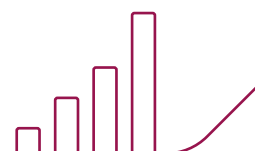
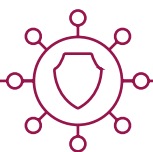


Governance

Our strong governance practices help us uphold the best interests of our stakeholders, foster a culture of accountability, build relationships of trust, and confidence with our customers and future-proof our business by managing risks effectively.

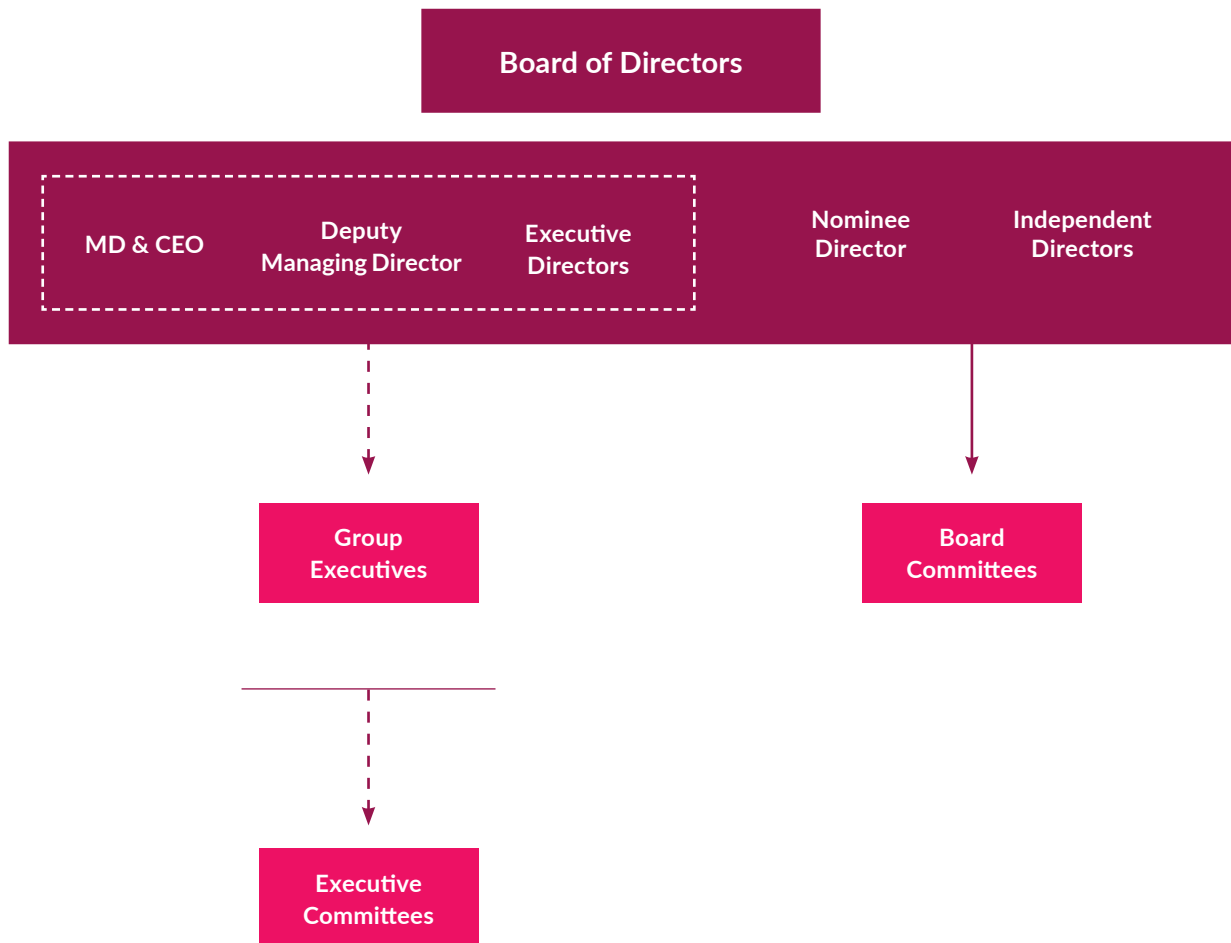




FOSTERING STRONGER CORPORATE GOVERNANCE

Furthering Transparency and Accountability

We abide by exemplary standards of corporate governance and best practices. Our primary objective is to uphold the long-term interests of our shareholders through robust policy frameworks and prudent risk management practices.



Note: The details of the committees are provided on the next page.



4 1

Audit Committee of the Board

Monitoring audits, internal systems, compliance, related party transactions, financial reporting, and engaging with the Group Chief Compliance Officer and Group Chief Audit Executive

3 2

Risk Management Committee

Guiding risk strategy, overseeing risk appetite, ensuring robust risk management policies, monitoring risk categories, and reviewing cybersecurity measures and CRO appointment

2 2

Stakeholders Relationship Committee

Addressing grievances of security holders, review of complaints, adherence to service standards, and measures to reduce unclaimed dividends

3 1

Nomination and Remuneration Committee

Evaluating talent management, setting performance benchmarks, reviewing remuneration policies, recommending Board composition changes, and overseeing HR strategy

3 2

Special Committee of the Board of Directors for Monitoring of Large Value Frauds

Monitor and oversee effective investigation of fraud cases exceeding ₹10 million, fix systemic gaps, ensure examination of staff accountability, and review reporting to the regulatory bodies

2 3

Customer Service Committee

Supervise functioning of customer sub-committees, address complaints, approve policies, monitor regulatory compliance, and review initiatives for enhanced customer experience

3 1

Committee of Directors

Provide approval for loans as per the limits, review credit policy, exposures, settlements, treasury investments, and business proposals across departments

3 2

IT and Digital Strategy Committee

Approve IT strategy, review cyber incidents, ensure alignment of IT strategy with business, assess IT and cybersecurity risks, oversee IT operations, and evaluate digital banking progress

3 2

Corporate Social Responsibility Committee

Formulate and recommend CSR strategy, themes, and review mechanisms, approve CSR projects, allocate funds, and ensure alignment with the Bank's social and environmental activities

2 3 1

Review Committee

Review and confirm orders identifying willful defaulters and non-cooperative borrowers, ensure information submission to CRILC

3 2

Acquisitions, Divestments and Mergers Committee

Consider proposals relating to mergers, acquisitions, strategic investments, and divestments and recommend/approve them

2 1

Environmental, Social and Governance Committee

Guide in setting ESG strategy, highlight material ESG topics, review ESG policies for regulatory compliance, and advise on adopting ESG performance metrics and targets

4

Committee of Whole-Time Directors

Review and approve routine administrative matters such as issuance of power of attorney, allotment of securities, and such other matters as may be delegated to it by the Board or Board Committee

■ No. of Independent Directors

■ No. of Directors other than Independent Directors

Board Expertise

Our Board comprises accomplished professionals with extensive expertise spanning various fields crucial to our industry. With a customer-centric focus and a commitment to ethical practices, our Board excels in crisis management and innovation,

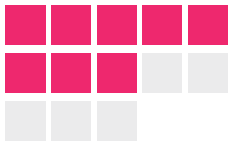
enabling us to navigate challenges effectively and embrace cutting-edge technologies. The diverse skill set of our Directors is invaluable, particularly given the sector's unique complexities, regulatory environment, and rigorous risk management requirements.



Board Skills and Experience*

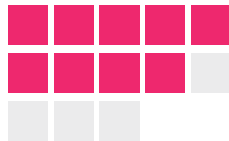
(No. of Directors with experience)

Risk Management



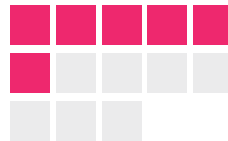
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Business Management



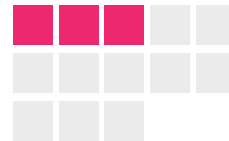
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Accountancy



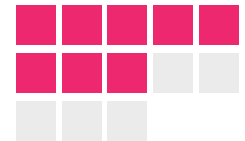
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Economics



3

Banking



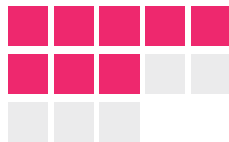
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Co-operation



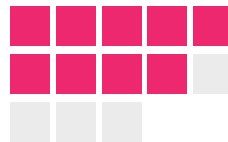
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Information Technology



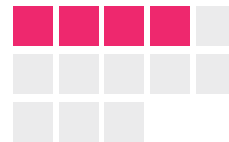
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Human Resources



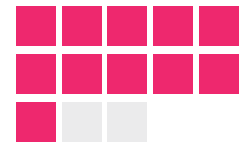
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Agriculture and Rural Economy



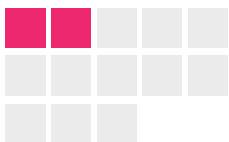
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Finance



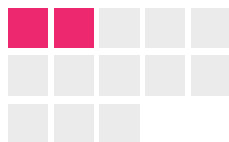
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Small Scale Industry



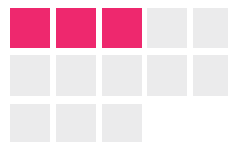
2

Law



2

Payment and Settlement Systems



3

*as per Banking Regulation Act



Policies and Frameworks

Code of Conduct

Our Code of Conduct and Ethics reflects our unwavering dedication to ethical conduct and integrity, reinforced by our core Values. It outlines the expected behaviour of all employees to ensure ethical decision-making in their roles. Additionally, it stresses compliance with regulatory standards and establishes procedures for detecting and reporting ethical violations. New hires must acknowledge the Code, while existing staff reaffirm it annually.

Tax Policy

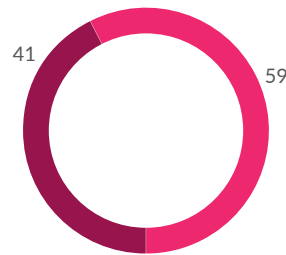
This policy ensures Axis Bank's responsible handling of tax affairs, compliance with laws, and disclosure obligations, incorporating international standards like OECD guidelines. It strategically aligns tax management with the commercial approach to uphold long-term shareholder value and a reputable taxpayer image.

Whistleblower and Vigil Mechanism

We uphold a strict zero-tolerance policy for breaches of our Code of Conduct and Ethics. Our Whistleblower Policy and surveillance mechanisms encourage reporting of any illegal, unethical, or inappropriate conduct by employees, ensuring anonymity and protection against retaliation. Protected Disclosures/Complaints can be reported anonymously through our dedicated web-based platform, with the option to escalate concerns regarding senior management directly to the Chairperson of the Audit Committee. In fiscal 2024, 494 incidents were reported under the Whistle Blower Policy.

Whistle Blower Complaints

(%)



- Specific complaints
- Anonymous complaints

Anti-corruption and Anti-bribery

The Bank's Vigilance Function operates under a Board-approved Internal Vigilance Policy, delineating its framework and the Chief of Internal Vigilance's (CIV) responsibilities. The CIV assists in policy formulation, cultivates a preventive vigilance ethos, and submits requisite reports to the Board's Audit Committee. Initiatives include annual vigilance declarations by staff, a Vigilance Awareness Week, and an online Anti-Bribery and Anti-Corruption Policy. Training modules and agreements with service providers reinforce vigilance standards.

Number of Cases Addressed in Fiscal 2024



- Vigilance confirmed
- Vigilance pending

Number of cases where Disciplinary Action taken against officers charged for Vigilance and Non Vigilance issues: 172

Conflict of Interest Policy

Our Conflict of Interest Policy aims to identify, prevent, and manage conflicts between employees and stakeholders. Employees are advised to avoid business with relatives, prioritise the Bank's interests, and report conflicts to the Ethics Department.

Human Rights

As a company, we are dedicated to upholding globally acknowledged human rights principles and standards. We establish systems and procedures to prevent human rights violations in all aspects of our operations. Our approach is guided by the Human Rights Policy, which aligns with prominent international human rights frameworks set forth by the UN, ILO, and OECD.

Staff Accountability

We have devised a framework for holding employees accountable for breaching Bank policies, including the Code of Conduct and Ethics, Prevention of Sexual Harassment, Conflict of Interest, and Anti-Bribery and Corruption Policies. Severity is assessed by relevant committees, with penalties imposed in accordance with the Bank's Code of Conduct and Ethics Policy.

Information Technology and Cyber Security Policy

The Bank prioritises data security, investing in robust capabilities and adhering to stringent cyber security policies aligned with industry best practices and regulations. Executive oversight, through the Information System Security Committee, ensures regular assessment and validation of controls against cyber threats aligning with ISO 27001 and PCI DSS standards.

All employees received cyber security training, with additional workshops conducted for 1,000+ mid and senior managers.

800+/900

BitSight Rating

No customers experienced any impact from a data breach, and no fines or penalties were incurred in connection with cyber security incidents in fiscal 2024.

Customer Privacy and Data Security

We fortified our customer privacy trust framework in preparation for emerging regulations like the Data Protection Bill in India. The update to our Privacy Policy incorporates crucial elements of data privacy and security within our framework.

Measures to Strengthen Customer Privacy and Data Security

Conducted comprehensive assessments to identify and mitigate data privacy risks.

Introduced privacy assessments for vendors during onboarding to minimise data processing risks.

Provided live training sessions for 200+ employees and 20 vendor organisations on personal data protection and risk management.

Organised 'Privacy Week' with Bank-wide contests, receiving 400+ participatory responses.

Axis Bank prioritises customer privacy and innovation in banking, addressing all privacy-related concerns promptly. No privacy complaints were received in fiscal 2024. Customers can use a dedicated email for requests such as 'request to forget' and 'data subject access requests', monitored daily. The Privacy Policy enhances customer awareness and complies with regulatory norms.



Detailed information on all our policies, including the ones mentioned above can be accessed on our website at <https://www.axisbank.com/shareholders-corner/corporate-governance>

Subsidiary Governance

Axis Bank oversees its subsidiaries to ensure they adhere to corporate governance principles. The Bank is committed towards continuously improving internal controls and overseeing its subsidiaries as a Financial Conglomerate (FC).

To ensure the alignment of governance practices at the Group (Axis Bank and its subsidiaries) level and to positively engage the Group, the Bank has

established a Subsidiary Management Committee (SMC). This committee also helps implement the 'One Axis' theme by sharing uniform practices and building synergies between Group entities. The Bank continues to undertake several initiatives to strengthen the Governance Framework under the supervision of the SMC. The framework also helps align key functions within

the organisation, such as Risk, Compliance, Audit, Human Resources, Finance, Information Technology, Cyber Security, Legal, Corporate Communication, Marketing, and Secretarial Practices.



Further details of above policies can be found at: <https://www.axisbank.com/shareholders-corner/corporate-governance>

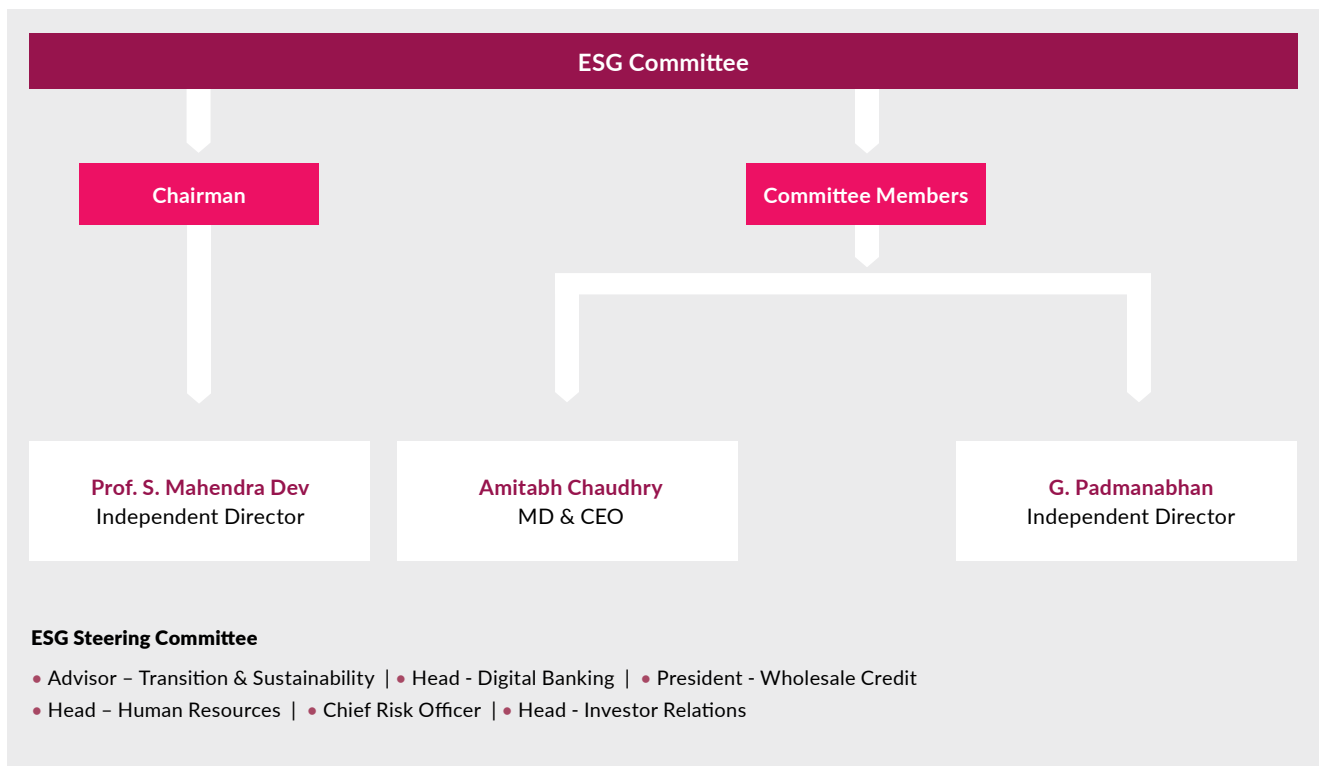


ESG Governance

While the Bank's leadership has overseen its ESG strategy for over a decade, the formal inclusion of the strategy in the CSR Committee's Charter was carried out in fiscal 2021. Additionally, an ESG Steering Committee was established at the

management level. In fiscal 2022, we adopted a purpose statement – 'Banking that leads to a more inclusive and equitable economy, thriving community and a healthier planet' – leading to the formation of the first standalone ESG Committee in

the Indian banking sector. To address specific ESG themes, management-level groups, such as the ESG Working Group for Sustainable Financing and the Diversity, Equity & Inclusion (DEI) Council were established.



Pioneering sustainability in the Indian banking sector, we have ingrained ESG principles at every level of the organisation. Together with establishing the country's first

dedicated Board-level ESG Committee in the banking sector in 2021, we introduced the Sustainable Financing Framework, securing the first-ever Second Party Opinion. Continuously

recognised for our commitment, Axis Bank is the sole Indian bank featured in the FTSE4Good Emerging Index for six consecutive years.

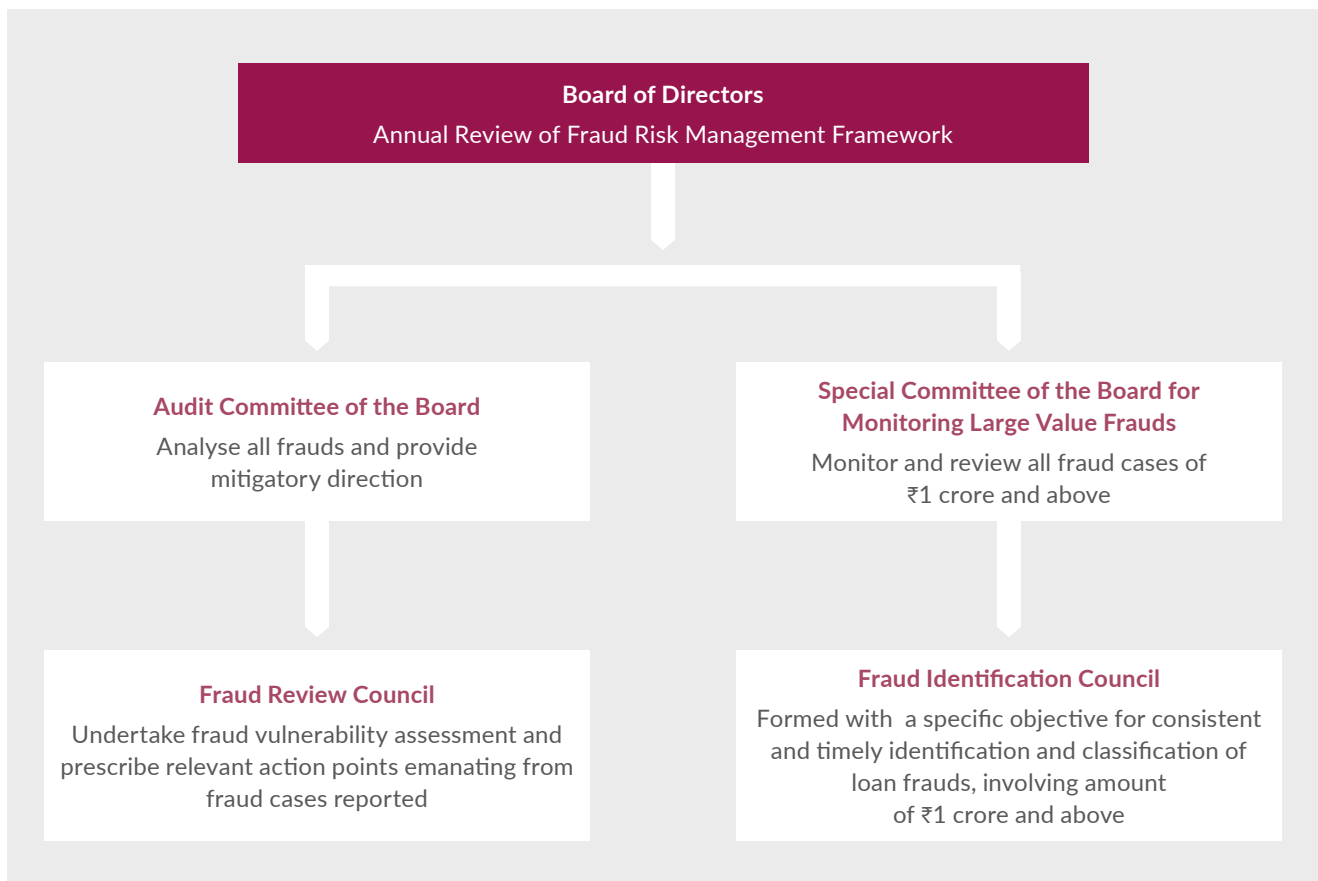
Fraud Risk Management and Reporting

We have been expanding our reach, customer base, and product offerings together with the increased adoption of digitalisation, which has increased digital transactions but also introduced complexities in the banking environment. While ensuring the integrity of our ecosystem is paramount, we urge customers to

stay vigilant against fraudsters and heed RBI/bank advisories. Fraud detection and mitigation are top priorities, overseen by our Board of Directors. Our comprehensive framework focuses on deterrence, prevention, detection, investigation, staff accountability, recovery, and reporting, with independent oversight

on Fraud Risk. We continuously strengthen the Bank's prevention and detection measures, analyse incidents to implement control measures, and enhance transaction monitoring to mitigate fraud risks. The framework also helps us identify vulnerabilities and address gaps proactively.

Governance Framework for Fraud Risk Management



Fraud Awareness

The Bank is committed to raising awareness among customers and employees on safe banking practices in the age of digital payments. In this connection, there were several initiatives carried out in fiscal 2024 which are enumerated below:

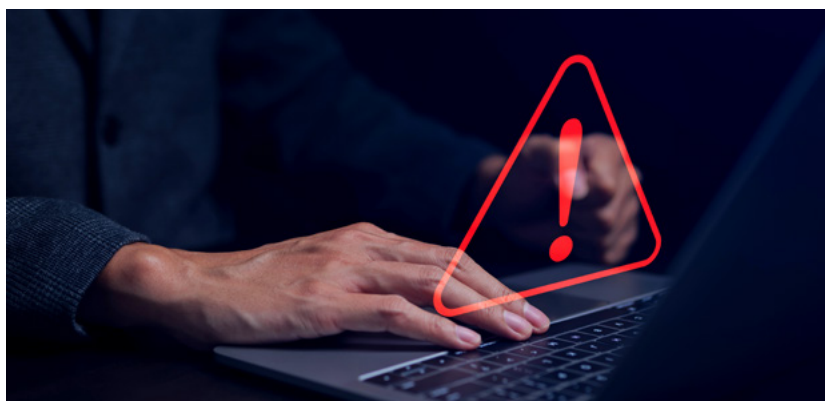
- » 'Safe Banking Awareness' messages via SMS and emails to our customers
- » Fraud awareness campaign on recent frauds and safeguarding measures through emails, SMS, website banners, mobile app push alerts and all social media platforms to our customers
- » 'Muh Pe Taala' safety video on branch LED screens to reinforce safe banking practices
- » Customer Education & Awareness section available under support section of our website providing safety tips to help individuals safeguard themselves against digital frauds
- » Fraud awareness campaigns using EDMs, screensavers, the One Axis app, and Digi Wall at the Corporate office educate employees on recent fraud methods and safeguards, empowering them to teach customers safe banking habits
- » A webcast was conducted featuring our Chief Information Security Officer (CISO) addressing our employees on 'Phishing' and 'Cyber

Security Awareness' to enhance their understanding on cyber security measures

- » Employee awareness campaigns via email & SMS were run through 'Sparsh initiative' on 'Understanding Digital Banking', 'Digital Banking Frauds' and 'Let us combat frauds in Digital Banking'
- » Fraud Awareness Week campaign was run in November 2023 as mentioned below:
 - for all employees where personalized messages from senior Bank officials were disseminated, emails on recent frauds and safeguarding measures were sent and screensavers on laptop / desktop, One Axis app, LED screens at branches, Digi Wall at Corporate Office were deployed reinforcing the importance of fraud prevention among our work force

- for customers on recent frauds and safeguarding measures through emails, SMS, website banners, mobile app push alerts, web blog and all social media platforms

In addition, the Bank collaborates with law enforcement agencies in conducting workshops and training sessions to train them on banking products and services and associated frauds which aid in combating fraud effectively. There is also a healthy engagement with leading payment networks, such as VISA, Master Card and NPCI to imbibe best practices and stay tuned to the dynamic market trends. These fraud awareness initiatives are aimed at making customers aware and fostering their confidence to transact in a safe and secure manner.



Combating Financing of Terrorism (CFT)

The Prevention of Money Laundering Act, 2002 (PMLA), enforced by the Government of India since July 1, 2005, is a pivotal legislation aimed at thwarting money laundering and terrorism financing. With clear definitions and guidelines, the Act

steers the Bank's strategies for Anti-Money Laundering (AML) and counter-financing of terrorism efforts. The Bank's approach to Anti-Money Laundering, Combating Financing of Terrorism and Know Your Customer (KYC) can be accessed in its AML Statement.

The Statement includes the Standards adopted by the Bank, the AML governance structure, and internal capacity-building and control measures.

EXTERNAL ENVIRONMENT

Navigating a Changing Environment with Confidence

We remain agile and responsive to risks from a challenging environment globally and the opportunities provided by a strong and resilient Indian economy. We have raised our compliance thresholds so that we secure the best interests of our stakeholders and customers, even as we aim for industry-beating growth.

Economic Environment

In 2023, interest rate risk dominated investors' concerns, demonstrated by the classic run on deposits in some of the US regional banks. However, swift regulatory responses and liquidity measures from the central banks contained any potential spillover, and a sharp increase in the fiscal deficit delayed the widely anticipated growth slowdown in the US. India's

banking sector, buoyed by improvements in asset quality and robust capital buffers, remained resilient. To insure against potential future risks, RBI tightened macroprudential norms in sectors seeing strong growth, like in unsecured personal loans. It also tightened liquidity, likely to protect against potential global volatility, driving fierce competition for CASA deposits, as deposit growth continues to lag credit growth.

Global Economic Outlook

The global economic landscape is grappling with various challenges. These include "Higher for Longer" rate regime: while price pressures have eased, further progress on the last-mile objective is likely to be slow; sticky high fiscal deficits in the developed world are also likely to prevent a meaningful decline in the global cost of capital. Geopolitical tensions are intensifying, exacerbated by political changes in major economies. There is growing fragmentation of global trade, and an increase in industrial policy action in most major economies. At the same time, growing investments in clean energy and the promise of significant productivity growth from generative AI are promising developments. The IMF does not expect the global economy to slow, with global growth forecasts held steady at 3.2% for 2024

and 2025 in their April 2024 World Economic Outlook.

Amidst this churn, the Indian economy is likely to grow at a moderately strong pace, with the potential annual growth rate getting upgraded to 7%. Monetary policy actions improved fiscal consolidation, and supply-side interventions have eased inflation, contributing to stable growth, aided by an upturn in the real-estate cycle. Looking forward, we expect inflation to average around 4.5% in fiscal 2025, and the economy to grow at 7%.

Relevant Risk

-  Liquidity Risk
-  Market Risk
-  Operational Risk

Opportunities Identified

The growth in global headwinds presents a unique opportunity for the Bank to capitalise on India's resilient growth by harnessing innovation in fintech and digital sectors, along with prioritising customer centricity and leveraging its extensive distribution network to create a world-class business.

Our Response

The Bank is building a robust business strategy with a detailed and diversified approach to revenue streams, advances, and funding mix. Ensuring alignment between advances and deposits, along with stability and resilience in operational and technology infrastructure, is paramount.



Technology Evolution and Artificial Intelligence

Technological advancements are revolutionising the banking and financial sectors, driving innovation and efficiency across processes and services, while adoption of cutting-edge solutions is enhancing customer experiences, and expanding market opportunities. Together with Machine Learning (ML), AI technologies are being deployed in asset management, algorithmic trading, credit underwriting, and fraud detection. Furthermore, AI optimises IT operations, digital marketing, and real-time analysis of customer transactions, improving risk management and customer experience.

In India, Scheduled Commercial Banks (SCBs) leverage AI for data analytics, fraud detection, and deploy chatbots for customer service. Innovations like

the Jan Dhan-Aadhar-Mobile (JAM) trinity and the Unified Payments Interface (UPI) are driving financial inclusion and digitisation, facilitating ~131 billion transactions for fiscal 2024. Initiatives such as the 24x7 operationalisation of payment systems and the introduction of a Central Bank Digital Currency (CBDC), underscore India's commitment to fostering innovation and enhancing digital transactions while maintaining a customer-centric approach and emphasising oversight and ethical conduct.

Relevant Risk



Information and Cyber Security Risks



Operational Risk

Opportunities Identified

Leveraging technological advancements to revolutionise banking and finance, driving innovation and efficiency while ensuring compliance with industry standards and regulatory requirements at the most efficient cost levels.

Our Response

The Bank is investing in the use of AI for models and analytics in multiple areas such as acquisition, risk management, monitoring etc. AI/ML is also being used for building customer offers and engaging with customers better. While doing so, adequate model risk oversight is being ensured on AI-based models.

Climate Resilience and ESG Integration

The increasing frequency and severity of climate-related events have prompted industries, particularly the financial services sector, to increasingly integrate ESG considerations into their decision-making processes. In fiscal 2024, sustainability and climate action took centre-stage in India during its G20 presidency. Under the theme 'One Earth, One Family, One Future', India showcased its ambitious green development agenda as it commences on its 'Amrit kaal', and achieved significant milestones in scaling green energy capacity and technological transformation. In July 2023, the Financial Stability Board, comprising all G20 countries, stressed the imperative of bolstering climate data accuracy for comprehensive risk assessment. In response, the Basel Committee on Banking Supervision (BCBS) is actively evaluating Basel framework gaps and considering regulatory measures to

integrate climate risk management principles into core banking supervision principles. In India, by introducing reasonable assurance on select core KPIs of BRSR, SEBI has strengthened the credibility of corporate disclosures. In 2024, the RBI introduced the new Draft Disclosure Framework on Climate-related financials, thus stressing on robust risk management and disclosures to prevent asset mispricing. Stress testing remains important for banks to assess climate risks transparently, enabling proactive risk management aligned with regulatory and stakeholder expectations.

Relevant Risk



Climate Risk



Operational Risk

Opportunities Identified

Leveraging green financing and focused lending in green and sustainable space including, but not limited to, green housing, electric vehicles, and renewable energy sectors to bolster sustainability efforts and appeal to environmentally conscious clientele.

Our Response



The Bank has in place an ESG Policy for Lending and adopted the Sustainable Financing Framework, strengthening its overall sustainable financing capabilities. Notably, climate risk is now an integral part of its risk management framework, overseen at the Board level. Furthermore, a robust business continuity management process has been established to effectively manage any impact on the Bank's operations.

Cyber Security Threat and Customer Privacy

In recent years, the banking sector has undergone a profound transformation with the widespread adoption of digitization and cutting-edge technologies, revolutionizing banking services and introducing new challenges, particularly in cybersecurity and data privacy. Financial institutions embracing open banking and digital payment systems require robust IT infrastructure and stringent security measures to safeguard customer interests. Regulatory bodies like the RBI are taking proactive steps to ensure adherence to updated frameworks for IT governance and risk management. However, the use of AI in finance introduces complexities, with concerns about model risks and ethical practices. The Bletchley Park

Declaration, signed by major countries, emphasises international collaboration in addressing AI-related risks in the financial sector. In August 2023, the Indian Parliament passed the Digital Personal Data Protection Act, marking a significant milestone in data privacy regulation. Centralising monitoring and analysis through a Sectoral Security Operations Centre (SSOC) will enable swift adaptation to evolving cyber threats by correlating events, logs, and incidents from multiple supervised entities.

Relevant Risk

-  Information and Cyber Security Risks
-  Operational Risk

Opportunities Identified

Enhancing privacy controls & cyber security controls through deployment of ISO27018 Standard framework for Bank's Cloud applications and infrastructure.

Our Response



In the technology environment, the Bank will maintain adequate oversight through robust product approval process, cyber security assessment, and technology risk assessment.

Transforming Talent and Workplaces

In the dynamic banking landscape, talent management has undergone significant shifts driven by technological advancements and evolving market demands. There is a heightened focus on recruiting professionals skilled in areas such as cybersecurity, data analytics, and digital marketing to meet the evolving needs of customers. Additionally, the emergence of hybrid roles combining technology expertise with domain knowledge reflects the industry's adaptation to the fintech revolution. With a chronic

shortage of tech talent, reskilling initiatives have become pivotal for organisations aiming to bridge the skills gap and remain competitive. Soft skills such as innovation, adaptability, communication, problem-solving, and critical thinking are also increasingly valued alongside technical proficiency. Furthermore, offering flexible working options to attract top talent, addressing workplace culture issues and promoting diversity and inclusivity are vital for enhancing employer branding.

Relevant Risk

-  Information and Cyber Security Risks
-  Operational Risk

Opportunities Identified

Embracing flexible working environment, cultivating a diverse talent pool with inclusivity, investing in learning and development, and reducing overhead costs associated with traditional office setups are paramount.



Our Response

Anchored by a comprehensive HR policy emphasising meaningful career experiences, flexible work arrangements, and output-driven performance metrics, we are well-positioned to drive innovation and growth in the banking sector while continually upskilling our workforce. Through innovative HR

programmes and policies, we have fostered an inclusive environment conducive to career growth. Moves like adopting a hybrid work model and introducing GIG-A opportunities have attracted top talent, while **Project Thrive** has encouraged internal career exploration, resulting in significant job movements and



promotions. Our commitment to talent development is evident through our robust learning and development framework, supported by initiatives like *Astros* and *Ahead*. Additionally, our dedication to DE&I is reflected in initiatives like *#HouseWorksWork* and *Pride365*, fostering a culture of belonging.

Regulatory Landscape

Failures of Silicon Valley Bank and several other US regional banks in March 2023, along with the collapse of Credit Suisse prior to its merger with UBS underscored the vulnerability of banks despite their comparatively robust capital and liquidity positions. In view of both global and domestic developments, the RBI has been issuing new or revised guidelines for financial sector participants, emphasising on regularly updating risk management frameworks, particularly with respect to liquidity, technology, credit, market, and reputation risks. Today's constantly evolving banking environment requires organisations to adapt to emerging risks, such

as technological disruptions, cybersecurity threats, evolving customer expectations, and shifts in business models and operations due to outsourcing. Banks and financial institutions are expected to maintain robust governance structures and processes due to their unique nature. Indian banks must focus on digital transformation, improving customer experience, adopting innovative technologies such as AI-ML, Gen-AI and blockchain, investing in cybersecurity measures, and seeking collaborative opportunities to remain resilient and competitive in the evolving banking landscape.

Relevant Risk

-  Compliance Risk
-  Reputation Risk

Opportunities Identified

Promoting transparency and enhanced disclosures, further enhancing the regulatory adherence standards.

Our Response

The Bank's Assurance functions regularly review emerging risks and trends and engages with the respective stakeholders to ensure sustainable and timely implementation of remedial measures. Wherever required, specific projects are run with key stakeholders, led by Management Committee members or Executive Committee members. Updates on

important projects are provided to the Management Committee, committees of the Board or the Board, on a regular basis. Among the areas currently in focus are model governance, conduct of business, customer experience, grievance handling, fairness and transparency in dealing with customers, detection and prevention of frauds, transaction monitoring, and anti-money laundering processes,

improving efficiencies of other important processes, managing risks emanating from outsourcing, cyber security, BCP, reliability and scalability of technology platforms and adoption of latest innovative technologies in business operations and customer services.

RISK MANAGEMENT

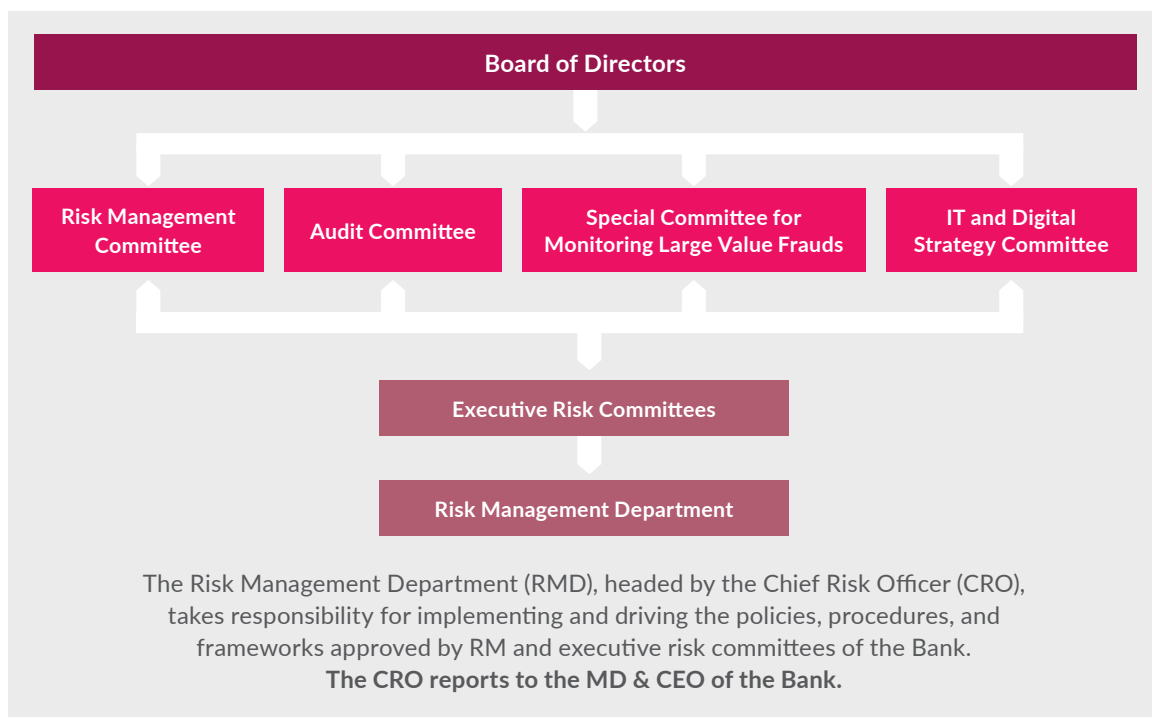
Safeguarding our Interests Against Uncertainties

We have a robust and comprehensive Risk Management Framework to strengthen our capacity to recognise and address risks. Backed by an independent risk function, the Board oversees all facets of risk management.

Risk Governance Framework

At the forefront of the Bank’s resilient risk governance structure lies the Board and its specialised Committees, entrusted with overseeing risk management practices. Leading this endeavour is the Risk Management Department (RMD), under the astute guidance of the Chief Risk Officer (CRO). Tasked with implementing and enforcing policies, procedures, and frameworks endorsed by the Bank’s Risk Management (RM) and Executive Risk Committees, the RMD operates in strict accordance with RBI guidelines. Crucially, the Board plays a pivotal role in approving the

roles and responsibilities of the CRO, ensuring alignment with regulatory directives. Reporting directly to the MD and CEO of the Bank, the CRO assumes a central position in steering the Bank’s risk management strategies. Moreover, the RMD operates autonomously, devoid of business targets, and actively participates in critical decision-making forums. Endowed with the authority to formulate independent perspectives, the RMD serves as a vigilant guardian of the Bank’s risk landscape, contributing significantly to its resilience and stability.





Key Achievements of the RMD for Fiscal 2024

The Bank has invested in strengthening the risk infrastructure across multiple dimensions. During fiscal 2024, the Risk Department enhanced its oversight on subsidiaries by strengthening the Group Risk Management Framework. The Department also initiated steps to build toolkits that would help assess emerging risks such as ESG, as well as support emerging areas of distinctiveness for the Bank like Bharat Banking. Further, it conducted an organisation wide exercise around training mid-level officers in cyber security to cascade the cyber security awareness to the frontline.

The Bank also continued to focus on actioning around its operational risks and put in place time-bound plans to address the top critical risks facing the Bank. A digital risk framework was also put in place and continually enhanced to enable the Bank to build out its digital strategy in a risk-sensitive manner.

Key Focus Areas for the RMD for Fiscal 2025

Four most critical initiatives for fiscal 2025 revolve around Bharat Banking, cyber security, universal underwriting and, risk and compliance culture. These will contribute to a credit-led growth thrust in retail and rural spaces while balancing those with technology-related considerations through digital banking and cyber security, as well as building sustainability through a robust risk culture. The plan also includes undertaking other initiatives around subsidiary risk, operational risk, vendor risk, fraud risk, and digital risk.

Successful implementation of these initiatives will help the Bank to achieve its GPS objectives in a sustainable manner.

Risk Management Committee Members



G. Padmanabhan

Chairperson,
Independent Director



Amitabh Chaudhry

Member,
MD & CEO



Girish Paranjpe

Member,
Independent Director



Pranam Wahi

Member,
Independent Director



Munish Sharda

Member,
Executive Director

Risk Management Approach

Our risk management approach is built upon four essential pillars. These pillars provide a strong foundation to the process ensuring it is supported by well-defined policies for various risk categories, independent oversight, and regular monitoring by Board sub-committees.

Foundation Pillars

<p>1</p> <h4>Risk Philosophy</h4> <p>The Bank's risk philosophy states that risk management is the collective responsibility of all employees. When making decisions, regulatory compliance, and reputation should be factored in, as compliance is non-negotiable and safeguarding reputation has equal weight in protecting financial losses.</p>	<p>2</p> <h4>Risk Appetite</h4> <p>The Risk appetite statement aligns business decisions with approved risk dimensions. Board-approved policies guide actions across departments, with Executive Committees providing specific instructions. The Risk department vets new initiatives to manage potential risks.</p>	<p>3</p> <h4>Risk Identification and Mitigation</h4> <p>RMD proactively identifies emerging risks and uncertainties for the Bank. Material risks are reported to the Board and RMC through various frameworks, including ICAAP and Risk Dashboards. RMD engages in risk mitigation at strategic, policy, and operational levels, collaborating with business teams to foster risk ownership in the first line of defense (LOD).</p>	<p>4</p> <h4>Risk Culture</h4> <p>We have implemented a dual strategy to instill a strong Risk and Compliance culture throughout the Bank. Governance-wise, the Board of Directors and Senior Management lead the charge, while operationally, the Compliance Department and RMD spearhead culture integration. This is reinforced by an accountability framework and shared values cascaded throughout the organisation.</p>
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Compliance

The Bank upholds Board-approved policies to meet regulatory requirements, regularly updating them. Compliance is closely monitored by senior management, with zero tolerance for non-compliance. The Compliance department conducts independent assessments, reporting to the Board and audit committee, guiding improvements. Testing and root cause analysis address gaps, focusing on sustainable solutions. Performance evaluations are based on an accountability framework reinforced by assurance functions. Emphasis on employee training ensures comprehensive compliance. Continuous enhancement of processes and workflows streamlines operations for efficiency.

Internal Audit

The Bank's Internal Audit function provides an independent assessment of internal controls, risk management, and governance to the Board and Senior Management, ensuring compliance with both internal and regulatory guidelines. Aligned with RBI's Risk Based Internal Audit (RBIA)

guidelines, the Bank's robust audit policy emphasises a strategic focus on emerging business risks. Various audit methodologies, including concurrent, off-site, and thematic audits, enhance the function's robustness. Embracing digitalisation, technology-driven audits improve efficiency and effectiveness, while continuous skills enhancement ensures agility in addressing emerging risks. Operating independently under the Audit Committee's supervision, the function ensures internal controls' efficacy and guideline compliance.

Business Continuity Plan

The Business Continuity Planning Management Committee (BCPMC) oversees the implementation of the approved Business Continuity Plan (BCP) framework, ensuring service continuity for our extensive customer base. The BCP framework is rigorously tested for critical internal activities, enabling readiness for diverse contingency scenarios. Insights from these exercises refine the framework. With an effective BCP, the Bank successfully operates by adapting to various continuity and mitigation plans.



Fraud Detection and Mitigation

The Bank prioritises creating a secure environment with minimal vulnerability to fraud by implementing a comprehensive Fraud Management and Reporting Policy. This policy, supported by operational procedures, guides internal oversight and fraud management efforts. Continuous round-the-clock transaction monitoring, facilitated by IT systems, promptly detects any

suspicious or fraudulent activities in real or near-real-time. Additionally, the Bank utilises an enterprise-level anti-money laundering software system that generates alerts based on various scenarios, aiding in monitoring, investigating, and reporting suspicious transactions. Furthermore, a dedicated fraud management system is deployed to prevent and detect fraudulent activities related to credit and debit card transactions.

Key Material Risks



Credit Risk

Credit risk is the risk of financial loss if a customer, borrower, issuer of securities that the Bank holds, or any other counterparty fails to meet its contractual obligations. Credit risk arises from all transactions that give rise to actual, contingent, or potential claims against any counterparty, customer, borrower, or obligor. The goal of credit risk management is to maintain asset quality and managing concentration limits at individual exposures as well as at the portfolio level.



Mitigation Measures

Internal rating forms the core of the risk management process for wholesale lending businesses with internal ratings determining the acceptability of risk, maximum exposure ceiling, sanctioning authority, pricing decisions, and review frequency. For the retail portfolio including small businesses and small agriculture borrowers, the Bank uses different product-specific scorecards. Credit models used for risk estimation are assessed for their discriminatory power, calibration accuracy, and stability independently by a validation team.



Market Risk

Market risk is the risk of losses in 'on and off-balance sheet' positions arising from the movements in market price as well as the volatilities of those changes, which may impact the Bank's earnings and capital. The risk may pertain to interest rate related instruments (interest rate risk), equities (equity price risk) and foreign exchange rate risk (currency risk). Market risk for the Bank emanates from its trading and investment activities, which are undertaken both for the customers and on a proprietary basis.



The Bank's market risk management framework is comprehensive and guided by well-defined policies, guidelines, and processes aimed at identifying, measuring, monitoring, and reporting exposures against established risk limits aligned with the Bank's risk appetite. The Risk Department independently monitors investment and trading portfolios, ensuring adherence to predefined risk limits and promptly reporting any deviations. Both statistical measures like Value at Risk (VaR), stress tests, back tests, and scenario analysis, as well as non-statistical measures such as position limits, marked-to-market (MTM), and stop-loss limits, are utilised for effective risk management. VaR calculation employs a historical simulation approach with a 99% confidence level for a one-day holding period over a time horizon of 250 days, supplemented by ongoing back testing and stress testing. Overall, this framework ensures a robust approach to managing market risk within the Bank's risk appetite.



Liquidity Risk

Liquidity is a bank’s capacity to fund increase in assets and meet both expected and unexpected cash and collateral obligations at a reasonable cost and without incurring unacceptable losses. Liquidity risk is the inability of a bank to meet such obligations as they become due, without adversely affecting the bank’s financial condition.

Mitigation Measures

The Asset Liability Management (ALM) Policy of the Bank provides a comprehensive framework for managing liquidity risk, ensuring the Bank’s ability to meet its obligations and withstand liquidity stress. Aligned with the Risk Appetite Statement, the policy encompasses governance structures and is complemented by additional liquidity policies for intraday liquidity, stress testing, contingency funding, and branch-specific liquidity. Liquidity profiles are monitored through static and dynamic analysis, including gap analysis, key liquidity ratios, and stress tests, overseen by the ALCO and the Board’s Risk Management Committee. The Bank adheres to RBI guidelines on liquidity risk management, integrating Basel III framework standards such as intraday liquidity management and the Liquidity Coverage Ratio (LCR), maintaining LCR/NSFR in line with regulatory requirements and the Bank’s risk appetite.



Operational Risk

Operational risks may emanate from inadequate and/or missing controls in internal processes, people, and systems or from external events or a combination of all the four.

The Bank implements an Operational Risk Management (ORM) Policy to proactively manage operational risks efficiently. The policy involves assessing and measuring risks, monitoring them closely, and implementing mitigating measures through a structured governance framework. All new products, processes, and changes undergo thorough risk evaluation by the Operational Risk team, overseen by the Risk Department’s Product Management and Change Management Committees. Outsourcing arrangements are scrutinised and approved by the Outsourcing Committee, with input from the Operational Risk team. The Information System Security Committee directs efforts to mitigate operational risk within information systems. A comprehensive Operational Risk Measurement System documents, assesses, and periodically monitors risks and controls across all business lines. The Bank continually strengthens its operational and information security risk frameworks through various initiatives.



Information and Cyber Security Risks

Information and cybersecurity risks for banks entail the threat of unauthorised access, manipulation, or theft of sensitive data and assets stored within their systems. These risks include potential breaches due to cyber-attacks such as hacking, phishing, and malware, which can disrupt services, compromise customer information, and undermine trust in the bank's operations. Maintaining robust security measures, including encryption, multi-factor authentication, and regular security audits, is crucial to mitigate these risks and safeguard both the bank and its customers from potential cyber threats.

Mitigation Measures

The Bank has established a robust Information and Cyber Security programme, underpinned by comprehensive policies and standards aligned with industry best practices and regulatory guidelines such as NIST, ISO27001:2013, and PCI DSS. Led by the Information System Security Committee, the governance framework ensures regular assessment of the threat landscape and validation of controls to mitigate cyber risks effectively. Proactive measures, including technical and administrative controls, are in place to prevent, detect, and respond to suspicious activities. The Bank conducts various assessments before deploying IT infrastructure or applications, covering areas like application security, vulnerability testing, and penetration testing. With a defense-in-depth approach and 24x7 Security Operation Centers (SOC), the Bank monitors digital assets and collaborates with regulatory bodies and industry stakeholders to strengthen its defense against cyber-attacks and implement recommended measures.



Climate Risk

Climate risks are divided into 2 risks broadly:

Transition Risks

Risks stemming from various factors such as policy and regulation changes, advancements in technology, and shifts in consumer preferences.

Physical Risks

It encompasses both chronic and acute impacts of climate change. Chronic risks include long-term changes in temperature, precipitation patterns, agricultural productivity, and sea levels, whereas acute risks refer to more immediate and severe events such as heatwaves, floods, cyclones, and wildfires.

As a financial institution in India, we recognise the profound impact of climate-related risks, spanning credit, operational, market, and reputational domains, as well as the significance of environmental and social risks, including those linked to climate change. Our activities are aligned with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations and we have been publishing our TCFD-aligned disclosures since fiscal 2022, in line with RBI's Draft Discussion Paper on Climate Risk and Sustainable Finance. We have also been responding to the CDP since 2015, detailing our climate-related governance, strategy and performance.

Embracing TCFD's recommendations on conducting climate-related scenario analysis and stress testing, we have initiated integrating relevant climate levers into our stress testing exercises and are actively developing capabilities for climate-related stress testing and scenario analysis under the guidance of our ESG Committee as well as in line with regulatory guidance. We are also intensifying our focus on the broader sustainability-related risks, with a heightened emphasis on corporate governance and stakeholder impact.

Managing our Climate Risk

The shift from climate risk to financial risk poses complex threats to the economy and all its participants. Operating through various channels, climate risks include both physical impacts and transition risks, necessitating adopting comprehensive risk management practices. These risks impact business profitability, household wealth, and financial stability, potentially leading to stranded assets. At micro and macro levels, challenges may range from property damage to capital depreciation. In finance, this transition results in heightened credit risk, market risk, underwriting risk, operational risk, and liquidity risk, potentially affecting defaults, asset repricing, insurance gaps, operational disruptions, and liquidity challenges.

Since 2021, the ESG Committee of the Board has guided and overseen the Bank’s efforts to fortify our Environmental, Social, and Governance (ESG) practices, including a strong focus on managing our climate-related as well as ESG-related risks. Working under the Committee’s oversight and led by the RMD, we are enhancing our capabilities and frameworks for climate risk management at the enterprise level. This proactive approach not only safeguards our operations but also positions us to seize potential opportunities in the evolving climate landscape.

Actions undertaken under ESG Committee and Risk functions can be broadly placed into four focus areas



Governance

Establishing the ESG Committee of the Board

In August 2021, we became the first Indian bank to establish a dedicated ESG Committee at the Board level, centralising oversight of our ESG initiatives and climate-related risks. The Chief Risk Officer leads efforts to enhance our capabilities in ESG and climate risk management at enterprise level.

Strengthening Board-level Oversight on Climate and ESG Risks

Climate and ESG risks, now part of our existing risk categories are managed under the oversight of Risk Committee of the Board. As we expand their coverage in our Risk Management Framework, we reinforce the Committee's oversight. The Board's Committee of Directors evaluates key cases, including their assessment in line with our 'ESG Policy for Lending', ensuring alignment with our risk management strategy.



Policy and Controls

ESG & Climate-related Risks and Opportunities included in ICAAP

Our Internal Capital Adequacy Assessment (ICAAP) evaluates ESG and climate risks as material risks including both physical risk and transition risk.

Strengthening the ESG Policy for Lending

Our 'ESG Policy for Lending' integrates environmental and social risk assessment into our credit appraisal process, aligning with international standards. Implementation is overseen by the Environmental and Social Management Group within the Credit vertical.

Adopting the Sustainable Financing Framework and establishing the ESG Working Group

In July 2021, we launched the Sustainable Financing Framework, aligned with global standards like ICMA and ASEAN and endorsed by Sustainalytics. We also established the ESG Working Group to ensure compliance in our financing activities.



Risk Toolkit

ESG Rating Model part of credit appraisal

While ESG rating model was piloted last year, it has been implemented as part of credit appraisal process for selected Wholesale Banking clients. Developed in-house, it encompasses over 60 parameters across E, S, and G pillars. This model aligns closely with IFC Performance Standards, reinforcing our commitment to ESG principles in lending practices.

Building Capabilities around Stress Testing

We're building stress testing and scenario analysis capabilities in line with regulatory guidance and expectations. Additionally, we're studying external best practices to expedite our learning process.

Developing Climate Risk Dashboards

Since the previous fiscal year, we have been working on presenting various facets of climate risk, covering key identified metrics for physical and transition risks, as well as our lending and financing activities to sectors aligned to the Sustainable Financing Framework. As part of this activity, during the year, we presented a snapshot of the transition risk faced by the Bank, wherein we identified the exposure, as well as the asset quality therein, to what we considered as high transition risk sectors including exposure to coal and thermal power. Under physical risk assessment, we presented a view of the Bank's retail, rural and SME portfolios in the context of four of India's natural hazards viz. cyclones, droughts, heat waves and floods. We continue to monitor the lending and financing activities aligned to the Sustainable Financing Framework. These presentations were made to the ESG Committee during the year.



Capacity Building

Bank-wide ESG education and participation

In the previous fiscal, we had rolled out a Bank-wide ESG e-module that introduces all employees to concepts including ESG, climate-related risks and opportunities, pertinent national and international frameworks and regulations, and the Bank's own policies and activities in this space. In addition, pertinent verticals and roles at the Bank participate in specialised internal and external trainings and awareness programmes on this topic, including those organised by regulatory agencies and industry organisations. In this fiscal, the Bank participated in a two-day climate risk training workshop organised by Indian and foreign experts under a UK government programme for emerging economies (UK PACT), wherein the entire Risk and Corporate Underwriting verticals of the Bank participated.

Engagement with peers and regulators

The Bank also proactively engages with the wider industry, its peers, as well as the regulators on the key topics including ESG, climate risk and sustainable finance. The Bank's leadership is on key ESG and Climate committees, and formal groupings, including at the IBA, CII and FICCI, among others.

CYBER SECURITY PRACTICES AND DATA PRIVACY MEASURES

Strengthening Defences against Emerging Threats

We prioritise cyber security and safeguard our customers against unauthorised access and cyber threats through robust security controls, including proactive detection and monitoring technologies. Apart from modernising our core technology stack for better performance and resilience, we are also developing new age digital platforms.

Capitals Impacted

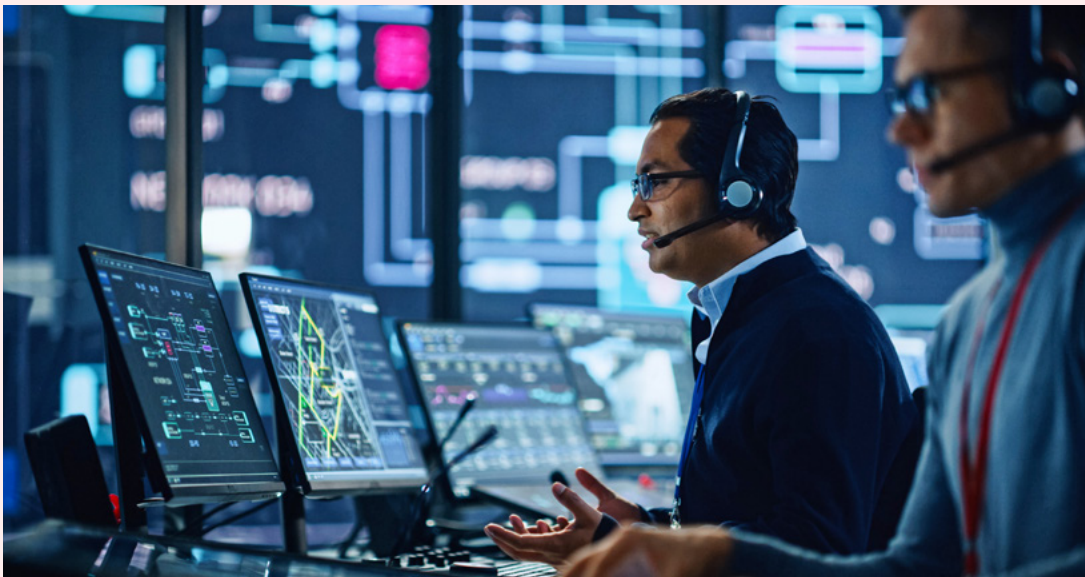


SDGs Impacted



In an era of unprecedented digital transactions, cybersecurity governance and a protective architecture are essential for ensuring the safety of customer data and financial transactions. Compliant with ISO27001 and PCIDSS standards and holding a ISO27017 cloud security certification, the Bank demonstrates its commitment to

stringent cybersecurity measures. To ensure adequate cyber security and customer data privacy, both of utmost importance to the Bank, we continue to deploy best-in-class technologies and resources, aligning with best practices and regulatory guidelines to reinforce customer trust across all banking channels.

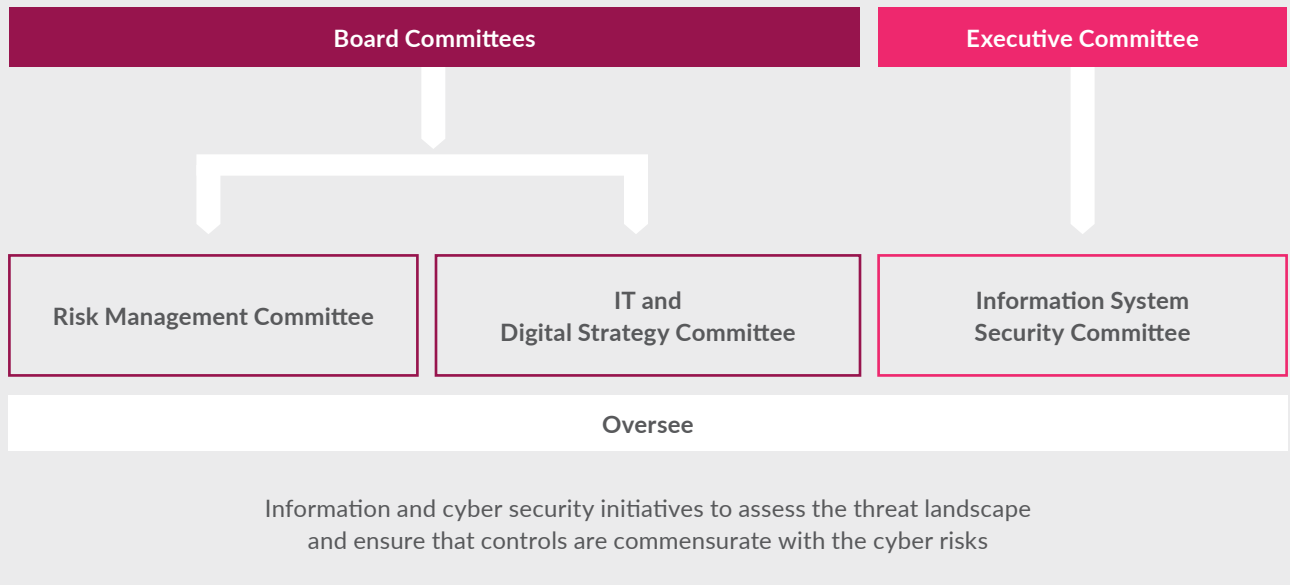




Cyber Security Governance Framework

In accordance with our ‘open’ philosophy, we have laid the groundwork for a banking franchise supported by strong corporate governance. At the executive level, our Information System Security Committee convenes quarterly to assess the threat landscape, and validate the controls implemented in the Bank to mitigate cyber risks.

Information and Cyber Security Governance Framework



The Bank has a comprehensive Information and Cyber Security Policy, and we have invested in robust technical and administrative controls to prevent, detect, and respond to suspicious activity.

We conduct pre-deployment assessments covering application security, vulnerability, penetration testing, and security architecture. Employing a defence-in-depth approach, we safeguard our critical assets and monitor digital assets 24x7 through our Security Operations Centre (SOC). Collaboration with regulatory bodies helps strengthen our cyber defence.

As part of the Bank’s initiatives, we implement security best practices across digital channels such as Internet Banking, Mobile Banking, and Credit Cards, enforcing specific payment security controls such as multifactor authentication and real-time fraud monitoring. Additionally, we prioritise vendor risk management and security awareness initiatives for outsourced employees.

We deploy cyber security controls to protect our information assets from unauthorised access, hacking attempts, and data loss. Various detection and monitoring technologies enable proactive detection and response to cyber threats.

Measures for Proactive Detection of Cyber Threats

- » Remote access users benefit from added security with multifactor authentication
- » Robust enterprise security governance framework, ensuring compliance and monitoring across various security aspects
- » Privacy by design is prioritised with Reference Architectures and SOPs covering encryption, digital rights management, and data classification
- » Advanced endpoint controls and Data Leakage Prevention (DLP) safeguard against cyber-attacks
- » Email protection shields against phishing attempts, particularly prevalent during the pandemic
- » Continuous security monitoring and threat intelligence detect and prevent malicious activities
- » Enhanced monitoring for remote users detects unauthorised access and data leaks
- » Mobility security capabilities support remote work and sustainability goals
- » Access controls like federated identity and network access management ensure secure data access
- » The 24x7 Security Operations Center (SOC) collaborates with regulatory bodies to strengthen cyber defence
- » Secure-by-design practices, including DevSecOps and application security testing, ensure the security of IT applications
- » On premises infrastructure tools enforce security measures like patch management and file integrity monitoring
- » Robust network security measures, including WAF and DDOS protection, fortify against cyber threats
- » Cloud security measures, including encryption and compliance controls, support the Bank’s cloud-first goals
- » SaaS and PaaS providers undergo rigorous vetting for regulatory compliance and security standards

In today’s dynamic landscape, apart from cyber security controls, future-proofing our operations through core modernisation and upgrading is also essential. This not only enhances customer satisfaction and mitigates risks but also gives us a competitive edge. At Axis Bank, we adopt a twin-engine approach, modernising our core technology stack for scalability, performance, and resilience, while simultaneously developing new-age digital platforms. We maintain agility in our core stack by regularly refreshing core applications and upgrading to the latest software. Here are some key modernisation efforts and core upgrades undertaken during the year:

Core Modernisation

In fiscal 2024, some of our core modernisation efforts were in the following areas:

- » **Finacle UPI:** Transitioned elite merchant payments to a cloud-ready UPI instance
- » **Financial Inclusion:** Independent entity for special focus on financial inclusion
- » **Digital Transaction:** Hiving-off payment channels to a distributed network
- » **Account Opening:** Fully digital account opening journey and servicing

Core Upgrades

Some of the key platform upgrades completed in fiscal 2024 include Turret, Oracle EBS, and Avaya upgrade.

Additionally, the Bank has migrated from Enterprise Payments Hub (EPH) to Global Payment System (GPS); it has helped us achieve leadership in the NEFT Outward domain and improve market share.



Enterprise Architecture

The Bank is committed to enhancing its internal technology, design, and AI capabilities through a structured governance framework. As a testament to this commitment, in fiscal 2023, Axis Bank joined the Banking Industry Architecture Network (BIAN), an ecosystem comprising banks and technology providers, aimed at transforming its architecture to better serve future customers. Continuing into

fiscal 2025, this initiative remains pertinent as it aligns with our vision of providing innovative and customer-centric services.

We are actively optimising our IT portfolio and guiding architectural decisions through our Enterprise Architecture practice. This practice ensures that our technology initiatives are aligned with our business objectives, thereby aiding the Bank in navigating challenges and fostering innovation efficiently.



Steps to Strengthen Enterprise Architecture in Fiscal 2024

1

Established an approved **Enterprise Data Privacy Reference Architecture** to ensure Bank's readiness towards customer privacy and data security. This is in addition to the various data at rest and data in motion encryption reference architectures.

2

Implemented an approved **API Security Guard Rails Policy** where there is differentiated treatment of public, private, and enterprise APIs with focus on cyber and data security.

3

Created Reference Architecture for **Domain Data Mesh and Data Lake House Reference Architecture** to improve data availability, faster time to market of data products, and to move towards real-time insights for use cases such as personalisation, leads, fraud detection, and mitigation. We are also working closely on projects like **NEO and SPARSH** to build the Bank's first Data Lake House to generate quick insights.

4

Pioneered the **GenAI** proof of concepts in the Bank and evangelised it through various groups, including Information security to promote adoption of GenAI services.

5

Established an **Open-Source Governance Office** to improve adoption of OSS while ensuring ongoing risk assessments of OSS frameworks, libraries, and tools.



Integrating GenAI into the Business

The Bank has embarked on integrating GenAI capabilities into its routine operations, including conversational interface, content summarisation, data analytics and visualisation, multi-modal content generation, and knowledge retrieval, among others. Notably, the Bank is among the first in the country to implement Microsoft GenAI Co-pilot. The Bank is also actively enhancing its proficiency in AI, ML, automation and data analytics, primarily targeting top-tier efficiency across robotic process automation (RPA), voice, and intelligent optical character recognition (iOCR) in retail banking operations. Throughout the year, we have consistently introduced new products, guided by our zero-based redesign approach, which has resulted in customer-centric journeys that minimise or eliminate manual data entry through automated underwriting processes.

Leadership under Cloud Architecture

Our leadership continues with the Cloud-first, Cloud-native architecture. We are a leader among peers to have three enterprise grade landing zones and deploy 140+ critical applications on Cloud. We are the first Indian bank to be ISO certified for AWS and Azure Cloud security. We continued our journey towards next-gen initiatives such as hyper automation using Infra-as-a-Code capabilities and enhancing application observability through Cloud based SRE capabilities. In fiscal 2025, the focus will be on consolidation of key applications on Cloud, including data.

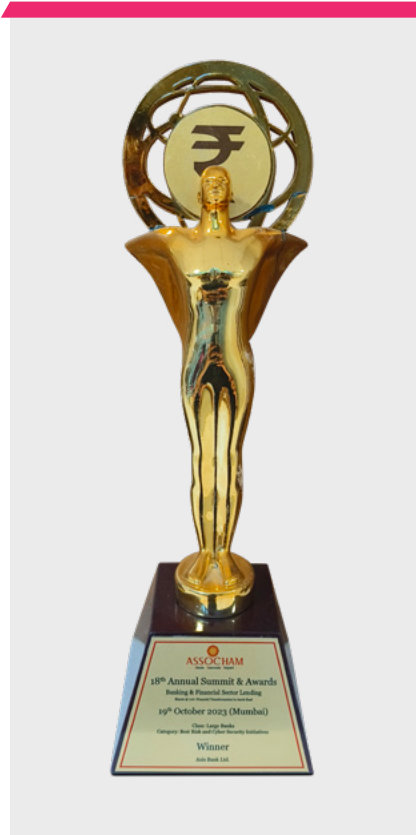
Partnerships, Ecosystem, and Integration

We are committed to our open ecosystem proposition to build dedicated partnerships using API strategy. We have adopted next-gen integration by deploying 410+ APIs on our developer portal and 3,000+ registered users across 460+ external gateway partners.

Achievements in Digital and Cyber Security space



DSCI Excellence Award for Best Security Practices in Organisation – Banking Sector for 2023



ASSOCHAM Annual Banking and Financial Sector Lending Award (Large companies)

Best Cyber Security Initiatives and Best Digital Initiatives



Infosys Finacle Innovation Awards 2023

Corporate Banking Innovation, Modern Technologies-led Innovation and Product Innovation

THOUGHT LEADERSHIP AND POLICY ADVOCACY

Leading the Sustainability Dialogue

Thought leadership and policy advocacy play pivotal roles in shaping industry trajectories and fostering sustainable growth. At Axis Bank, we embrace the responsibility to drive meaningful discourse and advocate for policies that catalyse innovation, inclusivity, and resilience within the financial ecosystem.

Capitals Impacted

Not Applicable

SDGs Impacted



Continued Alliances with Key National and Global Associations for Matters Related to Sustainable Development, ESG, and Climate Action

World Economic Forum's (WEF) Alliance of CEO Climate Leaders

Axis Bank is a proud member of the World Economic Forum's Alliance of CEO Climate Leaders and actively engages in the Alliance's research and policy advocacy initiatives. The Alliance is currently focusing on three key thematic areas to drive action:

- » Decarbonising materials and the supply chain
- » Catalysing India's hydrogen economy
- » Developing a business model to protect old forests and promote afforestation

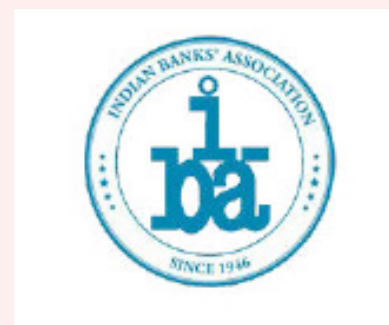
The Bank actively contributed to the Steering Committee that shaped a joint industry survey conducted by Confederation of Indian Industry (CII) and WEF on National Climate Solutions. This survey aims to inform a forthcoming whitepaper, offering insights and recommendations to facilitate increased private sector investments in natural climate solutions. The Bank is an active participant in other initiatives under the Alliance, focused on topics such as green hydrogen and environmental conservation.



Indian Banks' Association Standing Committee on ESG

The Indian Banks' Association (IBA) established the IBA Standing Committee on ESG, aimed at promoting the adoption of ESG frameworks and best practices among Indian Banks, with a strong emphasis on climate risk and sustainable finance. The Bank's MD & CEO is appointed as the Alternate Chair of the committee, alongside two other senior leaders nominated as members.

This committee actively contributed to the 'Finance Track' of the G20, led by finance ministers and Central Bank governors of G20 member states. Within the Finance Track, the IBA Standing Committee collaborated with the Reserve Bank of India (RBI) and provided valuable inputs through discussions and reports, supporting the regulator's initiatives in this domain.



Participation in the G20 and B20 Summit

Axis Bank played a significant role in both the B20 India ESG in Business Action Council and the G20 Alliance for the Empowerment and Progression of Women's Economic Representation (EMPOWER). In the B20 summit, the Bank advocated for transparent, consistent, and measurable reporting of ESG processes, aiming to address pressing societal issues and enhance business resilience. We

showcased our CBDC app at the showcase event organised by the RBI during G20 summit. In alignment with RBI and NPCI directives, the Bank has launched the CBDC UPI Interoperability feature on its Axis Mobile Digital Rupee App. This allows customers to make payments by scanning UPI QR codes. Axis Bank merchants can activate the CBDC Merchant App to conveniently view transactions.



Key Submissions Made by the Bank in Fiscal 2024

FICCI

- » Recommendations on Bank-fintech partnership - June 2023
- » Presentation made to the ED (Fintech), RBI - August 2023
- » 3 new papers (KYC for NRIs, More effective use of CKYC and BC Rules/ Need for changes in regulations) on Bank-fintech Partnership
- » Draft Paper on Account Aggregation - July 2023
- » Paper on Cards and Payment network - FICCI and IBA - August 2023
- » Article on digital banking - FICCI AGM 2023 - November 2023
- » Recommendations on draft paper for submission to RBI on regulatory measures towards consumer credit and bank credit to NBFCs - November 2023
- » Recommendations on draft paper for submission to RBI on dividend declaration - January 2024
- » Thought leadership article on Sustainable Finance - March 2024

WEF

- » Blog on 'Use of AI in Financing' - December 2023

Key Submissions

CII

- » Draft recommendation on Willful Defaulters in line with recent judgment by the Hon'ble Supreme Court - April 2023
- » Article on financial inclusion in Financial Inclusion and Fintech - July 2023
- » Comments on RBI document on Risk Management and Outsourcing of Financial Services - November 2023

Others

- » Thought leadership case study on Cloud Native Development for RedHat and The Asian Banker - November 2023
- » Prime Database article on REIT and INvIT - July 2023
- » Article/Interview with St. Xavier's College Kolkata - January 2024
- » Retail Finance insights and outlook - Submitted to The Asian Banker - January 2024

Contributing as Part of National and Regional Committees and Taskforces on ESG

Amitabh Chaudhry

(MD & CEO)

- » Chairman of the FICCI National Banking Committee for fiscal 2024 and fiscal 2025
- » Author/Contributor with the World Economic Forum
- » Member of the CII Davos Steering Committee 2024

Rajiv Anand

(Deputy Managing Director)

- » Member of CII National Committee on Banking for fiscal 2024
- » Chair of the Working Group on Payment Aggregators under the aegis of CII Banking Committee

Munish Sharda

(Executive Director)

- » Member of the ICC India Working Group on Digitalisation and FinTech's

Arjun Chowdhry

(Group Executive – Affluent Banking, Retail Lending, NRI, Cards and Payments)

- » Member of the Visa Asia-Pacific Client Council
- » Member of the CII Joint Working Group of India-Australia CEO's Forum

Neeraj Gambhir

(Group Executive – Treasury & Markets and Wholesale Banking Products)

- » Member of FICCI National Banking Committee
- » Member of Global Debt Market Initiatives
- » Board Member at FIMMDA (International)
- » Member of Treasury and Global Markets, RBI

Rajkamal Vempati

(President – Human Resources)

- » Member of Advisory Board of the Centre of Gender Equality and Inclusive Leadership, XLRI
- » Member of CII National HR Council

Sameer Shetty

(President – Digital Business and Transformation)

- » Member of the FICCI Working Group on Banks-Fintech Partnership under the aegis of FICCI National Banking Committee
- » Member of the Jury of Finacle-Infosys Innovation Awards 2023
- » Member of CII National Committee on FinTech
- » Member of the Jury of FICCI Fintech Awards 2024

Damini Marwah

(President – Legal and Chief Ethics Officer)

- » Member of ASSOCHAM Steering Committee on Insolvency & Bankruptcy Code and Valuation
- » Member of the CII National Committee on Regulatory Affairs for fiscal 2024
- » Member of the CII Taskforce on Insolvency and Bankruptcy for 2023-24

Bimal Bhattacharya

(President & Group Chief Compliance Officer)

- » Member of the CII Working Group on Regulatory Reforms

Dhruvi Shah

(Executive Trustee and CEO – Axis Bank Foundation)

- » Member of FICCI Task Force on Climate Change and Sustainable Agriculture

- » Member of CSR Committee of Bombay Chamber of Commerce and Industry
- » Member of CII Council on Women Empowerment and Inclusion

Anoop Manohar

(Chief Marketing Officer)

- » Member of ASSOCHAM National Branding and Marketing Council
- » Jury Member of the Afaqs Award 2023
- » Jury Member of the Advisory Board of CX India Summit and Awards 2024

Abhejit Agarwal

(Head – Sustainability and CSR)

- » Member of the FICCI Task Force on ESG
- » Member of the CII Climate Change Council 2023-24
- » Member of the CII Net Zero Council 2023-24

Anand Vishwanathan

(Head - Enterprise & Model Risk and Market & Liquidity Risk)

- » IBA Standing Committee on ESG

Piyali Reddy

(Head – Corporate Communications)

- » Jury Member of the ET Kaleido Awards 2023
- » Jury Member of the BW Marketing World Excel Awards 2023
- » Member of the Advisory Board, DY Patil School of Management

Prashant Murkute

(Executive Vice President – Wholesale Credit-Large Corporate)

- » IBA Standing Committee on ESG

Harish Iyer

(Vice President – Diversity, Equity and Inclusion)

- » Member of the Advisory Board of ET Global DEI Alliance

Other Memberships

The Bank is a member of ASSOCHAM, FICCI, CII, IBA and BCCI.



Contributing as Speakers and Panelists at Key ESG-related Conferences and Seminars in Fiscal 2024

	Organiser	Event name	Topic
Amitabh Chaudhry MD & CEO	IFC World	Panel discussion on: Accelerating the transition to a low-carbon economy	Greening the financial sector: Accelerating the transition to a low-carbon economy
Rajiv Anand Deputy Managing Director	Bombay Chamber of Commerce	Panel Discussion on: Sustainability Conclave on Sustainability for Growth and Value Creation	Scaling climate finance for Emerging Markets
Abhejit Agarwal Head – Sustainability and CSR	Business World	Panel discussion on: The Silicon Valley Chapter of Sustainable World Conclave	Green Reporting: Transparent communication for sustainable impact
	ET	Keynote Speaker ESG & NET – ZERO Summit	Scaling green businesses for a net zero world: Align purpose with profitability
	AWS-Outlook India	Panel discussion on: Innovating for Sustainability Transformation	Innovations in Sustainability
Dhruvi Shah Executive Trustee and CEO – ABF	Bridgespan	Panel discussion on: Bridgespan's first Asia & Africa (A&A) Regional Gathering	Axis Bank Foundation's work on PWIT India
	TRIF	Panel discussion on: India rural colloquy	Philanthropy: Agenda with welfare state
	CII	Panel discussion on: G20 ministerial conference on women empowerment	CSR initiatives towards women empowerment
	Give Foundation	Panel Discussion on: Dus' spoke India Inc	CSR initiatives towards India CSR - reflections from the last decade - Visioning for the next

Axis Bank actively engages in thought leadership, policy advocacy, and sustainable development, showcasing its dedication to fostering positive change in the financial sector. Through partnerships with key alliances and participation in influential summits, the Bank contributes to shaping industry practices and promoting resilience in the financial ecosystem, highlighting its leadership in driving sustainable transformation.

BOARD OF DIRECTORS

Leading the Way to Success

Our Board features a diverse group of industry leaders who inter alia bring a wealth of experience in banking, finance, information technology, human resources, business management etc. Their combined expertise guides our strategic vision, ensuring both growth and adherence to the highest standards of corporate integrity.



N. S. Vishwanathan
Independent Director and Part-Time Chairman



Amitabh Chaudhry
Managing Director & Chief Executive Officer



Girish Paranjpe
Independent Director



Meena Ganesh
Independent Director



G. Padmanabhan
Independent Director



Prof. S. Mahendra Dev
Independent Director



P. N. Prasad
Independent Director



CH. S. S. Mallikarjunarao
Independent Director



Mini Ipe
Non-Executive Nominee Director



Pranam Wahi
Independent Director



Rajiv Anand
Deputy Managing Director



Subrat Mohanty
Executive Director



Munish Sharda
Executive Director



CORE MANAGEMENT TEAM

Expert Hands on Deck

Bringing their diverse expertise in finance, risk management, and operations, our Core Management Team oversees key banking functions, and steers the Bank through economic cycles, technological advancements, and regulatory changes. With a sustained focus on integrity, transparency, and customer centricity, the team upholds the Bank's commitment to excellence and towards creating stakeholder value.

Arjun Chowdhry

Group Executive – Affluent Banking, Retail Lending, NRI, Cards and Payments

Ganesh Sankaran

Group Executive – Wholesale Banking Coverage Group

Neeraj Gambhir

Group Executive – Treasury and Markets and Wholesale Banking Products

Prashant Joshi

Group Executive and Chief Credit Officer

Puneet Sharma

Group Executive and Chief Financial Officer

Sumit Bali

Group Executive – Retail Lending

Vijay Mulbagal

Group Executive – Strategic Programmes & Sustainability

Amit Talgeri

President & Group Chief Risk Officer

Anil Agarwal

President – Financial Institutions Group & PSU and Govt. Coverage Group

Arnika Dixit

President – Branch Banking

Arvind Singla

President – Retail Operations

Avinash Raghavendra

President – Information Technology

Balaji N

President – Business Intelligence Unit

Bimal Bhattacharyya

President and Group Chief Compliance Officer

Damini Marwah

President – Legal and Chief Ethics Officer

Kartik Bangalore

President – Conglomerates and Large Corporates Segment

Rajkamal Vempati

President – Human Resources

Reynold D'souza

President – Liability Sales

Rohit Ranjan

President – LAP & Affordable Home Loans

Sameer Shetty

President – Digital Business and Transformation

Sanjeev Moghe

President – Cards

Vineet Agrawal

President and Group Chief Audit Executive

Vivek Gupta

President – Wholesale Banking Products

Sandeep Poddar

Company Secretary

(As on April 24, 2024)