handle employee queries) or the whistle-blower portal.

**6. What percentage of your permanent employees is members of this recognized employee association?**

Not applicable.

**7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

The Bank's Annual Report includes the 'Disclosure in terms of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013', as part of its Report on Corporate Governance. The required disclosures have been provided on page 147 of the Annual Report 2021-22.

**8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

- **Permanent Employees**
- **Permanent Women Employees**
- **Casual/Temporary/Contractual Employees**
- **Employees with Disabilities**

Health and physical safety of our employees at the workplace is of paramount importance to Axis Bank. The Bank conducts periodic training on subjects of advanced and basic fire safety training, first aid and evacuation related training for floor marshals, security personnel and employees across offices and branches to maintain a high standard of physical security cover at all locations. Periodic fire evacuation/life safety drills and fire system checks were conducted, at the office locations as well as branches through empanelled third-party security vendors. Fire marshals are nominated at each location, all employees are sensitized about the use of fire extinguishers, emergency protocols, fire safety norms and regulations. All personnel providing physical security at the Bank's branches and offices are annually trained and certified on fire safety and security.

The Bank has Business Continuity Plan (BCP), which is an integral component of its overall risk governance framework and managed by BCP & Crisis Management Committee (BCPMC) under the Board of Directors. The BCP is managed by the Central Emergency Response Team (CERT), which is formed to monitor and mitigate any safety violations and led by the Board members. Training on the BCP is mandatory for all employees.

In addition to above, the Bank has a dedicated safety and security team focusing on all aspects of fire safety and fire prevention at workplace to ensure mitigation of threats, risks and vulnerability. Beyond fire safety, the Bank's BCP plan requires the Bank to be prepared and cover all safety and security aspects in the event of the BCP Plan being activated for any reason in any Bank location in part of the country. In such scenarios, the capabilities and responses of the Bank's personnel is tested in near-real life scenarios, which could include severe weather, natural disasters, and civil disturbances.

The Bank continues to focus on capability building of the employees to ensure that employees remain agile, possess relevant skillsets and fulfil their potential. The Bank has various learning modes such as classroom programs, external programs, certification programs and e-learning to facilitate learning across all levels, where training programs are designed to meet the changing skill requirements of its employees. Orientation sessions for new employees, role specific functional academies and capability building programmes, leadership mentoring programmes and professional development programmes for junior level to senior executives all form part of the trainings conducted. Employees are also provided access to a suite of e-learning modules.

Throughout the year, the Bank's employees across levels are provided online and classroom training on relevant business, behavioural, leadership, risk management, processes, and other pertinent topics.

**Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.**

**1. Has the company mapped its internal and external stakeholders?**

Yes. The Bank engages with myriad stakeholders through formal & informal channels and their feedback and concerns serve as an input to the Bank's decision making and sustainability strategy. In the year gone by, the Bank revisited its 'Stakeholder Engagement & Materiality Assessment to account for the internal developments and externalities that hold the potential to impact the Bank's ability to create value. The Bank identified and prioritised its key internal & external stakeholders and engaged with them to arrive at the topics most material to the Bank's long term sustainability. The findings of this assessment shall be published in the Bank's Sustainability Report for FY 2021-22.

The key internal stakeholders of the Bank include the senior management and employees, while its external stakeholders comprise of shareholders & investors, customers, regulatory authorities, community & NGOs, industry & peers, vendors & service providers, media and academia. The Bank continues to actively engage with its various stakeholders throughout the year, through various modes of engagement.

**2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?**

Yes. The Bank engages with the various, identified vulnerable and marginalised sections of society through its products & services, as well as community engagement initiatives. The Bank has specialized products and services that especially cater to the economically disadvantaged sections of society in rural and urban India, such as microfinance, digital payments, agriculture banking, and loans towards affordable housing.

The Bank and Axis Bank Foundation also have diverse social responsibility initiatives underway for marginalized or weaker sections of society such as women and children, persons with disabilities, tribal communities, and migrant workers, in various parts of the country.

**3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.**

The Bank has strived to create positive socio-economic and environmental impact across regions and communities, through its various business and non-business activities. The Bank caters to the needs of

the bottom of pyramid through specialized products and services such as microfinance and agriculture banking, the Bank has expanded financial inclusion in both rural and urban India, helping bring millions of unbanked and under-banked Indians into mainstream banking. The Bank's rural banking operations also focus on engaging with the wider rural community by imparting financial literacy and driving financial inclusion. The Bank is an active issuer of key government financial inclusion initiatives such as the Pradhan Mantri Jan Dhan Yojana, and various other insurance and pension schemes. The Bank also reaches out to thousands of families from disadvantaged regions and communities through its CSR interventions across various states under the broad themes of creating sustainable livelihoods, financial inclusion, education and environmental sustainability, among others.

**Principle 5: Businesses should respect and promote human rights**

**1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**

The Bank and its subsidiaries are committed to upholding the dignity of each and every individual engaged or associated with them. The Bank has in place a Policy on Human Rights that is applicable, and accessible, to all employees, business partners and is in the public domain. The Policy articulates the Bank's commitment to internationally recognized human rights principles and standards. The objective of the Policy is to ensure diversity, equity and inclusion within our organization and a workplace free of discrimination. The Policy guides the Bank's action on creating a Safe & healthy workplace, that encourages diversity, equal opportunity, and fair practices in employee life cycle including compensation & benefits, redressal mechanism, that are relevant to our organization and applicable to all our employees, business partners and other relevant parties.

The Policy supplements the Bank's Code of Conduct and Ethics that lays down standards for acceptable employee behavior on various professional and ethical aspects. The Bank has formulated a Whistle blower policy to maintain highest standards of ethics, integrity, accountability and transparency and to provide safeguards to various stakeholders including shareholders, depositors and employees. This Policy provides employees the opportunity to address serious concerns arising from Irregularities, malpractices and other misdemeanors committed by the Bank's personnel by approaching the Whistleblower Committee of the Bank. The Bank has in place an Equal Employment Opportunity Policy that communicates its intent to honor diversity and inclusion within the organization. In addition, the Bank has in place a 'Supplier Code of Conduct' which includes pertinent clauses on human rights aspects, into its vendor operations.

The Bank also has a Diversity, Equity and Inclusion Policy to create an inclusive, equitable, culturally competent, supportive and safe environment where employees model behavior that enriches the workplace. The 4 pillars of the DEI framework – LEAD include – Lead Inclusively, Elevate equity, Activate diversity and Dil Se Open to Inclusion.

**2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

Please refer to response to point no. 2 under Principle 1, and point no. 7 under Principle 3, for details on stakeholder complaints.

## **Principle 6: Business should respect, protect, and make efforts to restore the environment**

### **1. Does the policy relating to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others?**

Given the nature of business of the Bank, the aspects outlined under Principle 6 are applicable to its credit portfolio and to its own operations. The Bank has in place an 'ESG Policy for Lending' to include environment and social risk considerations into its corporate lending decisions.

Axis Bank continues to work towards mitigating the negative environmental impact resulting from its business operations, guided by its Policy on Environmental Management which emphasises on the domains of sustainable supply chains, green procurement, energy and resource efficiency, waste management and managing its own carbon footprint. The Policy also includes a commitment to ensuring the Bank's efforts extend to its external partners and vendors. The Bank complies with applicable environmental regulations in respect of its premises and operations.

In addition, the Bank ensures that its contracts and agreements with key external stakeholders including vendors and CSR implementation partners include pertinent clauses on environment. The Bank has adopted a Supplier Code of Conduct wherein the Bank encourages its suppliers to adopt best practices in environmental management and make genuine efforts to enhance resource efficiency, reduce emissions and waste. The Bank also focuses on ensuring that its supplier base operates in complete compliance with all applicable environmental regulatory requirements.

The Bank's CSR focus, as communicated in its CSR Policy, also includes environmental sustainability, wherein the Bank, directly or through its implementation partners, works on various positive impact initiatives.

### **2. Does the company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

Yes. The Bank is committed to conducting its business responsibly and to going beyond regulatory requirements to truly create positive impact in the environment that it operates. As a part of its commitment to operational excellence, the Bank continues to invest in technology and solutions that optimize resource consumption and minimize negative impacts of its own operations. The Bank has committed to achieving a reduction in its carbon emissions by 5% year-on-year in its Policy on Environmental Management.

The Bank has been measuring its carbon footprint and discloses its environmental information through annual Sustainability Reports. Within the Bank, its efforts focus on prudent use of natural resources, energy and resource efficiency, increasing use of renewable energy sources, green procurement, and conservation of water, waste reduction and management, providing charging stations for EV's etc. The Bank also focuses on environmental sustainability under its CSR imperatives and strategy and reports its impact in its sustainability reports.

Climate change mitigation, adaptation and resilience across its operations and investments are an integral part of the Bank's sustainability journeys. The Bank has a strong lending portfolio in positive impact sectors including renewable energy, waste management and mass rapid transportation. In addition, the Bank's 'ESG Policy for Lending' integrates environmental and social risk assessment into the overall credit appraisal process for all new financing proposals.

In its endeavour to facilitate just climate transition, the Bank has committed to Incremental financing of Rs. 30,000 Crores under Wholesale Banking to sectors with positive social and environmental outcomes, by FY 2026. The Bank has also committed itself to scaling down its exposure to climate-intensive sectors. It is also working towards strengthening its climate risk management capabilities at the enterprise level. It has also committed to making 5% of its retail Two-Wheeler loan portfolio as electric by FY 2024 and offering 0.5% interest waiver on new EV loans. The Bank's Commitments may be accessed online at this [LINK](#).

The Bank's climate change-related strategy and action can also be accessed from its annual CDP Responses at [www.cdp.net](http://www.cdp.net).

**3. Does the company identify and assess potential environmental risks?**

Yes. The Bank has comprehensive risk management framework which serves as a guidance for the Bank on desired levels of risk across various kinds of risk in long-term helping steer critical portfolio decisions. In addition, the Internal Capital Adequacy Assessment Process (ICAAP) assesses all the significant risks associated with various businesses. The Bank is taking efforts to integrate pertinent climate and other ESG-related risks into its ICAAP document. The Bank envisages to put ESG risk-related Governance structures in its multi-year action plan to integrate it into transactional and portfolio-level decision making. The Bank has identified key environmental risks, which are discussed in the Bank's annual CDP Responses, accessible at [www.cdp.net](http://www.cdp.net).

In addition, through its 'ESG Policy for Lending', the Bank assesses environmental and social risks for proposals under its corporate lending activities.

**4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

None. However, the Bank may have clients with projects linked to CDM.

**5. Has the company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

Yes. The Bank has multipronged approach to enhancing its positive impact, primarily under its lending activities, internal operations, and CSR interventions. The Bank is an active financier and significant lender to sectors aligned to positive social and environmental impact, including renewable energy power generation, mass rapid transport systems, and waste management. In addition, the Bank is closely associated with national initiatives such as Smart Cities and urban mass transportation that also have a focus on creating energy efficient urban infrastructure.

The Bank has invested in scaling up its captive solar power generation capacity through rooftop solar installations. As on 31<sup>st</sup> March 2022, the Bank had 7.05 MW of rooftop solar capacity spread across 245 locations. In addition to this, the Bank has also procured solar power under Power Purchase Agreement (PPA) Model for Bank's Business Continuity Centre in Bengaluru. Three large offices in Mumbai including Axis House Mumbai are now on 100% renewable energy.

Significantly, the digitization of the Bank's products and services have also not only helped scale up the reach of banking and make it more convenient for customers, but also helped reduce the amount of resources consumed in banking operations.

Through CSR efforts, the Bank is driving several environment initiatives creating lasting impact, such as watershed management, revival of natural water resources and afforestation. The Bank has also committed to planting 2 million trees by FY 2027 across India towards contributing to creating a carbon sink.

For more details on the Bank's energy conservation measures, please refer to the section "Conservation of Energy" on page 89 of the Annual Report FY21-22.

**6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

Yes. The Bank ensures all its waste – primarily paper and e-waste, are disposed responsibly across all its locations. At the location where the Bank has diesel generators as back-ups, it has strict processes in place ensuring emissions and noise levels are within permissible limits, and any waste generated, is disposed through third party, government authorised vendors. The Bank complies with applicable environmental regulations with respect to its operations and premises.

**7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

None

**Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner**

**1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

The Bank, along with its subsidiaries, works closely with recognized trade and industry bodies on pertinent issues through the year. The Bank also participates in key projects and initiatives undertaken by various relevant government and regulatory entities. The senior management of the Bank participates as members of committees constituted by government, regulators and industry bodies.

Some of the key trade and industry associations where the Bank and/or its subsidiaries are represented or have been represented in the past include:

- Indian Banks Association (IBA)
- Associated Chambers of Commerce & Industry of India (ASSOCHAM)
- Bombay Chamber of Commerce and Industry (BCCI)
- BSE Brokers Forum
- Confederation of Indian Industry (CII)
- Federation of Indian Chambers of Commerce and Industry (FICCI)
- Fixed Income Money Market and Derivatives Association (FIMMDA)
- Foreign Exchange Dealers Association of India (FEDAI)
- National Stock Exchange (NSE) Regional Consultative Group
- The India Chief Human Resource Officer's Forum (CHRO)
- Global Debt Market Initiatives
- BITSoM Industry Advisory Council
- Internet and Mobile Association of India (IAMAI)
- National Committee on Regulatory Affairs
- Sustainable Finance Working Group, CDP India



**2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

As a member of various trade and industry associations, the Bank and its subsidiaries promote policies and initiatives that aim to create an efficient and transparent financial system for the country, enhance financial literacy and improve access of banking system to unbanked and under-banked areas, or support key sectors crucial to nation building and rural development.

During the year, the senior leaders at the Bank have significantly contributed to thought leadership and deliberations at important, internationally recognized platforms, on a variety of topics ranging from climate change adaptation and transition, diversity, green financing, digital transformation etc. Through its participation, the Bank has shared its experience and expertise to promote collective development of the Banking sector.

**Principle 8: Businesses should support inclusive growth and equitable development**

**1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

As a financial institution, the Bank has a diverse range of products and services, as well as other business and non-business initiatives, which contribute to equitable development and inclusive growth in India. It runs diverse programs/initiatives related to financial literacy and inclusion, rural development, promoting education, skill development, livelihood enhancement and healthcare among others.

The Bank's retail microfinance programme, 'Axis Sahyog', provides financial solutions towards empowering millions of families in under-banked geographies across India, helping bring them into the umbrella of formal financial avenues. Notably, Axis Sahyog has also helped extend credit to the economically active, but under-banked, rural female population. As on March 2022, the programme served low income households in 25 States and 1 Union Territory across the country, and it is associated with 1.87 million women borrowers. In addition, the Bank is closely aligned to key national financial inclusion and social security initiatives such as the Pradhan Mantri Jan Dhan Yojana (PMJDY), Pradhan Mantri Suraksha Bima Yojana (PMSBY), Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) and Atal Pension Yojana.

The Bank has a retail home loan product, Asha Home Loans, focused on affordable housing, wherein the Bank has also taken a public commitment to achieve incremental disbursements of Rs 10,000 Crores by FY 2024.

Guided by its 'Corporate Social Responsibility Policy', the Bank has a strong focus on making a meaningful and measurable impact in the lives of economically, physically and socially challenged communities through an integrated approach of development which focuses on creating sustainable livelihoods, and promoting education and skills development in rural and urban India.

Axis Bank Foundation, the Bank's CSR arm, continues its work towards providing sustainable livelihoods and creating value through its varied, integrated rural programmes. Towards its target of impacting 2 million households by 2025, a target it took in 2018, ABF has impacted over 1.03 million households, including trainees from its skilling initiatives, as on 31<sup>st</sup> March 2022, with presence in 205 districts across 26 States and Union Territories.

**2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?**

The Bank undertakes CSR programmes/projects directly or through Axis Bank Foundation or through any other Trust or agencies and entities as it deems suitable.

**3. Have you done any impact assessment of your initiative?**

Yes. The Bank is also guided in this aspect by the extant CSR guidelines that require impact assessments to be undertaken for eligible CSR projects.

The Bank and Axis Bank Foundation have conducted impact assessments of select programs in the past by engaging reputed independent agencies / institutions.

**4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?**

The Bank has spent ₹138.25 crore on various CSR initiatives during FY 2021-22. The details of the spending and associated initiatives can be found in the section "Annual Report on Corporate Social Responsibility (CSR) Activities" on page 85-88 of the Bank's Annual Report 2021-22.

**5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

The Bank's community development initiatives are driven directly, through the Axis Bank Foundation or their various implementation partners. Each of the Foundation's initiatives incorporate project sustainability from the design stage itself including having a time-bound exit plan with a view to ensuring their impact continues beyond the stipulated project period and the intervention is able to self-sustain. Towards creating an enabling environment for a successful and long-lasting community adoption of its programs, the Foundation supports and facilitates its partners in empowering community members and groups such as Women Federations, and through capacity building measures, aimed at making the CSR interventions self-sustaining.

**Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner**

**1. What percentage of customer complaints/consumer cases are pending as on the end of financial year?**

Please refer the response to the point 2 under Principle 1 for details on customer complaints.

**2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./ Remarks (additional information)**

As an organisation operating in a highly customer-focused Banking sector, product-related transparency and communications is highly prioritised. The Bank ensures customers are empowered to make informed choices by providing details of the products and services in a transparent manner. It has also taken up multiple initiatives to improve customer awareness and financial literacy. In keeping with the benchmarks and guidelines set by the Reserve Bank of India, and service standards set by the Banking Codes and Standards Board of India (BCSBI) and pertinent guidelines of the Indian

Banks Association, the Bank strives to provide complete and relevant information on its products and services at all customer-facing platforms.

All potential customers are provided detailed product information through a "Most Important Document" that they are required to read and sign-off along with their account opening/card application forms. Interest rates are published and updated as and when they change, on the website for various deposit schemes. The Bank provides online tools for customers to understand their eligibility, applicable interest rates, and service charges for consumer loan products. SMS alerts and emails are sent to customers when any charges or fees are triggered or levied to their account.

The Bank has the necessary checks and balances in place to ensure that its representatives, especially those dealing directly with customers, whether in person, on the phone, or online, are adequately trained on critical Know Your Customer policies, and equipped with the relevant product information.

In this regard, the Bank's key codes, policies and commitments towards customers, such as the Code of Commitment, Citizen's Charter, Customer Rights Policy, among others, are accessible on the Bank's website at [www.axisbank.com/webforms/code-of-commitment](http://www.axisbank.com/webforms/code-of-commitment). The bank publishes information about its varied range of financial products and services on its website <https://www.axisbank.com/explore-products>

- 3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so**

Nil

- 4. Did your company carry out any consumer survey/ consumer satisfaction trends?**

The Bank's is committed to deliver highest levels of customer experience to its customers and has requisite frameworks and metrics to gauge customer satisfaction across key journeys, touch points and business lines.

The Bank uses the Customer Experience Index (CX Index), to obtain feedback across multiple aspects such as on-boarding journey, awareness about products and services, loan sanction processes and experience etc. In addition, the Bank collects feedback from customers via online surveys and telephonic interviews for select segments, wherein surveys are sent through SMS and emails to customers.

The Bank published details about customer satisfaction surveys in the section 'Customer Experience and Transformation (CXT)' section in the Management Discussion & Analysis on page 112-113 of the Annual Report 2021-22.

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