

MATERIALITY ASSESSMENT

Understanding and Upholding the Best Interests of our Stakeholders

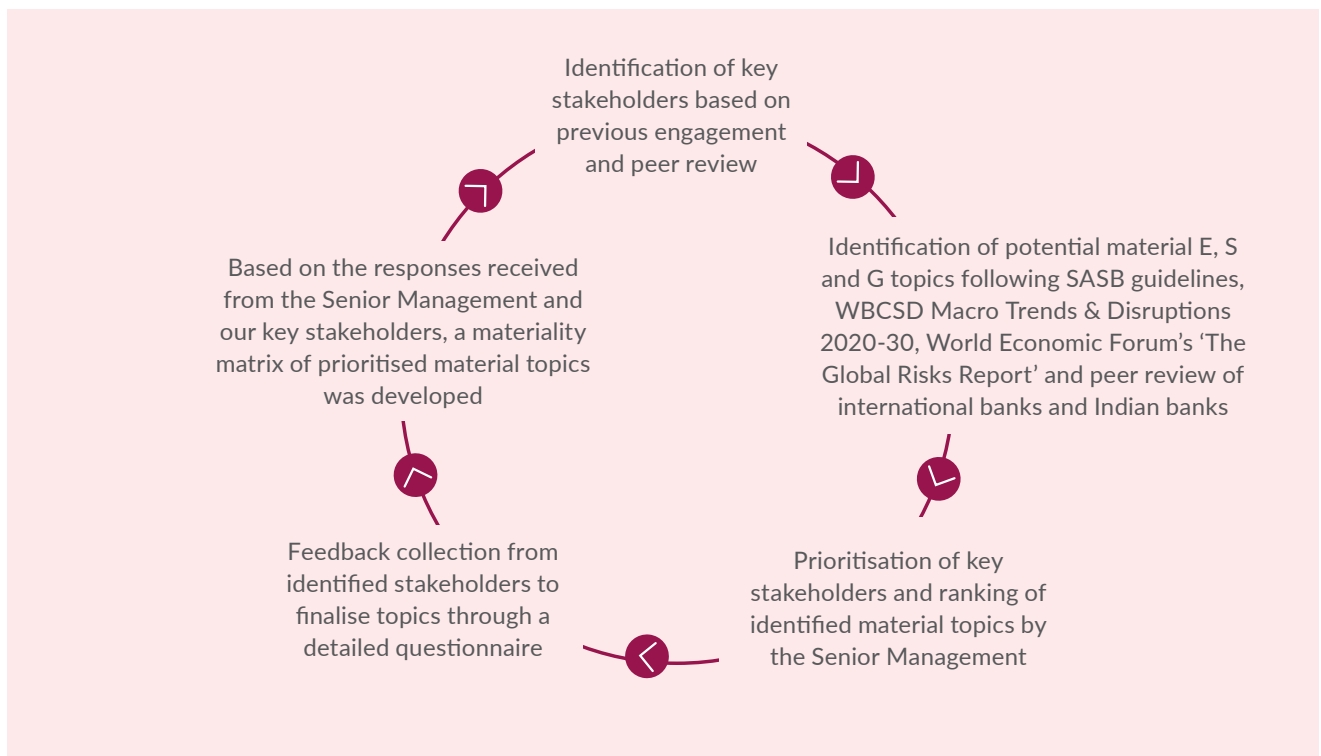
Identifying issues material to the Bank helps us manage our risks better, take informed decisions, and gain the long-term trust and confidence of our stakeholders.

Determination and Prioritisation of Material Topics

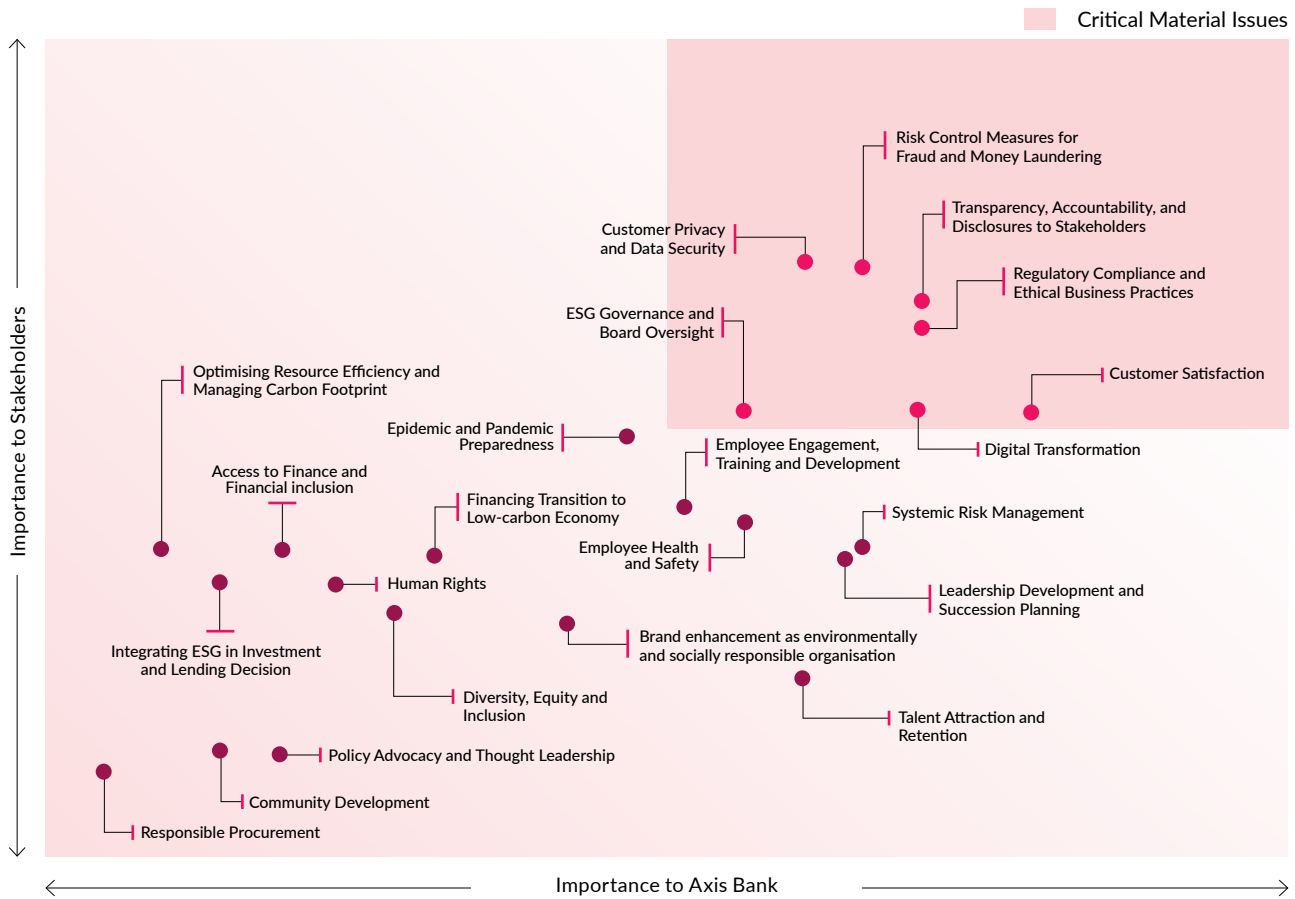
In fiscal 2024, we continued to follow the methodology established in fiscal 2023 for assessing key issues relevant to the Bank. The material matters, which relate to various financial and operational aspects that significantly impact the Bank’s performance, stability and compliance, and were identified in the previous fiscal year, remain relevant for the Bank in the current year as well.





Process Adopted for Arriving at the Materiality Matrix




Material Topics for Axis Bank



Key Material Matters

Material Topic	Description	Our Approach
<p>Regulatory Compliance and Ethical Business Practices</p> <p>Capitals Impacted</p> <p>FC MC</p> <p>IC SRC</p>	<p>A steadfast dedication to exemplary corporate governance standards is part of our corporate philosophy. Cultivating a culture of compliance not only helps us mitigate risks better but also bolsters business resilience and stakeholder confidence. As responsible custodians, we also prioritise alignment with evolving ESG and climate-related regulations while meeting stakeholder expectations for sustainable practices. Our stakeholders, including customers, investors, regulators, and the wider community, rely on our commitment to regulatory compliance and ethical conduct to mitigate potential risks and uphold our collective reputation.</p>	<p>Committed to upholding the highest standards of corporate governance, the Bank implements robust policies and actions across all organisational activities. Compliance with regulatory requirements is a cornerstone of our operations. Our Code of Conduct sets clear expectations of employee behaviour, ensuring responsible decision-making in their respective roles. Supported by robust Compliance, Legal, and Ethics functions, we adhere to all applicable rules and regulations, prioritising ethical conduct and transparency.</p> <p> Read more pg. 89</p>
<p>Risk Control Measures for Fraud and Money Laundering</p> <p>Capitals Impacted</p> <p>FC MC</p> <p>IC SRC</p>	<p>Our Risk function plays a pivotal role in safeguarding against fraud and money laundering risks in all banking activities across both the physical and digital realms. With banking operations expanding in scale and complexity, we are always proactively fortifying our prevention, detection, and response capabilities. Our stakeholders, particularly those with direct financial ties with the Bank, rely on our robust risk mitigation and prevention systems to safeguard their capital and investments. Given the proliferation of technology and digital banking, ensuring stringent risk control measures at every stage of financial activity is imperative to upholding the integrity of the banking system and preserving stakeholder trust.</p>	<p>In response to the persistent threat of fraud and money laundering in both digital and physical realms, we have robust policy and process mechanisms across all areas of our banking operations. By investing in advanced technologies and enhancing our capabilities, we strengthen our ability to detect and prevent such risks, particularly in the realm of digital banking. Additionally, we undertake initiatives to create stakeholder awareness to promote safe banking practices and empower individuals to protect themselves. These preserve the integrity of our banking activities and secure stakeholders' assets.</p> <p> Read more pg. 89 and 92</p>



Material Topic	Description	Our Approach
<p>Transparency, Accountability, and Disclosures to Stakeholders</p> <p>Capitals Impacted</p> <p>FC IC SRC</p>	<p>We believe transparency, accountability, and comprehensive disclosures are integral to good governance. Timely disclosures, encompassing both financial and non-financial performance, empower our stakeholders to gauge our value creation and organisational performance. Besides, adherence to regulations and proactive anticipation of evolving standards, particularly regarding ESG and climate-related disclosures, underscore our dedication to transparency and accountability. While our stakeholders rely on our transparent actions and disclosures to maintain trust, our regulator expects us to uphold stringent standards.</p>	<p>We ensure our governance and disclosure practices remain timely and relevant, meeting stakeholder expectations. Recognising the growing importance of non-financial disclosures, we report our ESG performance through sustainability reports, investor disclosures, and other channels. Additionally, we engage in thought leadership and policy advocacy efforts to promote transparency and accountability in these areas, ensuring stakeholders have access to comprehensive information about our performance.</p>
<p>Customer Privacy and Data Security</p> <p>Capitals Impacted</p> <p>FC MC IC SRC</p>	<p>In the ever-evolving landscape of banking, the steady advance of digitalisation and the emergence of new virtual channels, preserving the sanctity of financial, personal, and institutional information of our customers remains a core priority. Be it while banking physically at our branches or virtually, our customers expect security of their transactions and data. From bill payments to card transactions to communication on platforms like WhatsApp, maintaining the highest standards of data security is integral to our commitment to customer privacy and trust.</p>	<p>We rigorously adhere to the stringent regulations and international standards governing our industry. Guided by our Privacy Policy and bolstered by comprehensive risk management systems, we have a multi-faceted approach to safeguarding customer and financial data across both physical and digital domains. This includes continual investment in upgrading our core systems to enhance scalability, stability, and security. Our efforts are reinforced by a regimen of internal audits and external certifications, further fortifying the integrity of our systems and processes.</p> <p> Read more pg. 106</p>

FC Financial Capital



HC Human Capital

IC Intellectual Capital


MC Manufactured Capital

SRC Social and relationship Capital

NC Natural Capital

Material Topic	Description	Our Approach
<p>Customer Satisfaction</p> <p>Capitals Impacted</p> <p>SRC</p>	<p>Customer satisfaction is paramount in our operations. With millions of individual and institutional stakeholders relying on us for diverse banking needs, our commitment extends to safeguarding their interests, ensuring fairness, transparency, and protection of their savings and investments. We prioritise listening to and understanding their needs to deliver seamless and effective solutions, thereby upholding their trust, and fostering long-lasting relationships.</p>	<p>To ensure optimal customer satisfaction, we proactively focus on delivering intuitive, seamless, and secure banking services. Our commitment to excellence drives us to continuously enhance customer experience across various touchpoints and business lines. We have robust frameworks and measurement tools to assess satisfaction levels throughout key customer journeys. These insights empower us to swiftly identify areas for improvement and refine our strategies, enabling us to meet customers' needs and exceed their expectations.</p> <p> Read more pg. 144</p>
<p>ESG Governance and Board Oversight</p> <p>Capitals Impacted</p> <p>FC NC</p>	<p>ESG governance and Board oversight stand as foundational pillars in our commitment to supporting India's equitable and low-carbon economic transition while meeting the stakeholder expectations. We espouse a comprehensive and cohesive approach that aligns with the material priorities of both our internal and external stakeholders. Strong governance oversight ensures that our actions reflect transparency, fairness, and the creation of shared value. Our stakeholders expect us to adopt a strategic, proactive, and focused approach, with respect to climate change, and our governance structures are designed to meet these expectations effectively.</p>	<p>As pioneers in ESG governance, we have established both a Board-level ESG Committee and a management-level ESG Steering Committee to drive sustainability initiatives. Through these structures, we have fostered widespread ownership of ESG actions, scaling commitments and enhancing collaboration with stakeholders. Our Risk function is also bolstering our ability to proactively manage ESG and climate-related risks at all levels of operation.</p> <p> Read more pg. 86</p>



Material Topic	Description	Our Approach
<p>Digital Transformation</p> <p>Capitals Impacted</p> <p>IC</p>	<p>Digital transformation is the Bank’s central focus, representing both an opportunity and a responsibility. Through digital integration, we are breaking down barriers to banking access, reaching previously underserved populations, and promoting financial inclusion. It is also helping us enhance customers' experience through personalised and secure digital services. We are also mindful of the need to prioritise customer privacy and data security, ensuring that our customers can trust us with their financial needs in the digital age.</p>	<p>Digital advancement is how we differentiate ourselves and foster business expansion. We are steadily enhancing our digital capabilities, bolstering our technological framework, and leveraging advanced analytics to enrich the customer experience. As more customers embrace digital banking, we are intensifying our efforts to refine digital services, fortify internal systems, and prioritise data security and customer privacy.</p> <p> Read more pg. 120</p>

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