

**Axis Bank Limited**  
**Business Responsibility Report 2018-19**

(Pursuant to regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"))

**Introduction:**

Axis Bank has adopted a stakeholder centric Sustainability Framework, aligned to the principles of Business Responsibility as prescribed under the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVG-SEE) released by Ministry of Corporate Affairs, Government of India, to thrust upon its sustainability agenda. The disclosures made under this report provide transparent and relevant information on the Bank's efforts and performance against the nine principles of the NVG-SEE. As a measure of global best practice, the Bank also makes detailed disclosures on its sustainability initiatives and performance through its standalone, annual Sustainability Reports. The previous Reports have been prepared using the reporting frameworks of the Global Reporting Initiative (GRI) and the International Integrated Reporting Council (IIRC), and are externally assured. The Bank's fourth Sustainability Report was published for 2017-18. The Bank's fifth report shall be published for the year 2018-19, in continued alignment with the GRI and IIRC. In accordance with the Securities and Exchange Board of India (SEBI) circular CIR/CFD/CMD/10/2015 dated November 04, 2015, disclosures made under this report are also referenced to the disclosures made under the Bank's Sustainability Report.

The previous Sustainability Reports and Business Responsibility Reports of the Bank can be accessed at <https://www.axisbank.com/csr/csr-reports-disclosures>.

<b>Section A: General Information about the Company</b>		
1.	Corporate Identity Number (CIN) of the Company	L65110GJ1993PLC020769
2.	Name of the Company	Axis Bank Limited
3.	Registered address	"TRISHUL", Third Floor, Opp. Samartheshwar Temple, Law Garden, Ellisbridge, Ahmedabad - 380 006
4.	Website	<a href="http://www.axisbank.com">www.axisbank.com</a>
5.	Email id	<a href="mailto:sustainability@axisbank.com">sustainability@axisbank.com</a>
6.	Financial year reported	2018-19
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	National Industrial Classification 2008 Section K: Financial and Insurance Activities Code: 64191
8.	Three key products/services of the Company (as in balance sheet)	<ul style="list-style-type: none"> <li>• Deposits</li> <li>• Loans</li> <li>• Investments and foreign exchange</li> </ul>

9(i).	Number of international locations	Nine international offices including branches and representative office, and one overseas subsidiary
9(ii).	Number of National locations	As on 31 <sup>st</sup> March 2019, the Bank has 4050 branches/extension counters and 11,801 ATMs
10.	Markets served by the Company – Local/State/National/International/	Domestic: 29 states and 6 union territory  The overseas operations of the Bank are spread over nine international offices with branches at Singapore, Hong Kong, Dubai (at the DIFC), Colombo and Shanghai; representative offices at Dhaka, Dubai, Abu Dhabi and an overseas subsidiary at London, UK.

<b>Section B: Financial Details of the Company</b>		
1.	Paid up capital (`crores)	514
2.	Total turnover (`crores)	68116
3.	Total profit after taxes (`crores)	4677
4.	CSR spend as percentage of profit after tax (%)	2.15% (based on average net profits of last 3 financial years computed as per Section 198 of the Companies Act, 2013)
5.	List of CSR activities	<p>The Bank undertakes various CSR activities in accordance with its 'Policy on Corporate Social Responsibility'. The CSR activities are undertaken by the Bank or through Axis Bank Foundation (ABF), or through any other Trust or agencies and entities as deemed suitable.</p> <p>The primary purpose of the Bank's CSR philosophy is to make a meaningful and measurable impact in the lives of economically, physically and socially challenged communities of the country through an integrated approach of development which focuses on creating sustainable livelihood, promoting education and skills development, creating awareness amongst public at large on public interest topics including financial literacy, facilitating and providing access to formal banking channels for excluded sections, promoting environmental sustainability, and supporting health and sanitation initiatives.</p> <p><i>Please refer the Annual Report on CSR Activities in the Statutory Reports section of this Annual</i></p>

		<p>Report for detailed information on CSR activities.</p> <p>Additional information on the Bank's CSR initiatives can be found in the 'Social and Relationship Capital' section of the Bank's Sustainability Report 2017-18. The Sustainability Report for 2018-19 shall be published.</p>
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<b>Section C: Other details</b>		
1.	Company subsidiaries/joint-ventures	The Bank has 11 subsidiaries and 1 Step down subsidiary as on 31 <sup>st</sup> March, 2019. Please refer to page 116 of the Bank's Annual Report 2018-19 for the complete list.
2.	Subsidiaries participating in Company's Business Responsibility (BR) initiatives	All subsidiaries as included in Section C, Response 1.
3.	Other entities ((e.g. suppliers, distributors etc.) participating in Company's BR initiatives	Nil

<b>Section D (1): Business Responsibility Information</b>		
1.a.	Director responsible for implementation of BR policies, Director Identification Number (DIN)	07508488
	Director responsible for implementation of BR policies (Name)	Rajesh Dahiya
	Director responsible for implementation of BR policies (Designation)	Executive Director (Corporate Centre)
1.b.	BR Head (DIN, if applicable)	N.A.
	BR Head (Name)	Suresh Warriar
	BR Head (Designation)	Senior Vice President, Corporate Affairs

BR Head (Telephone number)	+91-22-2425-2525
BR Head (email id)	<a href="mailto:sustainability@axisbank.com">sustainability@axisbank.com</a>

<b>Section D (2): BR Information - Principle-wise (as per NVGs) BR Policy/Policies (Yes/No)</b>										
		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1.	Do you have policy/policies for....#	Y	Y	Y	Y	Y	Y	N	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	-	Y	Y
3.	Does the policy conform to any national /international standards? If yes, specify?	Y*	Y*	Y*	Y*	Y*	Y*	-	Y*	Y*
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Y**	Y**	Y**	Y**	Y**	Y**	-	Y**	Y**
5.	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	-	Y	Y
6.	Indicate the link for the policy to be viewed online?	<p>The following policies are available on the Bank's website <a href="http://www.axisbank.com">www.axisbank.com</a></p> <ul style="list-style-type: none"> <li>• Code of Bank's Commitment to Customers</li> <li>• Code of Bank's Commitment to Medium and Small Enterprises (MSE)</li> <li>• Customer Compensation Policy of the Bank</li> <li>• Banker's Fair Practice Code</li> <li>• Grievance Redressal Policy</li> <li>• Code of Conduct and Conflict of Interest Norms in respect of Board of Directors</li> <li>• Code of Conduct &amp; Ethics for Senior Management</li> <li>• Policy on Corporate Social Responsibility</li> <li>• Policy on Environment Management</li> <li>• Citizen's Charter – A Charter for Customer Service</li> <li>• Customer Rights Policy</li> <li>• Code of Conduct for Direct Selling Agents</li> <li>• Policy on Related Party Transactions</li> <li>• Comprehensive Deposit Policy</li> <li>• Policy on Collection of Dues and Repossession of Securities</li> </ul>								

		<ul style="list-style-type: none"> <li>• Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)</li> <li>• Policy for lending to Micro Small &amp; Medium Enterprises (MSMEs)</li> <li>• Privacy Policy</li> </ul> <p>The remaining policies being internal documents are available to the employees through the Bank's intranet.</p> <p>The following policies of the Bank's subsidiaries companies are available on their respective websites as given below:</p> <p>Axis Asset Management Company Limited (<a href="http://www.axismf.com">www.axismf.com</a>)</p> <ul style="list-style-type: none"> <li>• Privacy Policy</li> <li>• Voting Policy</li> </ul> <p>Axis Securities Limited (<a href="http://www.axisdirect.co.in">www.axisdirect.co.in</a>)</p> <ul style="list-style-type: none"> <li>• Privacy Policy</li> <li>• Policies and Procedures Pertaining to Dealing with Clients</li> </ul> <p>Axis Finance Limited (<a href="http://www.axisfinance.co.in">www.axisfinance.co.in</a>)</p> <ul style="list-style-type: none"> <li>• Code of Conduct [Directors and Senior Management]</li> <li>• Fair Practice Code</li> <li>• Privacy Policy</li> <li>• Interest Rate Policy</li> <li>• Policy on Corporate Social Responsibility</li> </ul> <p>Axis Capital Limited (<a href="http://www.axiscapital.co.in">www.axiscapital.co.in</a>)</p> <ul style="list-style-type: none"> <li>• Policy on Inactive Client Accounts</li> <li>• Policy against Circulation of Rumours</li> <li>• Policy on code modification</li> <li>• Citizens Charter</li> <li>• Policy on Corporate Social Responsibility</li> </ul> <p>Axis Trustee Services Limited (<a href="http://www.axistrustee.com">www.axistrustee.com</a>)</p> <ul style="list-style-type: none"> <li>• Policy on Corporate Social Responsibility</li> <li>• Privacy Policy</li> </ul>										
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes. Policies have been communicated to all key internal stakeholders of the Bank. The communication on policies covering all internal and external stakeholders is an on-going process.										
8.	Does the company have in-house structure to implement the policy/policies?	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%;">Y</td> <td style="width: 10%;">Y</td> <td style="width: 10%;">Y</td> <td style="width: 10%;">Y</td> <td style="width: 10%;">Y</td> <td style="width: 10%;">Y</td> <td style="width: 10%;">Y</td> <td style="width: 10%;">-</td> <td style="width: 10%;">Y</td> <td style="width: 10%;">Y</td> </tr> </table>	Y	Y	Y	Y	Y	Y	Y	-	Y	Y
Y	Y	Y	Y	Y	Y	Y	-	Y	Y			

9.	Does the Company have a grievance re-dressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	-	Y	Y
10.	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	The Head of Departments are responsible for effective implementation of the policies. The Compliance Department monitors the adherence to implementation of policies mandated by RBI.								

Section D: BR Information - Principle-wise (as per NVGs) explanation										
		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1.	Not understood the principles. .	-	-	-	-	-	-	-	-	-
2.	Not at a stage where it finds itself in a position to formulate and implement the policies on specified principles . . .	-	-	-	-	-	-	-	-	-
3.	Does not have financial or manpower resources available for the task . . .	-	-	-	-	-	-	-	-	-
4.	Planned to be done within next 6 months . . .	-	-	-	-	-	-	-	-	-
5.	Planned to be done within the next 1 year . .	-	-	-	-	-	-	-	-	-
6.	Other reasons . . .	-	-	-	-	-	-	^Refer to the response below	-	-

^ The Bank along with its subsidiaries works closely with collective trade and industry associations, while there is no specific policy outlined for this principle.

#### # Principle-wise policies

P1	Compliance Policy, Whistleblower Policy, Anti Money Laundering Policy, Policy on prevention and reporting of frauds, Policy on recognition/rewards for detection of fraud, Code of Bank's Commitment to Customers, Code of Bank's Commitment to Micro and Small Enterprise, Code of Conduct and Ethics, Code of Conduct and Conflict of Interest Norms in respect of Board of Directors, Code of Conduct for Direct Selling Agents, Policy on Related Party Transactions, Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)
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P2	Code of Bank's Commitment to Micro and Small Enterprise, Sustainable Lending Policy and Procedures, Credit Policy (SME Priority Sector exposures: Concessionary pricing), Policy for lending to Micro Small & Medium Enterprises (MSMEs)
P3	Remuneration Policy, Staff Housing Loan Policy, Staff Rules and Guidelines (covering leave policy, insurance benefits, superannuation scheme etc.), Policy on Prevention of Sexual Harassment, Policy on Safety for Women at Workplace, Policy on Human Rights
P4	Code of Bank's Commitment to Micro and Small Enterprise, Policy on Corporate Social Responsibility Policy, Credit Policy (SME Priority Sector exposures: Concessionary Pricing, ), Policy for lending to Micro Small & Medium Enterprises (MSMEs)
P5	Policy on Human Rights, Code of Conduct and Ethics
P6	Policy on Environment Management
P8	Financial Inclusion practices, Policy on Corporate Social Responsibility
P9	Code of Bank's Commitment to Customers, Code of right sell for liability & investment products, Policy on outsourcing of financial services, Consumer Lending Credit Policy, Information Systems Security Policies, Citizen's Charter – A Charter for Customer Service, Customer Rights Policy, Comprehensive Deposit Policy, Policy on Collection of Dues and Repossession of Securities, Privacy Policy

\* The policies are developed and aligned to applicable compliance requirements, RBI norms and guidelines, requirements of listing agreement with stock exchanges, or the Bank's internal requirements and best practices.

\*\*The policies are approved by the Board of Directors or Committee of the Board of Directors or senior management of the Bank

<b>Section D (3): BR Governance</b>		
3.a.	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	The performance on aspects of BR is reviewed by the Bank's Management Committee, headed by its MD & CEO on periodical basis, and at least once a year, is put up to the Board. The Bank's sustainability performance is also reviewed internally by ED – Corporate Centre, along with Head – Corporate Affairs, periodically.
3.b.	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	Yes. The Bank publishes both the BR and Sustainability Reports annually. The Reports can be accessed online at <a href="https://www.axisbank.com/csr/csr-reports-disclosures">https://www.axisbank.com/csr/csr-reports-disclosures</a> .

## **Section E: Principle-wise Performance**

### **Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability**

**1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint-Ventures/Suppliers/Contractors/NGOs/ Others?**

The Bank has put in place a Code of Conduct and Ethics which is applicable to all its employees. The Code articulates the ethical principles and acceptable behaviour that the Bank's employees are expected to demonstrate to uphold the Bank's values. The Code covers aspects related, but not limited, to ethics, accountability, conflict of interest, bribery and corruption. The Bank has also adopted Code of Conduct and Conflict of Interest Norms In Respect of Board of Directors to guide the Board members in ensuring highest ethical standards in managing the affairs of the Bank.

The Bank has adopted Indian Banks' Association's 'Model Code of Conduct for Direct Selling Agents' and is applicable to all persons involved in marketing and distribution of any loan or other financial product of the Bank. Similar to the Bank, its subsidiaries also have set their individual Codes of Conduct for their employees. The Bank has separate Codes and Policies for its vendors that cover key aspects related to ethics, bribery, corruption, and sustainable best practices.

*For additional information, please refer to the 'Corporate Governance' section of the Bank's Sustainability Report 2017-18 and similar report shall be published for 2018-19.*

**2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

The Bank has established various channels of communication, including grievance redressal mechanisms, for stakeholders to communicate their expectations and concerns. The various channels have been discussed in the Bank's Sustainability Reports, which shall also be published for 2018-19.

The Disclosure of Customer Complaints is included as Note 1.1.31 forming part of the Financial Statements for the Year ended 31 March, 2018, on page 214 of the Annual Report 2018-19.

The disclosure on Investor Grievances has been included in the Report on Corporate Governance on page 110 of the Annual Report 2018-19.

**Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle**



**1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

As a financial institution, Axis Bank believes that it can play a significant role in furthering India's socio-economic and developmental agenda towards achieving inclusive growth and sustainable development. The Bank is present across the length and breadth of the country, delivering relevant financial products and services to underbanked and unbanked population in rural and urban India.

Axis Sahyog, the Bank's flagship retail microfinance program has provided inclusive financial solutions to over 5 million families since its launch in 2013. The program is associated with 1.7 million women borrowers in 18 states and 1 Union Territory in India.

The Rural Finance unit is also a significant distributor of the Pradhan Mantri Mudra Yojana (PMMY), a national initiative aimed at extending institutional finance facilities to micro-enterprises. As on 31<sup>st</sup> March 2019, over 1 million Mudra accounts were with the Bank. The Bank also actively supports other national schemes including 'Pradhan Mantri Jan Dhan Yojana' (PMJDY), Pradhan Mantri Suraksha Bima Yojana (PMSBY), Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) and Atal Pension Yojana (APY).

The Bank has focused on scaling up investments in climate positive sectors, as well as enhance the environmental and social (E&S) risk assessment of its overall lending portfolio. The performance for FY 2018-19 shall be included in the Bank's sustainability report for FY 2018-19 which is to be published.

**2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

**i. Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**

**ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

Given the nature of the Bank's business activities, which is providing banking products and services, it consumes resources primarily for running its operations.

The Bank's Policy on Environmental Management provides a strategic guidance to the Bank's various activities aimed at enhancing its resource use efficiency while improving productivity and efficiency. Through varied initiatives, the Bank works towards reducing its resource consumption, which are primarily paper and grid electricity. In addition, the digitization of its internal processes

has aided its efforts. The various initiatives that the Bank undertakes has been included in its Sustainability Reports, and shall be included in the report for FY 2018-19 which is to be published.

Given the nature of the Bank's business activities, which is providing banking products and financial services, resource consumption during usage by consumers is not a significant material issue for the banking sector in general. However, the Bank upholds the right of every Indian resident to live in a clean and safe environment.

**3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?**

Considering the nature of banking products which is service-oriented and not material resource-intensive, sustainable sourcing for the Bank's products is not a material issue for the banking sector in general. However, as a responsible corporate citizen, the Bank focuses on maximising its resource consumption efficiency, reduce waste output while focusing on improving its process efficiency and productivity. As paper is a major resource consumed during the Bank's normal course of business, it has focused on reducing its paper consumption by enhancing recycling, procurement of wheat straw paper, and rationalizing printing requirements. The overall digitization of the Bank's operations has also contributed to reducing the need of paper in its banking activities.

Towards reducing its dependence on grid electricity, the Bank has invested in scaling up its captive solar power generation capacity through rooftop solar installations. As on 31<sup>st</sup> March 2019, the Bank had 7.05 MW of rooftop solar capacity spread across 248 locations. At its large offices, the Bank has invested in making its office buildings more energy and resource efficient, focusing on improved lighting, efficient water management and waste management.

*For additional information, please refer to the 'Natural capital' sections of the Bank's Sustainability Report 2017-18 and similar report shall be published for 2018-19.*

**4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

The nature of banking products is service oriented and not material resource intensive, and the Bank does not procure goods for further processing. The manpower services required for offices and branches are generally hired from local agencies wherever applicable. Axis Bank Foundation, through

its community development initiatives, helps communities including women entrepreneurs, and local & small producers, through market linkages to sell their produce in local markets.

In addition, as the Bank has branches and locations across the country, requirements such as stationary items, food & beverages, or cleaning services, may be procured locally, wherein such procurements abide by the rules and policies laid down by the Bank.

*For additional information on the Bank's community development initiatives, please refer to the 'Social and Relationship Capital' section of the Bank's Sustainability Report 2017-18, a similar report shall be published for 2018-19.*

**5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

The nature of banking products is service oriented and not material resource intensive, and hence recycling of products is not applicable for the Bank's products and services. The Bank makes the best efforts across its office and branch locations to rationalise its paper requirements and scale up recycling of paper. The Bank At its Corporate Office in Mumbai, the Bank has partnered with service providers who collect its dry waste and recycle them into usable stationary products. The Corporate Office also has an organic waste composter and Sewage Treatment Plant that further reduce its waste output.

*For details on the various initiatives and their impact, please refer to the 'Natural Capital' section of the Bank's Sustainability Report 2017-18, a similar report shall be published for 2018-19.*

**Principle 3: Businesses should promote the wellbeing of all employees**

**1. Please indicate the Total number of employees (as at 31.03. 2019)**

61,940

**2. Please indicate the Total number of employees hired on temporary/ contractual/ casual basis. (as at 31.03.2018)**

11,236

**3. Please indicate the Number of permanent women employees. (as at 31.03.2018)**

14,419

**4. Please indicate the Number of permanent employees with disabilities (as at 31.03.2018)**

54

**5. Do you have an employee association that is recognized by management?**

The Bank does not have an employee union. The Bank respects the right of 'Freedom of Association'. The Bank ensures that all employee grievances are received and addressed through various channels such as H-Response (virtual helpdesk to handle employee queries) or the whistle blower portal.

**6. What percentage of your permanent employees is members of this recognized employee association?**

Not applicable

**7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

The Bank's Annual Report includes the 'Disclosure in terms of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013', as part of its Report on Corporate Governance. The required disclosures have been provided on page 98 of the Annual Report 2018-19.

**8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

- **Permanent Employees**
- **Permanent Women Employees**
- **Casual/Temporary/Contractual Employees**
- **Employees with Disabilities**

The Bank has institutionalised learning and development processes to ensure that employees remain agile, possess relevant skillsets and fulfil their potential. The learning pedagogy employed is a mix of various learning modes such as classroom programs, external programs, certification programs and e-learning modules to facilitate the learning process across all levels. There are role-based and work-level trainings conducted by internal and external faculty, to ensure that the initiative reaches out to the right target group. Platforms like 'Axis Academies' provide employees access to trainings which they can choose and self-start, while 'Axis Business Clinics' has the purpose of empowering the Branch Heads to drive the culture of learning at branch-level, making employees aware of product features and institutionalising processes. Throughout the year, the Bank's employees across levels are provided online and classroom training on relevant business, behavioural or operational topics.

For additional information on the various trainings provided, please refer to the 'Human Capital' section of the Bank's Sustainability Report 2017-18, a similar report shall be published for 2018-19.

**Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.**

**1. Has the company mapped its internal and external stakeholders?**

Yes. The Bank engages with myriad stakeholders through formal and informal channels of communication. In FY 2017-18, the Bank undertook a comprehensive 'Stakeholder Engagement' initiative led by an external agency, the findings of which were published in the Bank's Sustainability Report for FY 2017-18, and the various insights and inputs from the exercise shared with the Bank's top management.

**2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?**

Yes. The Bank engages with the various, identified vulnerable and marginalised sections of society through its products & services, as well as community engagement initiatives. The Bank has specific products and services that especially cater to the economically backward sections of society in rural and urban India, such as microfinance, digital payments, agriculture banking, and loans towards affordable housing.

The Bank and Axis Bank Foundation (ABF) also have social responsibility initiatives underway for marginalized or weaker sections of society such as women and children, persons with disabilities, tribal communities, and migrant workers.

**3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.**

Through its various business and non-business activities, the Bank has strived to create positive socio-economic and environmental impact across regions and communities. Through specialized products and services catering to the bottom of the pyramid, the Bank has expanded financial inclusion in both rural and urban India, helping bring millions of unbanked and under-banked Indians into mainstream banking. The Bank also conducts financial literacy workshops, roadshows and other events in remote locations in the country throughout the year. The Bank is an active issuer of key financial inclusion initiatives by the national government, including the PM Jan Dhan Yojana, as well as other insurance

and pension schemes. Through its CSR interventions, the Bank reaches thousands of families across various states towards creating sustainable livelihoods.

#### **Principle 5: Businesses should respect and promote human rights**

**1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**

The Bank and its subsidiaries are committed to upholding the dignity of every individual engaged or associated with them. The Bank has put in place a Policy on Human Rights that is applicable, and accessible, to all employees. The Policy supplements the Bank's Code of Conduct and Ethics that lays down the acceptable employee behavior on various behavioral and professional aspects. The Bank has formulated a whistle blower policy to maintain highest standards of ethics, integrity, accountability and transparency and to provide safeguards to various stakeholders including shareholders, depositors and employees. This policy provides employees the opportunity to address serious concerns arising from Irregularities, malpractices and other misdemeanors committed by the Bank's personnel by approaching the whistleblower committee.

Towards including pertinent Human Right considerations into its vendor operations, the Bank has in place a 'Supplier Code of Conduct'.

**2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

Please refer to response to point no. 2 under Principle 1 for details on stakeholder complaints.

#### **Principle 6: Business should respect, protect, and make efforts to restore the environment**

**1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.**

The Bank has in place 'Policy on Environment Management' that guides its efforts on managing and reducing environmental impact due to own operations. The Policy also includes a commitment to ensuring the Bank's efforts extend to its external partners and vendors.

In addition, the Bank ensures that its contracts and agreements with key external stakeholders including vendors and CSR implementation partners include pertinent clauses on environment. He Bank has adopted a Supplier Code of Conduct wherein the Bank encourages its suppliers to adopt best practices in environmental management and make genuine efforts to enhance resource

efficiency, and reduce waste. The Bank also focuses on ensuring that its supplier base operates in complete compliance with all environmental regulatory requirements.

The Bank has in place a 'Sustainable Lending Policy & Procedures' to include environment and social risk considerations into its corporate lending decisions. The Bank's CSR focus, as communicated in its CSR Policy, also includes environmental sustainability, wherein the Bank, directly or through its implementation partners, works on various positive impact initiatives.

**2. Does the company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

Yes. The Bank, through multi-faceted interventions, continuously strives to create positive sustainability-focused impact among its stakeholders as well as enhance the sustainability of its own business operations. Climate change mitigation, adaptation and resilience are an integral part of the Bank's sustainability focus. The Bank has a strong lending portfolio in positive impact sectors including renewable energy, waste management and mass rapid transportation. In addition, the Bank's 'Sustainable Lending Policy and Procedures' integrates environmental and social risk assessment into credit risk framework for qualifying projects. Within the Bank, its efforts focus on energy efficiency, use of renewable energy, green procurement (for example, wheat-straw based paper), and waste reduction and management. The Bank also focuses on environmental sustainability under its Corporate Social Responsibility imperatives and strategy.

For additional information please refer to the 'Natural Capital' section of the Sustainability Report 2017-18, and a similar report shall be published for 2017-18. The Bank's climate change-related strategy and action are disclosed in its annual CDP Responses, accessible at [www.cdp.net](http://www.cdp.net)

**3. Does the company identify and assess potential environmental risks?**

Yes. The Bank has identified key environmental risks, which are discussed in the Bank's annual CDP Responses, accessible at [www.cdp.net](http://www.cdp.net).

In addition, through its 'Sustainable Lending Policy & Procedures' (SLPP), the Bank assesses environmental and social risks for a certain portion of its corporate lending portfolio. The details of the SLPP are provided in the Bank's Sustainability Report 2017-18, and a similar report shall be published for 2018-19.

**4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

None. However, the Bank may have clients with projects linked to CDM.

**5. Has the company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

Yes. The Bank has multipronged approach to enhancing its positive impact, primarily through its lending activities, internal operations, and CSR interventions. The Bank is a significant lender to sectors with a strong environmental impact, including renewable energy power generation, mass rapid transport systems, and waste management. In addition, the Bank is closely associated with national initiatives such as Smart Cities that also have a focus on creating energy efficient urban infrastructure.

The digitization of the Bank's products and services have also not only helped scale up the reach of banking and make it more convenient for customers, but also helped reduce the amount of resources consumed in banking operations.

Through CSR efforts, the Bank is driving several environment initiatives that have a strong environmental impact, such as watershed management and afforestation.

*For additional information please refer to the 'Natural Capital' section of the Sustainability Report 2017-18, a similar report shall be published for 2018-19. The Bank's Sustainability Reports can be accessed online at <https://www.axisbank.com/csr/csr-reports-disclosures>.*

**6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

Yes. The Bank ensures all its waste – primarily paper and e-waste, are disposed responsibly across all its locations. At the location where the Bank has diesel generators as back-ups, it has strict processes in place ensuring emissions and noise levels are within permissible limits, and any waste is disposed through third party government authorised vendors.

**7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

None



**Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner**

**1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

The Bank, along with its subsidiaries, works closely with collective trade and industry associations on pertinent issues through the year. The Bank also participates in key projects and initiatives undertaken by various government and regulatory entities.

Some of the key trade and industry associations where the Bank and/or its subsidiaries are represented include:

- All India Management Association (AIMA)
- Association of Investment Bankers of India (AIBI)
- Association of Mutual Funds in India (AMFI)
- Association of National Exchanges Members of India (ANMI)
- Associated Chambers of Commerce & Industry of India (ASSOCHAM)
- Bombay Chamber of Commerce and Industry (BCCI)
- BSE Brokers Forum
- Confederation of Indian Industry (CII)
- Data Security Council of India
- Federation of Indian Chambers of Commerce and Industry (FICCI)
- Fixed Income Money Market and Derivatives Association (FIMMDA)
- Foreign Exchange Dealers Association of India (FEDAI)
- Indian Banks Association (IBA)
- National Stock Exchange (NSE) Regional Consultative Group
- The India Chief Human Resource Officer's Forum (CHRO)

**2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

Through various trade and industry associations, the Bank and its subsidiaries promote policies and initiatives that aim to create an efficient and transparent financial system for the country, enhance financial literacy and improve access of banking system to unbanked and under-banked areas, or support key sectors crucial to nation building and rural development. The Bank promotes integrated development of the industry by sharing and adopting best practices, and participates in key government or regulatory initiatives and engagements.

## **Principle 8: Businesses should support inclusive growth and equitable development**

### **1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

As a financial institution, Axis Bank has a diverse range of products and services, as well as other business and non-business initiatives, which contribute to equitable development and inclusive growth in India.

Through its Rural Lending business, the Bank offers microfinance and other banking services to millions of rural women and their families. In addition, there are diverse financial literacy and inclusion activities that the Bank undertakes at various parts of the country aimed at bringing more unbanked or under-banked Indians into mainstream banking. The Bank is closely aligned to key national financial inclusion and social security initiatives such as the Pradhan Mantri Jan Dhan Yojana, Pradhan Mantri Suraksha Bima Yojana (PMSBY), Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) and Atal Pension Yojana. Its issuances under these schemes is included in the Management Discussion and Analysis section of the Annual Report.

Guided by its 'Policy on Corporate Social Responsibility', Axis Bank, together with the Axis Bank Foundation, has a strong focus on making a meaningful and measurable impact in the lives of economically, physically and socially challenged communities through an integrated approach of development which focuses on creating sustainable livelihoods and, promoting education and skills development in rural and urban India.

Axis Bank Foundation, the Bank's CSR arm, supports the sustainable livelihoods program, and achieved its stated mission to create 1 million sustainable livelihoods, of which 63% are women, well before its stated target completion date of December 2017. The Foundation is now committed to supporting 2 million households by 2025.

### **2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?**

The Bank undertakes CSR programmes/projects directly or through Axis Bank Foundation or through any other Trust or agencies and entities as it deems suitable.

### **3. Have you done any impact assessment of your initiative?**

Axis Bank Foundation conducts impact assessments of its programs by engaging reputed independent agencies / institutions. ABF has also undertaken SROI (Social Return on Investment) studies on key interventions. Relevant impact studies, case studies or summaries are published in the Bank's annual Sustainability Reports, as well as the Foundation's Annual Reports.

*For additional information, please refer to the 'Social and Relationship Capital' section of the Bank's Sustainability Report 2017-18, a similar report shall be published for 2018-19.*

**4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?**

The Bank has spent INR 137.59 crores towards various CSR initiatives during the year 2018-19. The details of the spending and associated initiatives can be found in Annual Report on Corporate Social Responsibility Activities in the Bank's Annual Report 2018-19.

**5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

The Bank's community development initiatives are driven directly, through the Axis Bank Foundation or their various implementation partners. Each of the Foundation's initiatives incorporate project sustainability from the design stage itself with a view to ensuring their impact continues beyond the stipulated project period. Towards creating an enabling environment for a successful and long-lasting community adoption of its programs, the Foundation supports and facilitates its partners in empowering community members and groups such as Women Federations, and through capacity building measures, aimed at making the CSR interventions self-sustaining.

**Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner**

**1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.**

Please refer the response to the point 2 under Principle 1 for details on customer complaints.

**2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./ Remarks (additional information)**

Axis Bank operates in highly customer-focused banking sector, where product-related transparency and communications are accorded the highest priority. In keeping with the benchmarks and

guidelines set by the Reserve Bank of India, and service standards set by the Banking Codes and Standards Board of India (BCSBI), the Bank strives to provide complete and relevant information on its products and services through its website as well as its business locations. All potential customers are provided detailed product information through a "Most Important Document" that they are required to read and sign-off along with their account opening/card application forms. Interest rates are published and updated as and when they change, on the website for various deposit schemes. The Bank provides online tools for customers to understand their eligibility, applicable interest rates, and service charges for consumer loan products. SMS alerts are sent to customers when any charges or fees are triggered or levied to their account.

- 3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so**

Nil

- 4. Did your company carry out any consumer survey/ consumer satisfaction trends?**

Axis Bank's customer relations focus is to create long term relations with its customers. The Bank conducts extensive Customer Journey Mapping (CJM) to identify customer context, and then chart the key stages across a customer life cycle, including 'moments of truth' at each stage. The Bank has recently moved to the new CJM methodology as it presents a more holistic approach to gauging customer satisfaction and provides the Bank with tangible actionable items. In addition, the CJM approach has allowed the pertinent business units and teams to take up more ownership and exert greater accountability for each stage.