

Sustainable Bond Impact Report 2021-22

Axis Bank issued its inaugural Sustainable AT1 Notes of USD 600 Mn (ISIN: Regulation S Notes: USY1009XAA73; 144A Notes: US05464XAA37) in September 2021 (Perpetual, 5 Year Call option). The bond was the first USD sustainable Basel III-compliant AT1 bonds from India, and the second largest offshore AT1 issuance by an Indian Bank. Notably, the Bond was the first ESG-compliant AT1 bond issued by any Bank outside Korea in the APAC region by an Indian Bank. The Bond was issued by Axis Bank through its GIFT City Branch. The Bond has been listed on the SGX-ST, ISM, INDIA INX IFSC and NSE IFSC.

In July 2021, the Bank published its Sustainable Financing Framework ("Framework") that is aligned with the 2021 ICMA Green Bond Principles and Social Bond Principles, 2021 ICMA Sustainability Bond Guidelines, 2021 Green Loan Principles, as well as the ASEAN Green Bond Standards, Social Bond Standards and Sustainability Bond Standards.

The Framework defines the eligible Sustainable Financing Transactions ("SFT") that would qualify to be eligible for being considered under the framework, and the processes to be followed by the Bank around the use of proceeds. The Sustainable Financing Framework may be accessed on the Bank's website at this [LINK](#).



The Framework has received a Second Party Opinion from Sustainalytics, published in August 2021, which provides its opinion that "Axis Bank Sustainable Financing Framework is credible and impactful and aligns with the Sustainability Bond Guidelines 2021, Green Bond Principles 2021, Social Bond Principles 2021, Green Loan Principles 2021, Social Loan Principles 2021, ASEAN Social Bond Standard 2018, ASEAN Green Bond Standard 2018, and ASEAN Sustainability Bond Standards 2018." The SPO may be accessed online at this [LINK](#).

Evaluation date	August 04, 2021
------------------------	-----------------

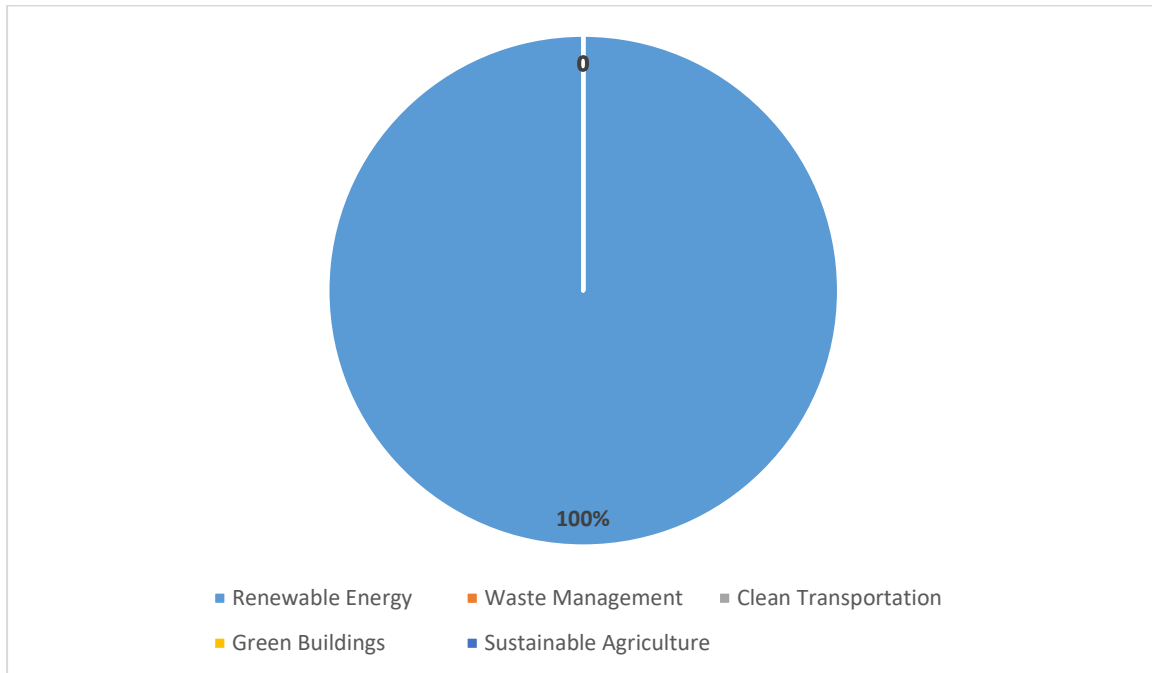
Issuer Location	Mumbai, India
------------------------	---------------

The Bank has also set up the ESG Working Group, composed of representatives from the Bank's Risk, Treasury, Wholesale Banking, Retail Banking and Sustainability verticals to drive the process of identifying and selecting the eligible projects under the Framework. In the reporting period, the Working Group submitted three such reports to the Bank's management on the utilization of proceeds under the Framework. This Sustainable Bond Impact Report for FY 2021-22 up till March 2022 has been prepared in line with its reporting obligations under Clause 2.4 of the Sustainable Financing Framework.

Eligible Green Projects as of 31st March 2022*	Rs 4,221 Crores
Eligible Social Projects as of 31st March 2022*	Rs 64,910 Crores

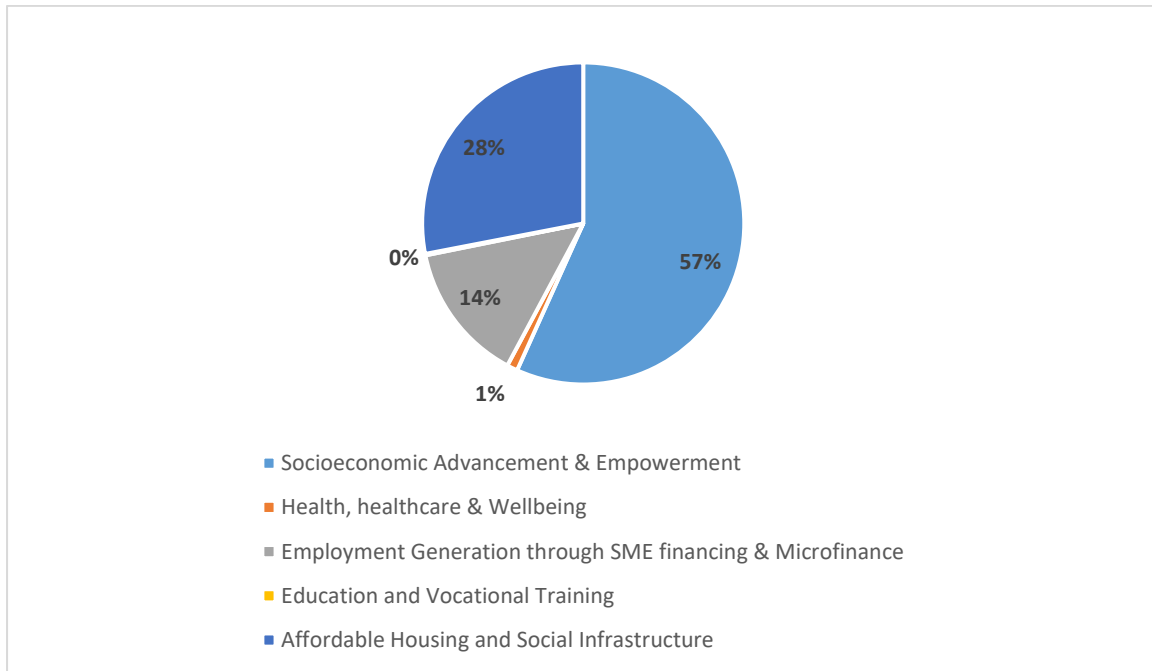
* Originating between 30th September 2018 and 31st August 2021, in accordance with the evaluation and selection process defined in the Framework

Breakdown of Eligible Green Projects (in %)



* Renewable Energy includes Solar, Wind, Small Hydro and Run of the River power

Breakdown of Eligible Social Projects (%)



SFTs Issued in the Reporting Period

Total amount of Green Bonds issued	NIL
Total amount of Social Bonds issued	NIL
Total amount of Sustainability Bonds issued	USD 600 Mio (INR equivalent = Rs. 4,416 Cr.)

Allocation of Proceeds

Allocation of Proceeds to Eligible Projects	Rs 4,416 Crores (USD 600 Million @ USD/INR 73.60)
Balance of Unallocated Proceeds	NIL
Share of Financing & Re-Financing	Financing – 0%; Re-financing – 100%
Information on temporary investment of unallocated proceeds	Not applicable

The Bank confirms that the eligible assets included in the Portfolio comply with the Framework and that the Bank has completed the allocation of such proceeds in line with the terms of the Framework.

This Report has been prepared by the Bank's ESG Working Group and reviewed and approved by the Group Executive – Treasury and Deputy Managing Director, Axis Bank Limited.