

Advancing our ESG Agenda

In FY 2022-23, we continued to stride ahead on our ESG journey, progressing on our stated ESG-aligned commitments, contributing to the national and international dialogue on sustainable development and climate action and strengthening our overall climate and ESG-related risk architecture.



By meeting our commitments

Our ESG strategy is aligned to both national and international sustainability goals. In September 2021, under the oversight of the ESG Committee, we announced a series of commitments to achieve the UN Sustainable Development Goals (SDGs) and bolster India's commitments under the Paris Agreement. We regularly report our progress on these commitments to the ESG Committee of the Board.

We recognise that we have an opportunity, as well as a responsibility, for catalysing a low-carbon, equitable and sustainable economic transition. As a leading financial institution, Axis Bank facilitates financial flows into diverse aspects of the Indian economy, touching myriad sections of society across all regions.

ESG-aligned Commitments

Our key ESG-aligned commitments, announced in 2021, commit us to scale our business activities in support of India's sustainable and equitable transition to a green economy. We continue to actively explore specialised products and services that specifically align to the SDGs and climate action, with emerging regulatory guidance and market practices also guiding our actions.

Progress on our ESG-aligned Commitments

Our Commitment	Unit	Progress as of March 2022	Progress as of March 2023
Incremental financing of ₹30,000 crore under Wholesale Banking to sectors with positive social and environmental outcomes, by FY 2026	Cumulative Exposure	₹10,414 crore (from August 2021)	~₹20,400 crore
Making 5% of its retail Two-Wheeler loan portfolio as electric by FY 2024	EV % as share of TW loan portfolio	0.82%	2.52%
Incremental disbursement of ₹10,000 crore by FY 2024 under Asha Home Loans; increasing share of borrowers who are women from 13.9% to 16.9%	<ul style="list-style-type: none"> Incremental disbursement Share of borrowers who are women 	<ul style="list-style-type: none"> ₹3,359 crore 5.86% 	<ul style="list-style-type: none"> ₹6,602 crore 15.69%
Scaling down exposure to carbon-intensive sectors, including Coal and Thermal Power	Progress on Glide Path	Glide path till 2030 created	Exposure below FY 2023 Target
Reaching 30% women representation in its workforce by FY 2027	Overall diversity	24.6%	25.7%
Planting 2 million trees by FY 2027 across India towards contributing to creating a carbon sink	Saplings planted	Site preparation completed at 5 locations	~0.83 million saplings

Adherence to compliance norms included as non-financial goal for all employees



Progress on our Goals aligned to UN SDGs

We are committed to supporting the UN Sustainability Development Goals for 2030 and consciously align our activities to pertinent SDGs.

At present, our activities are aligned to 12 SDGs. Our progress on these goals is tabled here and the relevant pages for further reference are marked out.

SDG	Axis Bank Programmes	Output and Outcome*	Page
	Coverage of Government sponsored schemes under Bharat Banking	4.58 lakh customers under PM Suraksha Bima Yojana 12.41 lakh customers under PM Jan Dhan Yojana 13.36 lakh loans disbursed under MUDRA Scheme 9.66 lakh customers under Atal Pension Yojana	73
	Rural Livelihoods outreach under Axis Bank Foundation's Sustainable Livelihoods Programme is on target by 2027	1.24 million households reached as of March 31 st 2023	102
	Skilling program under Axis Bank Foundation's Sustainable Livelihoods Programme's Mission 2 Million target by 2027	57,539 participants skilled in FY 2023 Of the above, 17,665 PwDs skilled	106
	ABF's health and nutrition interventions under the Sustainable Livelihoods Programme	~30,600 households with access to clean drinking water ~27,900 households using alternative or improved cooking fuel ~2,200 health camps ~21,600 households supported to address anaemia	105
	Health awareness interventions as part of Axis Sachetna – Financial Literacy Programme	~ 1.15 million reached in FY 2022-23	117
	Support to the Lyzon Friendship School in Manipur and Hummingbird School in Assam under Axis DiSe	700+ school students	114
	Axis Bank Assam Rifles Centres for Excellence in Education at Manipur, Arunachal Pradesh and Nagaland	100+ students from marginalised communities being coached for competitive exams	114
	Axis Bank Scholarship Programs at Ashoka University and Plaksha University	74 Scholars which are primarily women from weaker economic background	115
	Museum of Solutions for children at Mumbai	Under construction, scheduled to open in FY 2023-24	116
	CSR programs for financial literacy and financial inclusion under Axis Sahyog	~1.15 million participants reached	72
	Banking and financing services for women-led SHGs under Axis Sahyog Microfinance Program	2.2 million + borrowers who are women	72
	Axis Women in Motion outreach initiative	~20,000 women from 53 institutions	92
	#HouseWorksWork hiring campaign	~3,400 applications received in FY 2023	92
	Axis Bank Scholarship Programme for women pursuing degrees in STEM	48 women scholars supported in FY 2023	115
	Axis Sachetana financial literacy program for women from economically weaker sections	1.15 million women reached in FY 2023	117
	In-house Solar power generation	2 MW in-house solar capacity	124
	Wholesale Lending Portfolio towards Renewable Energy generation	~ ₹17,100 crore of wholesale lending portfolio as of March 2023	66
	In-house solar power generation	2 MW in-house solar capacity	124

SDG	Axis Bank Programmes	Output and Outcome*	Page
	Skill development interventions under Sustainable Livelihoods Programmes by ABF	57,539 participants in FY 2023 at 98 training centres	106
	Lending and financing to sustainable infrastructure development, including mass transport and green buildings	~₹18,142 crore wholesale lending portfolio as of March 2023	66
	Lending and financing to MSME sector	₹92,723 crore of SME advances as of March 2023, a growth of 23% y-o-y	
	Axis Sahyog Microfinance Programmes	₹4,768 crore disbursed in FY 2023 1.29 million women account holders	72
	SHG creation and capacity-building in rural India by ABF	68,784 Self Help Groups with 7.8 lakh members supported by ABF	115
	Asha Home Loans - affordable housing loans	Loan book of ₹13,427 crore as of March 31, 2023	79
	Urban Development partnerships under Government Coverage	Pan-India mandates with Union Ministries, CBDT, GST, EPFO, PFRDA, among others	74
	Lending to clean transportation	Over ₹1,000 crore wholesale portfolio as of March 2023	66
	EV financing under Retail Lending	2.52% of Retail two-wheeler portfolio is electric in value as of March 31, 2023	66
	Lending to waste management projects	₹11 crore under wholesale portfolio as of March 2023	66
	Promoting sustainable agricultural practices, natural resource management under ABF's Sustainable Livelihoods Programme	17,959 households supported with micro-irrigation systems 25,276 households with agroforestry	119
	Waste management initiatives at Axis Bank offices	Conversion of ~64 MT food/wet waste at Axis House, in Mumbai, into compost 122 MT of dry waste collected at large offices sent for recycling. Collection and disposal of 38.45 tonnes of e-waste during FY 2022-23	127
	Lending and financing to renewable energy generation, clean transportation and waste management	₹18,140 crore under wholesale banking portfolio as of March 31, 2023	66
	Climate resilience interventions under Sustainable Livelihoods Programme by ABF	~27,900 households using alternate or improved cooking fuel	
	Interventions under Axis Bank Foundation's Sustainable Livelihoods Programme	~109.5 million litres water harvesting potential created ~4 million trees planted under horticulture and agroforestry	119
	Committed to planting 2 million trees by 2027 under CSR	0.83 million trees planted as of March 2023	119
	Restoration and protection of sensitive biodiversity hotspots in India	Restoration of mangrove habitat in Tamil Nadu Restoration and protection of riverine ecosystem in Majuli, Assam Avoiding human-animal conflicts and habitat restoration in national parks in Karnataka and MP	119
	Providing solar cold storage units for rural farmers	Installing 16 solar cold storage units in Nagaland towards strengthening market linkage for rural farmers and farmer producer organisations	

* As on March 31, 2023 or in FY 2022-23, as applicable

Through Thought Leadership and Advocacy

During the year, we participated in several relevant industry groupings and associations, including engagement groups as part of India's G20 presidency, to drive forward the dialogue on sustainability and climate action. We also participated in policy-making discussions and groupings to uphold the core themes of our stated purpose and lead transformation in the banking sector.

Participation in Key Global and National Platforms o Sustainable Development, ESG and Climate Action



World Economic Forum's Alliance of CEO Climate Leaders

Axis Bank is a member of the World Economic Forum's Alliance of CEO Climate Leaders and participates in the Alliance's research and policy advocacy efforts. The Alliance is focusing on three key thematic areas for driving action

- Decarbonising materials and the supply chain
- Catalysing India's hydrogen economy, and
- Creating a business model to protect old forests and catalyse afforestation.

The Bank sat on the steering committee that helped shape the joint industry survey by CII and WEF on National Climate Solutions, which aims to feed into a white paper that shall provide insights and recommendations to facilitate private sector investments in natural climate solutions.



Indian Banks' Association Standing Committee on ESG

During the year, the Indian Banks' Association (IBA) formed the IBA Standing Committee on ESG to drive the adoption of ESG frameworks and best practices by Indian banks, with a strong focus on climate risk and sustainable finance. The Managing Director, Axis Bank, was nominated as the Alternate Chair of the committee, with two other senior leaders also nominated as members.

The Committee contributed to the 'Finance Track' of the G20, which was led by Finance Ministers and Central Bank Governors of G20 member states. Under the Finance Track, the IBA Standing Committee engaged with the RBI and provided its inputs, through discussions and reports, towards supporting the regulator's actions.

Upholding India's G20 Presidency with Active Participation

In 2022, India assumed the G20 presidency for a period of one year and adopted 'Vasudhaiva Kutumbakam' or 'One Earth. One Family. One Future' as its theme, bringing into focus the interconnectedness of life on earth.

As part of its presidency, India facilitated meetings of Business 20 (B20), a prominent engagement group established in 2010 as the official G20 dialogue forum with the global business community. The B20 dialogue was led by the Indian industry, with eminent industry leaders chairing various taskforces and action councils. The theme for B20 under India's G20 presidency was 'R.A.I.S.E.', which stands for Responsible, Accelerated, Innovative, Sustainable, Equitable Businesses.

Among the seven taskforces of B20 was the India Task Force on Financial Inclusion for Economic Empowerment. The Deputy Managing Director, Axis Bank, was a member of this taskforce and ably furthered the group's objectives. Among the key objectives were (i) to develop a framework for financial inclusion and economic empowerment; (ii) to define current priorities to advance financial inclusion leveraging progress achieved so far; and (iii) to make specific policy recommendations and corresponding KPIs for G20 countries.



The policy paper of the taskforce and its final recommendations are accessible on the India B20 2023 website at <https://api.b20india2023.org/b20docs/e8094854-30ba-4509-8400-2a891e2ccfa6.pdf>



B20 India ESG in Business Action Council

India ESG in Business Action Council was another group set up as part of B20. The Deputy Managing Director, Axis Bank, was a member of the council. Among the key objectives of the council was the promotion of a level playing field through integrative and inclusive standards, definitions, ESG principles, taxonomies, transparent disclosures and rating methodologies for developed and emerging markets, large and small businesses, and supply chains. The council also looked at ways to encourage transparent, consistent, and measurable reporting and implementation of ESG processes and prioritise immediate actions on pressing ESG-related societal issues and business resilience. The council's final recommendations can be accessed at <https://api.b20india2023.org/b20docs/c86f83b6-bd8e-4d57-a54e-4313b30a373f.pdf>

G20 Alliance for the Empowerment and Progression of Women's Economic Representation (EMPOWER)

EMPOWER, an alliance of G20 business leaders and governments, aims to accelerate women's leadership and empowerment in the private sector. The G20 EMPOWER 2023 under India's presidency prioritised the shift from women's development to women-led development, aiming to transform challenges into opportunities, accelerate women-led entrepreneurship, and greater inclusion of women in the workforce.

The Bank's senior women leadership participated in a number of national-level events held under the alliance and contributed to its deliberations and outcomes.

FICCI National Committee on Banking

The FICCI National Committee on Banking aims to support and accelerate the Indian banking sector's contribution to India's economic progress. The Managing Director, Axis Bank is the Chair of the Committee. At the request of the committee, Axis Bank co-authored and submitted a policy recommendation paper on ESG and climate action, which has been submitted to the government of India and the RBI.

FICCI CFO Council

The FICCI CFO Council is a grouping of the country's leading CFOs with a focus on thought leadership, knowledge sharing and advocacy of good governance, transparency and disclosures. Under the council's aegis, Axis Bank helped develop a white paper on how to strengthen SEBI's BRSR regulation, introduced in 2021, and help companies align with the regulation more effectively. The paper was formally submitted to the regulator.

The Bank was a speaker or panelist at the following key conferences and seminars during the year

Event	Organiser	Topic
Regional Policy Dialogue: Mobilising Finance for SCP and SDG 12	TERI	Driving sustainable consumption and production (SCP) and achieving SDG 12
Roundtable on Sustainable and Climate Finance	UNDP India	Capacity building for sustainable and climate finance
Virtual Roundtable on Managing Climate Risks	ODI, Climate Bonds Initiative and AuctusESG	Policy recommendations towards strengthening climate risk management
BNEF Summit New Delhi 2022	Bloomberg NEF	Financing India's energy transition
Greening the Financial System: High-Level and Technical Workshop, Paris	AFD, SIDBI, Shakti Foundation	Managing the climate financial risks
Roundtable on aligning business and climate, how State and business will respond to the decarbonising agenda, Davos	World Economic Forum, ODI	Financing India's low-carbon transition
Virtual Event: "Growing the Gender Bond Market in India"	UN Women, Citi	Growing the gender bond market in India
Positive Impact Seminar	Société Générale	Growing the sustainable financing market in India
J.P. Morgan 2022 Asia Banking Forum	J.P. Morgan	What's next after the COVID-19 pandemic for the banking sector

The details of paid memberships by the Bank for FY 2022-23:

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 ASSOCHAM - Membership Fee paid - ₹1, 25,000 plus GST
 FICCI - Membership Fee paid - ₹1, 20,000 plus GST
 CII - Membership Fee paid - ₹3, 00,000 plus GST

BCCI - Membership Fee paid for the month of Feb and March 2022 - ₹12,500 plus GST
 Additionally, following event was supported by way of sponsorship for Advocacy and Thought Leadership activities from the Corporate Communication Budget: FICCI-IBA FIBAC 2022 - ₹5,00,000 plus GST

Participation of our Key Leaders

The Bank's leadership sits in or leads important committees at national as well as international bodies. During FY 2022-23, we renewed our membership of ASSOCHAM, FICCI, CII and BCCI. Additionally, we sponsored a FICCI-IBA event for advocacy and thought leadership

Membership in key national level and regional level committees and taskforces on ESG

<p>1</p> <p>Amitabh Chaudhry</p> <p>FICCI Chair FICCI National Banking Committee</p> <p>CII Member CII National Committee on Financial Inclusion and Fintech</p>	<p>2</p> <p>Rajiv Anand</p> <p>CII Member CII National Committee on Financial Regulatory Compliance</p> <p>Member CII National Committee on Banking</p>	<p>3</p> <p>Neeraj Gambhir</p> <p>FICCI Member FICCI National Banking Committee</p> <p>FIMMDA Board Member</p>	<p>4</p> <p>Anoop Manohar</p> <p>ASSOCHAM Member ASSOCHAM National Branding and Marketing Council</p>
<p>5</p> <p>Munish Sharda</p> <p>ICC Member ICC India Working Group on Digitalization and FinTechs</p>	<p>6</p> <p>Amit Talgeri Chief Risk Officer</p> <p>MCA Ministry of Corporate Affairs Task Force on Sustainable Finance</p> <p>SEBI SEBI Advisory Committee on ESG Matters</p>	<p>7</p> <p>Anand Vishwanathan Designation</p> <p>IBA IBA Standing Committee on ESG</p>	<p>8</p> <p>Prashant Murkute</p> <p>IBA IBA Standing Committee on ESG</p>
<p>9</p> <p>Abhejit Agarwal Head - Sustainability & CSR</p> <p>FICCI FICCI Task Force on ESG 2022-23</p> <p>CDP CDP India Sustainable Financing Working Group</p>	<p>10</p> <p>Rajiv Anand Designation</p> <p>NIIF NIIF Green Frontier Working Group</p>		

Read more about our thought leadership and advocacy of sustainability and climate action on [PG 30](#) →