

EMBRACING THE GREEN WAY

# Advancing on our Environmental Goals

*Guided by our purpose-driven values, we are committed to reducing our environmental impact while preserving natural resources.*

**Capitals Impacted**

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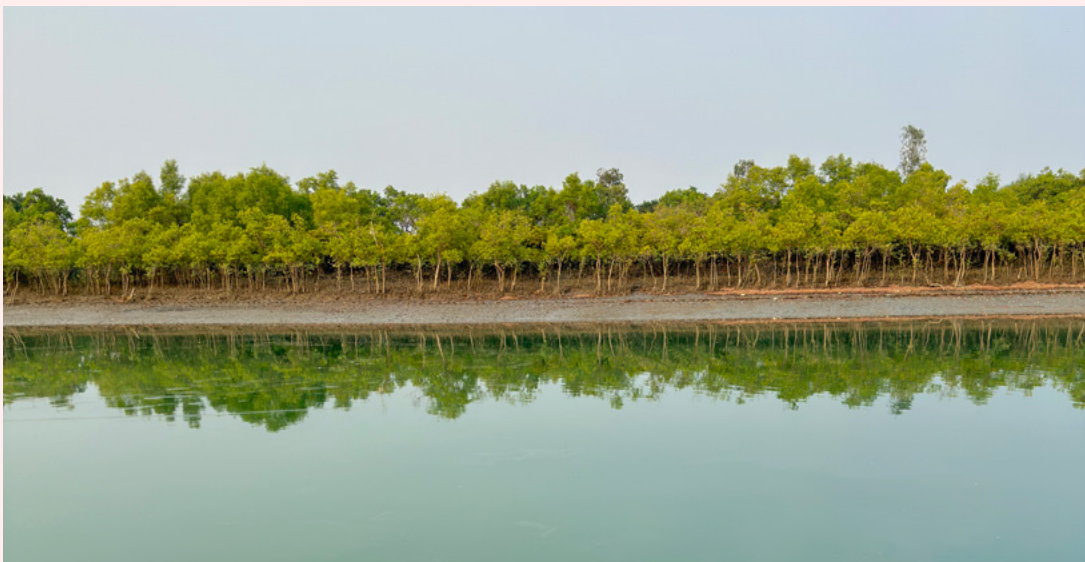
**SDGs Impacted**



As a financial institution, our environmental footprint arises out of our operations and the resources we consume in serving our customers and stakeholders. This includes our usage of electricity, the deployment of diesel generators at branches, and the consumption of paper for banking forms, statements, and documentation. We embed sustainable practices throughout our operations, harnessing digitisation, ingraining best-in-class practices and investing in the right technologies to lower our footprint on a continuous basis.

We have an ambitious target of 3.5% reduction in intensity emissions per employee by fiscal 2027 from the base year of fiscal 2023, and we are aligning our actions to realise this objective while fostering a culture of environmental stewardship and resilience within Axis Bank.

All emission calculations, including intensity assessments, energy calculations with intensity considerations, water consumption, and waste estimations encompass solely Axis Bank's operations within India, including Citibank's Retail business in India. These calculations exclude any subsidiaries.



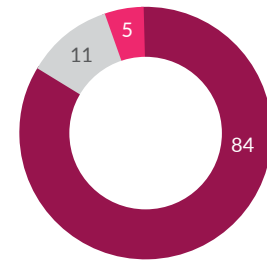
## Energy

### Approach to Decarbonisation

Our approach to reducing operational greenhouse gas emissions through various policies and initiatives, is aligned to the basic principles of Science-Based Targets initiative (SBTi). We primarily rely on energy from the grid and energy derived from fossil fuels to power our operations. We are actively exploring decarbonisation pathways and investigating green power procurement opportunities from the grid at our branches and other locations.

On the regulatory front, the draft Electricity (Amendment) Bill 2022, and recent Electricity (Amendment) Rules 2024, support green energy procurement efforts. We are aiming to align with the Green Energy Open Access (GEOA) Rules, 2022, although implementation may vary by state readiness. Although regulations have changed to foster a conducive environment, the inconsistency in adoption at the state level poses a significant challenge for us to expand our renewable energy procurement efforts.

### Energy Source (%)



- Renewable energy
- Grid Electricity
- Diesel

## 2 MW

Solar Power Plant generation capacity at Solapur



**Key Initiatives towards Achieving Energy Efficiency**

**Renewable Energy**

- » Implemented a 2 MW solar energy project in Solapur
- » Procured approximately 1 MW of solar power (equivalent to 3.50 lakh units annually) for its Bengaluru data center under a power purchase agreement (PPA) model.
- » Three large offices in Axis House Mumbai, MIDC Andheri, and The Ruby, Dadar-operated solely on 100% renewable energy sources during fiscal 2024.

**Centralised Energy Management System (CEMS)**

Since fiscal 2015, the Bank has implemented a centralised energy management system (CEMS) in its major branches and offices since they form a larger source of our energy consumption. This cloud-based solution enables remote control and management of air conditioning systems and relevant lighting installations, resulting in optimised electricity usage and maintenance of ambient temperatures.

**Total savings due to CEMS annually:**

**~3,905 MWh**

of energy saved

**600**

Total Branches where CEMs was implemented

**Energy Efficiency**

- » Maintenance of Unity Power Factor: Maintaining unity power factor through Automatic Power Factor Correction (APFC) panels in auto mode for optimal power usage at Axis House Mumbai and Axis House Noida.
- » Electric Vehicle Charging Facilities: Electrical vehicle charging facilities are available at large buildings such as Axis House, Mumbai, MIDC Andheri, and Axis House Noida.
- » LED Fitting PAN India: The Bank has replaced all the lighting fixtures by LED in the existing branches. All the new branches have LED fixtures.
- » Replacement of Old ACs with Energy-Efficient models: During the fiscal, old air conditioners were replaced with star-rated energy-efficient models. Additionally, motion sensors were installed for workstations and common area lighting at Axis House, Mumbai, and the regional office in Bengaluru, with plans for further sensor deployment.

**Greener Data Centres**

The Bank's data centre in Bengaluru has implemented various energy efficiency measures and is expanding its activities.

- » Incorporating air cooled chillers to reduce power usage efficiency (PUE).
- » Containment of cold air within aisles to enhance cooling and power efficiency.
- » Racks equipped with temperature and humidity sensors for feedback to the Building Management System (BMS).
- » Insulating floor and ceiling to minimise latent energy losses.
- » Thermally insulated partitions to prevent heat losses.
- » Employment of highly efficient modular UPS systems with over 97% operating efficiency.
- » LED lighting system controlled by motion sensors to reduce power consumption.
- » Use of environmentally friendly materials, including low VOC primer and paints.
- » 100% recycling of replaced batteries.
- » Closed-loop circulation of chilled water lines to eliminate water usage for DC operation.
- » Installation of additional solar panels on the terrace.
- » Pursuing green building certification for the planned building, with the certification process underway.

## GHG Emissions

As a bank, our commitment to reduce our carbon footprint aligns with our climate agenda, covering branches and offices, which defines our reporting scope. Our emission reduction strategies include incremental operational changes, such as transitioning to LED bulbs, implementing the Centralised Energy Management System (CEMS), and procurement of wheat straw-based paper, among others. Besides, digital banking services such as the Saksham initiative and issuance of e-statements and e-welcome kits under digital banking products and services significantly minimise paper usage. Additionally, we invest in projects and procure green power to achieve carbon savings while also aiming to reduce exposure to carbon-intensive sectors. Our goal is to establish a carbon sink through initiatives such as 'Mission 2 Million Trees by 2027', habitat restoration, agroforestry and Miyawaki urban plantation drives, which not only reduce GHG emissions but also enhance our social and relationship capital.

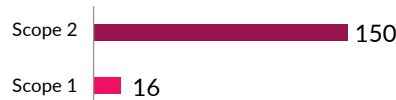
We diligently monitor Scope 1 emissions from diesel usage and refrigerant leaks across all the large offices and branches pan India. We collect monthly diesel expenditure data and adjust diesel usage in accordance with diesel prices in the 4 metros, applying an estimation method to calculate emissions arising from diesel usage. We also track Scope 2 emissions by monitoring indirect emissions from purchased electricity by monitoring monthly electricity consumption and expenditure data, and converting electricity expenditure to unit consumption using average tariffs across selected cities. Axis Bank is actively engaged in addressing



select emissions, under Scope 3 emissions and focus on mitigating the environmental impact associated with factors such as increased air travel, local conveyance, paper usage and the adoption of digital solutions.

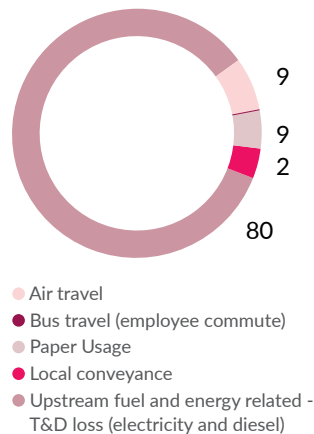
As a Bank, our commitment to sustainability drives us to continuously monitor and reduce our emissions, ensuring a positive impact on both the environment and our communities.

### GHG Emissions (1,000 tCO<sub>2</sub>e)\*



\*rounded off

### Scope 3 Emissions (%)



### Reduction in emissions resulting from our various efficiency initiatives

**~2,286 tCO<sub>2</sub>e**

Saved by implementing a 2 MW solar energy project at Solapur

**~3,390 tCO<sub>2</sub>e**

Avoided due to procurement of ~ 1 MW of solar power through a PPA for our Bengaluru data centre

**~2,796 tCO<sub>2</sub>e**

Avoided annually due to CEMs installed at some of our large offices and branches

**~12,860 tCO<sub>2</sub>e**

Reduction in emission resulting from various energy efficiency initiatives (including Solapur Solar Power Plant, CEMs, etc)





## Waste Management

Waste management practices include addressing the waste generated during operations. Our initiatives at select offices cover waste reduction, recycling, safe disposal, and composting.

Recognising that most of the waste originates from our branches and offices, the Bank currently monitors its waste management practises across select offices all over India, alongside our headquarters at Axis House, Mumbai.

At Axis House, Mumbai, we have implemented a centralised waste management system to segregate, collect, transport, and recycle various waste types, resulting in the recycling of dry waste into usable stationery items and the internal composting of wet waste. Additionally, dry waste from other select offices across India is collected and sent for recycling.

Further, the Bank ensures the safe disposal of e-waste from our pan-India operations by collaborating with government-authorised vendors. Our adoption of digital banking practices has also resulted in significant paper savings.

**Our waste management efforts focus on three primary categories**



**Some of our key Initiatives towards achieving waste management efficiency this year have led to diversion of waste from landfills.**

**~282 metric tonnes**

of dry waste from select large offices collected and sent for recycling

**~29 metric tonnes**

of e-waste from large offices and branches pan-India collected and disposed through Government authorised vendors

**~8.3 million**

Sheets of paper saved in a single month due to Digital Banking initiatives at our branches



## Water Conservation

As a service-oriented organisation, water plays a vital role in meeting the drinking and hygiene requirements in all offices, and landscaping needs at select offices. The Bank adheres to optimal water usage practices at selected facilities and has implemented initiatives such as water recycling, water-saving measures, and rainwater harvesting at these locations.

At our Bengaluru Data Centre, we have a closed-loop circulation system for chilled water lines, to effectively eliminate water usage for data centre operations.

Additionally, we have installed wash basin sensors, aerators, and bio-blocks in washrooms at several of our select large offices to minimise water wastage.



At our Head Office in Mumbai, Axis House, we have stepped up water recycling through sewage treatment plants and the implementation of rainwater harvesting systems.

### 194,074 KL/year

Water consumption by 17,960 employees across 9 large offices/branches in India

**Water efficiency initiatives in fiscal 2024**

### 19 KLD

of water recycled daily at Axis House Mumbai through sewage treatment plant

### 175 KL annually

of rainwater harvested annually at Axis House Mumbai

### Key Initiative towards Achieving Energy Efficiency

#### Renewable Energy

- » Axis House, Mumbai operates entirely on renewable energy. Solar rooftop installations meet a portion of its energy demand and the remaining is sourced from green power obtained directly from the grid.

#### Energy Efficiency Measures

- » LED light fittings and motion sensors in workstations and common areas
- » The facility offers electric vehicle (EV) charging stations for employees and customers.

#### Waste Management System

- » The Bank has initiated waste management practices at its large offices where collection and segregation of waste is undertaken. At select offices, dry waste such as paper, plastic, metal is sent for recycling through authorised vendors. Similarly, e-waste pan-India is sent for recycling through authorised vendors.

#### Water Efficiency Measures

- » Axis House prioritises water efficiency, employing measures such as aerator taps and sensors to optimise water flow in washrooms and harvests nearly 175 kilolitres of rainwater annually for building use.