

BUSINESS RESPONSIBILITY REPORT

2013-14



AXIS BANK

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Business Responsibility is intrinsically weaved into the Bank's philosophy of creating enduring value for all stakeholders. The vision and values of the Bank best articulate this philosophy.

VISION:

To be the preferred financial solutions provider excelling in customer delivery through insight, empowered employees and smart use of technology.

VALUES:



The Bank has established a Sustainable Development & Corporate Social Responsibility (SD & CSR) Committee to steer the CSR and Business Responsibility agenda. The Committee meets at least once in six months to review the CSR and Business Responsibility initiatives and strategically guide future endeavours.

The Bank and its subsidiaries also have various policies in place that address the principles of Business Responsibility. The policies are framed taking into account relevant stakeholder expectations and are periodically reviewed for their efficacy. The policy owners and individual departments are entrusted with the responsibility to ensure effective implementation of the policies. The adherence to policies prescribed by the Reserve Bank of India (RBI) is periodically monitored by the Compliance department.

This disclosure on Business Responsibility is aligned to the nine principles of National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business. The requirements under Clause 55 of the Listing Agreements are mapped to this disclosure through an annexure.



MESSAGE FROM THE MANAGING DIRECTOR & CEO

I am pleased to introduce your Bank's Business Responsibility Report for the financial year ended 31st March, 2014, describing the initiatives that the Bank and our group entities engage in to fulfill the needs of business sustainability and responsibility built upon principles of ethics, transparency, accountability, product sustainability, employee wellbeing, stakeholder engagement, environment protection and inclusive and equitable development. These initiatives are an integral part of our value system and span our businesses and activities. Through our rural and inclusive banking

initiatives, we reach the unbanked and under-banked areas in the country serving large numbers of customers who have little or no banking engagement. To facilitate this we launched the Aadhaar based paperless eKYC accounts. On the other hand, the Axis Bank Foundation serves communities primarily focused on building sustainable livelihoods. I wish to reiterate that we will continue to serve the interests of our stakeholders through the Business Responsibility agenda and I take this opportunity to thank you for supporting us in our endeavour.

Shikha Sharma

25th April, 2014

Principle 1:

ETHICS, TRANSPARENCY AND ACCOUNTABILITY

Ethics and transparency are two of the core values of the Bank. The Bank and its subsidiaries have adopted policies that guide their business practices and stakeholder dealings to be conducted in an ethical and transparent manner. Accountability has been internally set to ensure the effective implementation of these policies.

1.1 Policy framework for ethics, transparency and accountability

The Bank and its subsidiaries strive to attain highest standards of corporate governance. A major part of the recommendations contained in the Corporate Governance Voluntary Guidelines (2009) issued by the Ministry of Corporate Affairs have been adopted by the Bank.

The Code of Bank's Commitment to Customers based on codes and standards of Banking Codes and Standards Board of India (BCSBI) is a voluntary code adopted by the Bank that explains banking practices followed by the Bank to ensure fair and transparent dealings with its customers, putting customer interest at the core. Aspects such as transparency of information shared; practices related to advertising, marketing and sales; customer privacy and confidentiality; complaints, grievance and feedback; and features of products and services are covered in this code. Similarly, the Bank has also established Code of Bank's Commitment to Micro and Small Enterprises to give a positive thrust to Micro and Small Enterprises (MSE) sector while committing to fair and transparent banking practices.

The Bank has laid down a Code of Conduct and Ethics that guides its employee behaviour in a manner that reflects the Bank's value system on aspects related to but not limiting to ethics, conflict of interest and corruption. All the employees are mandated to adhere to this Code and acceptance of the Code is declared by the employees annually through an e-sign off.

The policies on prevention and reporting of frauds in conjunction with policies on anti-money laundering, information security, outsourcing of

financial services and whistleblowing forms the foundation of the Bank's risk management framework. This is supported by a strong Compliance policy and framework. The head of the Compliance function designated as the Chief Compliance Officer reports into the Executive Director & Head (Corporate Centre) of the Bank and the Board.

Transaction monitoring is undertaken 24X7 to generate alerts to detect fraud or suspicious transactions in real or near real time. The surveillance and monitoring through an IT enabled system is integrated with the Bank's Core Banking System (CBS) and Central Stand-in Servers to capture transactions both in CBS online and offline mode. To create employee awareness on prevention of frauds, an internal newsletter 'Ethical Times' is circulated periodically highlighting some of the frauds that were detected across the organisation and action taken by the Bank.

The Bank's subsidiaries have also adopted individual Codes of Conduct for their employees and institutionalised policy frameworks for fair practice, customer handling and grievance redressal, and risk management.

Axis Bank Foundation, through a Memorandum of Understanding with its Non-Governmental Organisations (NGOs) partners, expresses its expectations for the partner NGOs to conduct themselves in an ethical manner with necessary safeguards in place for issues like discrimination, sexual harassment etc.

1.2 Stakeholder grievance redressal

Whistleblower mechanism empowers all employees to report serious concerns arising from irregularities, malpractices and other misdemeanours committed by the Bank's personnel by filing a written or electronically submitted complaint to a designated email id, approaching the Whistleblower Committee or by lodging complaint on web-based application 'Corporate Whistleblower'. H-Response is an internal tool to record and resolve all employee queries, grievances and escalations. Investor grievances are handled through an investor grievance mechanism with an oversight of the Board through Shareholders/Investors Grievance Committee. The Grievance Redressal Policy of the Bank lays down the framework for addressing all customer grievances.

Principle 2:

PRODUCTS AND SERVICES DESIGNED WITH ENVIRONMENTAL AND SOCIAL OPPORTUNITIES

As a leading financial institution, the Bank is cognizant of its role to promote environmental sustainability and inclusive and equitable growth through its products and services. **The Bank seeks to actively engage in unbanked and rural areas to bring them into the fold of formal banking system. Through financial literacy initiatives, the Bank educates people on financial prudence to better manage their credit needs and maximise saving opportunities.** The Bank promotes key sectors of growth through priority sector lending practices to benefit rural and Small and Medium Enterprises (SME) segments.

Please refer to the section '8.1 Social commitment under Inclusive Banking' of this report for more information on the Bank's initiatives towards inclusive growth.

The Bank understands the key role it has in promoting environmentally sound pollution abatement technologies. This is reflected through its lending practices. The project applications received for funding are assessed for negative screening list on environment to ensure these projects are not:

- i. Dealing in banned wildlife related products.
- ii. Polluting industries unless the units have clearance from pollution control authorities and have installed effluent treatment plants; and
- iii. Setting up new units consuming/producing

Ozone Depleting Substances (ODS) such as Chloro Fluoro Carbon (CFC), Halons and units manufacturing aerosol products using CFCs.

The Bank has adopted a policy not to finance/ refinance firms engaged in above mentioned products. Towards this end, the project appraisal process considers these environmental aspects as a part of the credit risk management framework to assess the potential underlying environmental risks.

The project appraisal stage generally includes:

- i. Comprehensive site visit of the project, to assess any adverse impact on the environment.
- ii. Appoint a Lenders' Independent Engineer to advise lenders, on environmental issues, if any, and its mitigation strategies.

Suitable covenants are stipulated before disbursement of the loan to ensure that the projects have put in place appropriate environmental safeguards to have minimum impact on the environment.

The Bank has also been active in funding clean technology, renewable energy and other energy-efficiency projects. It has successfully negotiated a Line of Credit of US\$ 70 million from International Finance Corporation (IFC) to facilitate the funding of such projects.

For the projects funded under the Line of Credit, Bank has adopted an "Environment & Social Safeguard Policy" (ESSP), for carrying out environmental and social due diligence for fund disbursement on the lines of Performance Standards followed by IFC. The ESSP sets guardrails for environmental and social considerations while



appraising and financing projects which may help prevent or mitigate any adverse impact/risk to the environment or people. The ESSP states that the Bank gives due importance to Environmental and Social (E&S) considerations in appraising and financing projects to avoid, minimise and mitigate adverse impacts and risks to the environment and people who may have been affected.

The IFC Performance Standards on Environmental and Social Sustainability include:

- i. Assessment and management of environmental and social risks and impacts
- ii. Labour and working conditions
- iii. Resource efficiency and pollution prevention
- iv. Community health, safety and security
- v. Land acquisition and involuntary resettlement
- vi. Biodiversity conservation and sustainable management of living natural resources
- vii. Indigenous peoples
- viii. Cultural heritage

The Bank has extended corporate banking/credit related services to other sectors which are strategic to promoting environment protection and promoting social responsiveness like renewable energy, waste to energy, waste management, mass rapid transportation, urban infrastructure etc.

A snapshot of the funding towards implementation of such projects (inclusive of IFC Line of Credit), as on 31st March, 2014, is as under:

Category	Outstanding
Wind Power	979.28
Solar Power	935.37
Biomass	209.28
Mini-Hydro	221.46
Waste Processing	486.00
Mass Rapid Transport	350.28
Total	3,181.67

in ₹ crores

The Bank is currently in discussion with Confederation of Indian Industries (CII) to be associated as a Partner Bank for the United Nations Industrial Development Organisation – Confederation of Indian Industries (UNIDO-CII) joint project on 'Organic Waste Stream for Renewable Energy Applications in India'. The objective of this project is to develop financing mechanisms for enhancing investments for organic waste to energy generation projects.

Principle 3:

EMPLOYEE WELL-BEING

The Bank employees form the core of its organisational growth and success. The Bank provides an inspiring work environment which helps to realise the potential of its employees and ensure they have good career opportunities for professional growth, and a safe and secure workplace.

3.1 Equal opportunity employment

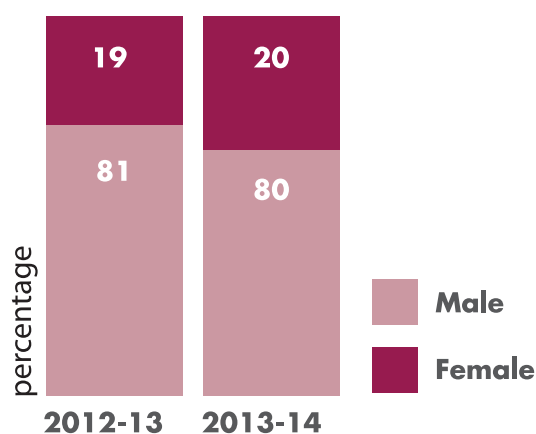
A diverse and dedicated workforce is essential in building a successful organisation that continuously creates value for its stakeholders. The Bank seeks to maintain inclusiveness by adopting non-discriminatory ways as a part of its organisational culture and is committed to hiring, developing and promoting individuals based on meritocracy. The recruitment strategies of the Bank are aimed to providing career opportunities irrespective of race, religion or gender. The Bank, in collaboration with Axis Bank Foundation runs an initiative of hiring differently-abled people and integrating them into the mainstream business in its branches through its program called 'Embrace'. In addition to this, through the normal hiring process, some more differently-abled recruits have been hired in the Bank. The Bank has also initiated workshops and training programs that specifically focus on building sensitivity towards diversity and coping with issues that arise within a diverse workforce.

The total workforce of the Bank as on 31st March 2014 was 42,420.

Employee category	Number (as on 31.03.2014)
Permanent Employees	42,420
Temporary/contract casual workforce	—

Employee category	Number (as on 31.03.2014)
Female employees	8,667
Disabled employees	107

Gender diversity



3.2 Employee satisfaction

The Bank has conducted an employee satisfaction study, 'Axis Voice Dil Se' in 2013. 80% of the employees participated in the survey to voice their opinion on management, their job and workplace. The outcome of the survey has prompted the strengthening of three broad areas—communication, collaboration, and training and development. Some of the key initiatives taken include revamping Axis Academy, the Bank's learning management system, launching of talent development initiatives like Branch Head Leadership Program, Axis Aspire etc. Details on some of these initiatives are given in the following sections.

3.3 Learning and development

The Learning and development initiatives at the Bank continuously aim to align individual development needs with the organisational talent development framework. The initiatives facilitate the inculcation of the right skills and knowledge through cost-effective and time-efficient processes. The Bank is geared towards creating a comprehensive learning framework across all levels through a blended learning approach of classroom programs, external programs, certification programs and e-learning modules. **To promote a culture of 'learning at your desk' and self-learning, the Bank has built user friendly learning infrastructure, Axis Academy, for easy access to training.** The Bank has created alternate talent pipelines by entering into arrangements with reputed training and education institutes and tailoring the programs as per role requirements and competencies.

The following table indicates the number of employees who have undergone skill upgradation training during the financial year.

Employee Type	Skill Upgradation (Number of employees)
Permanent male employees	27,960
Permanent female employees	6,842

3.4 Leadership and young talent development

As part of its leadership development initiatives, the Bank has partnered with best-in-class leadership institutes to coach key position holders and unit heads in the Bank on the fundamentals of leadership, self-development and high performance through a series of workshops with a focus on sensitising and enriching the leadership capabilities within the organisation. The Bank has recently launched an Executive Leadership Program (ELP) for senior management, in partnership with Duke Corporate Education, the corporate learning arm of Duke University, USA, aimed towards building multi-tiered people development architecture. **The 'We Lead: Axis Bank – ISB Women Leadership Program', run in partnership with Indian School of Business (ISB), was launched with the objective of building a diversified leadership talent pipeline within the Bank.** Axis Bank Young Bankers (ABYB) Program is an endeavour by the Bank in association with Manipal Global Education to nurture industry leaders of the future by imparting domain expertise and skill set in the field of banking with the objective of creating a talent pool of young bankers by equipping graduates with necessary banking knowledge and skills.

Axis Ahead, the Management Trainee program is designed to provide training across departments and locations for a holistic learning experience to the young managers who join the Bank every year from premier B-schools across India. With the aim of creating talent management initiatives for mid-level employees, the Bank has launched 'Axis Aspire' which aims at building leadership edge, and accelerating employee performance and potential for future roles.

3.5 Safe, secure and harassment-free workplace

The collaborative style of working in the Bank focuses on effective employee communication, encouraging and facilitating resolution of complaints and grievances. The Bank takes all necessary measures to ensure a harassment-free workplace and has instituted an Internal Complaints Committee for redressal of complaints and to prevent sexual harassment. The Bank promotes workplace health and safety by providing guidelines related to safe work environment practices and launching creative campaigns like 'Awareness for Life' which is an initiative in partnership with Dr. Reddy's Laboratories under which various talks, seminars, health camps etc. are organised for employees to create awareness on life style and wellness issues. During the financial year, 5 Thalassaemia detection camps were held and 706 employees benefitted from the camp. Similarly, 2 Cancer detection camps were held and 378 employees availed the screening. These camps were held in the Bank's Corporate Office - Axis House and some of its branches/circle office in Mumbai. 'BeSafe' is another initiative specifically launched for women employees to seek assistance through a quick information and action call centre when commuting or travelling outside office premises. **A series on 'Fire and Road Safety' was launched during the year for enhancing awareness on safe driving and upkeep of facilities to ensure safety from fire.** Medical facilities are available at the Corporate Office to ensure that any health concerns are adequately addressed. The Bank conducts training interventions for safety and security measures like emergency evacuation drills, fire and life safety

training, first-aid training at Corporate Office and other locations. Similar sessions are also arranged at the branch level through security service providers.

3.6 Employee associations

While the Bank respects the right of 'Freedom of Association' and collective bargaining, there is at present no employees' union. The Bank ensures that employee grievances are received and addressed through various means such as the Whistleblower portal and H-Response (a virtual help desk for addressing employee's queries). The Bank has also provided various disclosure options for employees in the form of Ethics Officer, Chief Compliance Officer, Chief of Internal Vigilance and other such designated authorities for timely escalations.

3.7 Fostering a culture of excellence

To encourage a culture of excellence towards customer service, compliance towards processes, and innovation at work place, the Bank celebrated its first ever annual awards - Axis Champions Awards and felicitated employees for their achievement beyond performance. The award aims at employees for living the values of the Bank's Customer Credo, PROGRESS (discussed under Principle 9: Customer Value and Service). Axis Bank Best Idea (ABBI) award aims to recognise employees who have contributed new ideas or new solutions which have built successful work practices. ABHIYAAN is another such endeavour with the objective of building solutions on the basis of customer feedback and recognising service excellence.



Axis Champion Awardees

Principle 4:

STAKEHOLDER ENGAGEMENT

The Bank is committed to stakeholders and engages with them through multiple channels of communication. The Bank has evolved formal and informal mechanisms to capture stakeholder feedback and continuously strives to incorporate their views in business planning. The key stakeholders that the Bank engages which include customers, investors and shareholders, employees, suppliers, regulators, industry bodies, and communities. The Bank has created an online platform called 'ProgressTogether.in' which aims to leverage the power and reach of social media to build a seamless connect and engagement experience with various stakeholders.

The Bank has created special products to address the needs of some of its stakeholders like children, youth, women, homemakers and senior citizens. Future Stars Account is a product developed for minors to inculcate financial discipline of savings at very young age. Ladies First Card is a product for homemakers enabling them to manage their household budgets with ease. Easy Access Women Savings Account is woman savings account that caters to the specific needs of today's independent and dynamic women. YOUth Account is designed with features like different mobile application, pull funds functionality, offers and discounts etc. to meet the specific needs of youth. Senior Privilege Account is offered to senior citizens with additional features on health care access. The Bank also offers education loan to the girl child at reduced rate of interest.

Micro, Small and Medium Enterprises (MSME) play an important role in the economic activity of the country. The Bank is committed towards engaging with the MSME sector and increase lending to priority sectors. It has designed simplified products for MSME sector for faster credit delivery at concessional pricing.

The Bank through its Rural and Inclusive banking initiatives engages with vulnerable, disadvantaged and marginalised sections of the society to create financial literacy and integrate them with formal banking systems. As of 31st March, 2014, it has opened 74.57 lakh no-frills accounts across 48,735 villages. Further, since October 2011, 124

Farmers' Clubs have been formed to aid the overall development of the farmer community.

The Bank also engages with the disadvantaged and marginalised communities through the Axis Bank Foundation (ABF), to positively impact them through community development initiatives. Some of key initiatives as of 31st March, 2014 include:

- 2,71,544 poor individuals were provided sustainable livelihoods
- 1,14,334 direct and 35,322 indirect beneficiaries were reached out to under the education programs
- 12,730 major accident victims and 6,930 minor accident victims were provided emergency medical services
- 12,476 Self Help Groups (SHGs) covered under ABF's livelihood programs. 8,000 of these SHGs are linked to banks. 48,559 individual savings bank accounts have been opened for these beneficiaries
- 34,893 families have been provided with livestock as livelihood assets
- 9,644 sex workers have been provided with alternate livelihood under ABF's livelihood programs.
- 1,110 visually and hearing impaired adults were placed in various jobs
- 51 special children were trained and placed in various jobs
- 867 children of sex workers and 161 drug addicted children were rehabilitated and educated.
- 304 disabled students were assisted with aids and appliances
- 1,66,070 families have been reached out through 55,560 health sessions
- 891 community health facilitators were trained in remote villages

Please refer to section '8.2 Community development' of this report for specific initiatives on engagements with vulnerable, disadvantaged and marginalised stakeholders.



Farmers' Club

Principle 5:

HUMAN RIGHTS

The Bank and its subsidiaries respect human rights, and believe in upholding the dignity of every individual engaged or associated with them in any manner. The Code of Conduct and Ethics for all employees of the Bank and its subsidiaries sets out expectations of employee behaviours on respecting human rights and acting in accordance with the values of the organisation. Employees are provided with various channels of communication to report or raise a concern on violation of any aspect of Code of Conduct and Ethics including those related to human rights. The Bank and its subsidiaries do not employ any child or forced labour. Contract terms and conditions signed with contractors bind them to abide by the labour laws including no employment of child or forced labour, providing defined benefits like provident fund contribution, social security such as employee's state insurance, payment of minimum wages etc.

Principle 6:

ENVIRONMENT MANAGEMENT

The Bank has taken concerted efforts towards adopting green technologies that reduce the environmental impact of its own operations. The Bank primarily focuses on energy efficiency (including Green Information Technology initiatives) and resource efficiency. Given below are some of the Green Technology Initiatives undertaken by the Bank.

6.1 Energy efficiency

Building energy efficiency is an important aspect of the Bank's green initiatives. The Bank prefers energy efficient and star-rated products for lighting and air conditioning across all offices. **The Bank endeavours to monitor energy consumption across all offices and branches in real time through a central system which will enable energy optimisation through better monitoring, and centrally controlling energy usage for lighting and air conditioning.**

A pilot project has been initiated at the Bank's CBD Belapur branch in Navi Mumbai and the results have been encouraging. The central monitoring and control system also has the capability to benchmark energy performance of the branches through an Energy Index and translate it into star rating on scale of 1 to 5 for each branch. This will enable branch managers to take appropriate energy saving measures at individual branches. The Bank is also exploring opportunities to increase the use of renewable energy. These initiatives are expected to yield significant energy savings and resultant reduction in greenhouse gas emissions.

The Corporate Office of the Bank 'Axis House' is a Leadership in Energy and Environment Design, 'LEED' certified platinum rated green building with a host of initiatives to reduce the environmental impact of the building.

Some of the salient features of the green building include:

- Renewable energy is generated through solar panel which is used to power emergency lights in common passage of workstation area.
- Reduction in the energy consumption for lighting by:
 - Maximise use of natural light
 - Using energy star-rated electrical fittings
 - Installing motion sensors throughout the building



Axis House

- Reduction in water consumption by:
 - Installing sewage treatment plant for re-using waste water
 - Installing sensors in urinals and wash basins
- Installing rainwater harvesting system
- Providing quality indoor air for safety and comfort
- Greenguard compliance certification obtained for furniture/fixtures
- Collection of dry waste for recycling and manufacture of bio-degradable and eco-friendly bags and note pads
- Low toxicity levels of carpets, furniture, chairs, paint and adhesives, contributing towards a safe and healthy environment for all occupants
- Chairs and other office furniture are made of components with a high percentage of recycled materials
- E-waste is disposed through government approved agencies

The Bank has taken steps to reduce the energy consumption of its Data Centre by moving to solid-state storage of data which is 80% energy efficient compared to hard disk storage technology. Currently, 70% of the data for Core Banking application has been migrated to solid-state storage. The Data Centre is designed to have minimum energy requirement for cooling purposes through cold aisle containment measures.

The Bank is also encouraging tablet-based meetings for senior management to eliminate the use of paper pads for meetings. Video Conferencing facility is made available at significant office locations to reduce the travel requirements for official meeting purposes. Virtual Desktop Infrastructure (VDI) is a significant energy saving initiative that eliminates the use of processor for individual desktop, and instead uses central servers to store and retrieve information through a display unit. Currently, 457 VDIs have been installed and an initiative will be taken to roll out these to branches in a phased manner. The Bank also consciously procures only energy efficient desktops and laptops to reduce the energy consumption.

6.2 Resource efficiency

Optimisation of paper usage is another significant area that the Bank focuses on. The Bank and its subsidiaries encourage customers to opt for

e-statements. As part of this 'Go Green' initiative and in accordance with the Ministry of Corporate Affairs guidelines, the Bank has reached out to its shareholders to subscribe for e-copies of its Annual Report. The concerted efforts of the Bank and its subsidiaries have resulted in significant reduction in paper usage. Some of key initiatives and results, as of 31st March, 2014, are given below.

Initiative	Impact
e-statements (Savings accounts, Current accounts, Other retail liabilities assets products)	30.90 lakh accounts registered
e-statements / Electronic Contract Notes (Demat accounts)	4 lakh accounts registered / 11.20 lakh statements sent
Demat e-welcome kit	0.65 lakh kits sent electronically
e-copies of Annual Report	62.38% of shareholders registered

The Bank continually explores opportunities to improve internal process efficiency for reducing the use of paper. This is through access control devices in the printers, and default double side printing, to reduce paper usage. All the employees are encouraged to opt for paperless payslips. This year, the review of branch expenses by corporate functions has been migrated to electronic mode. This eliminates the activity of paper copies to be sent by branches to the Corporate Office.

The Bank's 'Green Banking' initiative is a significant step towards adopting principles of 'Reduce, Reuse, Recycle' in its operations as well as engaging employees and customers to adopt environment friendly practices. The Bank undertakes recycling of dry waste into note pads, note books, paper bags etc. Since August 2011,

AXIS BANK
GREENBANKING
 REDUCE | REUSE | RECYCLE

An initiative by:
 **AXIS BANK FOUNDATION**



Plant a sapling programme

202 tonnes of dry waste has been recycled into over 20,000 note books, note pads and envelopes. As of 31st March, 2014, 70 offices of the Bank in Mumbai and Thane regions have been covered under the 'Green Banking' program.

Employees are encouraged to carpool to reduce environmental impact of emissions and contribute to less road traffic congestion.

The emissions and wastes generated by the Bank and its subsidiaries for its operations have always remained well within the limits specified by various local and national laws. No notice has been received by the Bank or its subsidiaries in this regard.

6.3 Green Banking: Plant a sapling

Taking the Green Banking initiative further, the Bank endeavoured to engage customers on environmental issues. A national consumer drive to plant 1 lakh tree saplings across the country through Axis Bank branches was conducted in FY 2013-14. Children, men, women, senior citizens and college students across the country actively participated in the activity and over 1,22,860 tree saplings were planted.

6.4 Solar ATMs

The Bank has recently initiated solar-based UPS for ATMs under its Independent ATM Deployment model. These ATMs are deployed by Independent ATM Deployers in Coimbatore Circle. As of 31st March, 2014, 21 such ATMs are operational and the Bank is exploring the feasibility of deploying more such ATMs.

Principle 7:

PUBLIC POLICY ADVOCACY

The Bank and its subsidiaries work closely with collective trade and industry associations in evolving policies that govern the functioning and regulation of the banking industry. **The Bank promotes policies and initiatives that aim to create efficient and transparent financial system for the country, enhance financial literacy and improve access of banking system to the unbanked areas, and support key sectors of nation building and rural development.** The Bank believes in sharing of knowledge and best practices across the industry through its participation in key industry associations.

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

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

In addition to these collective forums, the Bank sponsors and supports initiatives and trade fairs to encourage SME growth. Engineering Expos is India's largest SME gathering on manufacturing & engineering and continues to be a powerful driver of technology and investments in SME sector. The Bank was a 'Presenting Partner' at Chennai, Ludhiana, Indore and Ahmedabad for Engineering Expos 2013.

Axis Bank Foundation participates in various forums to discuss and deliberate on social issues, and challenges and role of business and society to address such issues. Some of the key forums where they participated are:

- National Skill Development Council (NSDC) meet for sharing of best practices in the field of vocational training.
- Dasra Philanthropy Week (Dasra is involved in working with philanthropists and social

entrepreneurs to create large scale social change).

- US Consulate General, Hyderabad meet for exchange of ideas on challenges and issues combating human trafficking, especially sex trafficking in Andhra Pradesh.
- Facilitated sharing of Enable India's (NGO for support to visually impaired) indigenously developed training module on computer training for visually impaired with the National Association of Software and Services Companies (NASSCOM) and NSDC for onward dissemination of the content with their partners.

The Bank is also proud to be associated with popular television show 'Satyamev Jayate' that discusses relevant social and environmental challenges that India as a country faces and aims to explore possible solutions by inspiring public action and policy change.



ATM with ramp constructed for physically disabled people

Principle 8:

INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

8.1 Social commitment under Inclusive Banking

The Bank is committed to cater to the unbanked and underserved areas of the country through its Rural and Inclusive Banking agenda to contribute to wider financial inclusion. The Bank reaches out to this market segment through a mix of 438 brick and mortar branches in rural unbanked locations and a banking correspondent network of 74,306 active agents. Under this agenda, customers are served through basic savings bank accounts (no-frills accounts), electronic benefit transfer for government schemes, remittance and payments services, and micro loans and insurance.

8.1.1 Disbursal of government scheme funds through Electronic Benefit Transfer (EBT) system

The Bank facilitates the credit of government benefits (wages/pensions) directly to the bank accounts of beneficiaries and then arranges for disbursal of physical cash through a network of Business Correspondent (BC) agents. In order to provide more value to these beneficiaries in the states of Chhattisgarh and Andhra Pradesh, the Bank has started offering group personal accident insurance cover and is on the verge of facilitating other banking transactions in these accounts. **The Bank has disbursed ₹807.65 crores of government benefits in the financial year under the EBT projects.**

The Bank also undertakes credit of government benefits into Aadhaar enabled bank accounts and thereafter disbursing cash to the beneficiaries through Aadhaar authentication mechanism. Since, January 2013 the Bank has opened 16 lakh Aadhaar enabled Bank accounts so far and has done more than 22 lakh Aadhaar enabled disbursal transactions amounting to ₹86 crores. The Bank has handled ₹69.5 crores of through-put as a receiving bank through the Aadhaar Payments Bridge System.

8.1.2 Remittances and payments services

The Bank facilitates fund transfers by migrant workers in urban areas to their dependents in their native villages/towns in three modes: cash to account, account to account and account to cash. As a part of these remittance initiatives, BC agent outlets are set up on rural side to facilitate customer withdrawal of their remittance proceeds.

Mobile based remittance services

The Bank has led an innovative initiative with other partners to cater to the remittance needs in select remittance corridors. It has partnered with retail chain aggregator, Suvidhaa Infoserve and leading telecom operators - Airtel Money Services Limited and Idea m-Commerce to jointly establish and promote mobile enabled banking services to the unbanked population of the country under the business correspondent relationship model. Under this arrangement, the Bank utilises the distribution reach of the mobile service providers and the mobile service providers provides value-added services to the customers thereby enabling them to retain larger customer base. **Partnership with Suvidhaa in the last two years enabled the Bank to acquire over 10 lakh registered customers and over 15 lakh beneficiary base clocking a remittance through-put of over ₹1,700 crores.** Customers are also provided various payment services through Customer Service Points (CSPs) facilitating small value payments to avail of services such as Mobile and Direct-to-home (DTH) recharges utility bill payments and loan re-payments.

The Telco Partnership program has been launched in Delhi, Mumbai, Uttar Pradesh, Bihar and Jharkhand. As of 31st March, 2014, the Bank has opened over 3.55 lakh small accounts through this arrangement with ~ ₹40.50 crores of cash deposits, ₹15.36 crores of remittances and ₹12.36 crores of merchant payment transactions through a wide network of 51,523 retail outlets. The Bank has recently secured a mandate from Odisha Government which permits the disbursement of National Rural Employment Generation Act (NREGA) wages through a mobile-based solution.

8.1.3 Micro loans and insurance

The Bank disburses micro loans through banking correspondents in unbanked and under-banked areas. The Bank has also launched a direct micro lending initiative under 'Sahayog' programme

through the Bank's own infrastructure in the states of Uttar Pradesh, Bihar and Madhya Pradesh. Through the business correspondent model and 'Sahayog' initiative, more than 500 villages have been covered. **The Bank has a micro loan book of ₹110.26 crores through business correspondents and ₹70.58 crores under the 'Sahayog' initiative as on 31st March, 2014.** The Bank also provides a low premium insurance cover to the NREGA beneficiaries who happen to be the bread winners for the family.

8.1.4 Farmers' Club

The Bank is the first private sector bank to form Farmers' Club in association with National Bank for Agriculture and Rural Development (NABARD) in order to bridge the gap between rural customers and banks. It is a grass-root level informal association promoted by rural and semi-urban branches which comprises of 10-15 farmers. **The basic objective of Farmers' Club is development in rural areas through credit, technology transfer, awareness and capacity building.** In this regard, the Farmers' Club has undertaken various activities ranging from base level orientation training program, capacity building exercise and 'Meet the Expert' program. This has encouraged the culture of better usage of credit, in the recent past. The Bank, in association with NABARD, has undertaken various efforts to educate farmers about their banking need and help them use bank credit efficiently. The Bank has promoted 124 Farmers' Clubs across 12 states of Tamil Nadu, Chhattisgarh, Karnataka, Andhra Pradesh, West Bengal, Madhya Pradesh, Maharashtra, Rajasthan, Uttarakhand, Kerala, Punjab and Gujarat since October, 2011.

8.1.5 eKYC for Financial Inclusion customers

The Bank is the first bank in the country to offer Aadhaar based paperless eKYC accounts for Financial Inclusion (FI) customers, offering superior convenience, ease and speed. The eKYC based FI Accounts are activated within 24 hours and Aadhaar seeding process gets completed at National Payments Corporation of India (NPCI). The turnaround time for FI account is highly reduced to nearly one tenth the time it takes to open an account through conventional FI approach. This now seamlessly integrates with funding of customer accounts through Aadhaar Payments Bridge Solution (APBS) and servicing the

accounts through Aadhaar Enabled Payment System (AEPS) through the same micro-ATM (biometric handheld device) managed by the BC agents. The eKYC service for FI was launched on 20th February, 2014 in Adilabad district in Andhra Pradesh and will be replicated across entire Andhra Pradesh followed by other states where the Bank operates its financial inclusion initiative.

8.1.6 Customer service point training

Customer Service Point (CSP) is the direct interface of the Bank with financial inclusion customers and it is critical for the Bank to ensure the CSPs are well aware of financial products and services offered by them to customers. The Bank has successfully organised a CSP Training Program at Dhamtari through Gram Tarang Employability Training Services from 26th to 28th November, 2013. This was the first such Pan India initiative and the response received from the participants was overwhelming. The Financial Inclusion (FI) sales team also follows a regular plan of visiting CSPs every week on rotation basis and train them as and when required.

8.2 Community development

The Bank has formed Axis Bank Foundation to channelise its efforts towards creating positive social and environmental impact through structured community programs. The Foundation primarily works with partner NGOs on livelihoods, education and highway trauma care. Through these programs, the foundation reaches to some of the most vulnerable, disadvantaged and marginalised sections of the society. The Foundation also engages employees of the Bank and its subsidiaries to volunteer for community initiatives and sensitises them on pertinent social and environmental issues.

8.2.1 Livelihoods

The Foundation through its various programs engages on aspects on health and hygiene, environmental sustainability, women empowerment, and promoting arts and culture. ABF is also involved in educating and training community health workers to spread awareness on hygiene and sanitation. Support is provided to rural artisans towards promoting heritage arts and crafts. The artisans are supported through market linkage initiatives to earn better livelihoods while preserving local arts and culture. **Women are**

encouraged to form Self Help Groups (SHGs) for increased savings and better negotiating power. The small and marginal farmers are provided with vital support to increase their productivity by adopting modern methods of farming. The SHGs are also trained on agriculture practices to maximise the yield of agricultural products. The initiatives also promote environmental sustainability by enabling farmers to better manage natural resources like water through farm ponds, bunds, check dams, tanks etc. Initiatives are also taken on environmental and animal husbandry practices to promote local flora and fauna, endangered species and providing livelihood options to locals to divert them from poaching activities. Vocational skills trainings are provided to uneducated youth and school drop outs to enhance their livelihood opportunities. Three of the eighteen programs through which ABF supports women empowerment through specific initiatives are given below:

- **ABHA** – Providing ultra-poor single woman with livelihood assets
- **PRADAN** – Formation of women self help groups and providing sustainable livelihood opportunities
- **SAKSHAM** – Mainstreaming the sex workers by providing sustainable livelihood opportunities

Further, through the SAKSHAM initiative children of sex workers go to school and are also empowered by organising Bal Sabhas, where they discuss their problems and solutions to those problems.



Dilasa SHG Meeting

Livelihood Programs (as of 31st March, 2014)

Category	No. of Programs	Beneficiaries
Agriculture	8	1,86,087
Artisans	1	8,941
Cooperatives	1	4,361
Others	3	25,532
Vocational	5	46,623
Total	18	2,71,544

Some of the key impacts captured from the impact assessment (done by an independent third party) for some of the livelihood programs:

Financial Impact	Social Impact
<ul style="list-style-type: none"> • Increase in average monthly income by 50% or more, in some case 100% or more • Increase in savings per annum up to ₹10,000 • Household goods have doubled or tripled, in some cases 	<ul style="list-style-type: none"> • Woman empowerment – Involved in work, decision making, social gatherings etc. • Additional income spent on education, health and loan repayment (from money lenders) • Purchased livestock like cows, goats, poultry etc. for income generation and to provide nourishment to family members



Grihini Train the Trainer

8.2.2 Education

ABF through its education programs is involved in supporting *anganwadis* and government schools in improving quality of primary education. Support for supplementary education is provided in rural areas. Promoting girl child education is another key aspect that ABF supports. Education support is extended to children of sex workers who are predominantly neglected. Vocational skills training are provided to secondary school students. ABF extends support to record books to assist visually challenged persons. Further, for the visually and hearing impaired, ABF provides for training in computers, and imparts vocational skills to mentally and physically challenged individuals to enhance their livelihood opportunities.

Education Programs (as of 31st March, 2014)

Category	No. of programs	Beneficiaries	
		Direct	Indirect
Special Education	8	6,324	1,276
Supplementary Education	3	31,027	5,928
Primary & Secondary Education	4	47,902	28,040
Others	4	27,354	78
Vocational	1	1,727	-
Total	20	1,14,334	35,322

Key impacts captured by the impact assessment (done by an independent third party) are:

States	Rajasthan	Maharashtra	Gujarat	West Bengal	Kerala	Total
Accident Intervened	1,648	1,745	5,437	NA	NA	8,830
Seriously Injured Victims	1,888	2,611	6,817	501	913	12,730
Minor Injured Victims	255	382	5,508	568	217	6,930
Networks						
Ambulances	75	62	219	NA	NA	356
Hospitals	57	37	89	NA	NA	183
Police Stations	81	48	162	NA	NA	291
Kms. Covered	1,131	597	1,812	NA	NA	3,540

Impact

- Increase in attendance to 84% (August 2013) from 79% (September 2010)
- 1,422 Gram Panchayat members have been trained in child tracking which includes maintaining records of children in 0 to 14 age group, holding grievance redressal days etc.
- 20 preliminary workshops on developing remedial material for 188 subject forum teachers and 17 standard-specific training sessions for non-forum subject teachers, attended by 115 teachers
- Formation of student committees for their empowerment and to improve the effectiveness of the education system

8.2.3 Healthcare

The Bank has been partnering with Lifeline Foundation since 2004 and continues to work with them. The Lifeline Foundation provides trauma care and first-aid for road accident victims.

Key impacts of healthcare initiatives through engagement with Lifeline Foundation, as of 31st March, 2014



Quality Primary Education

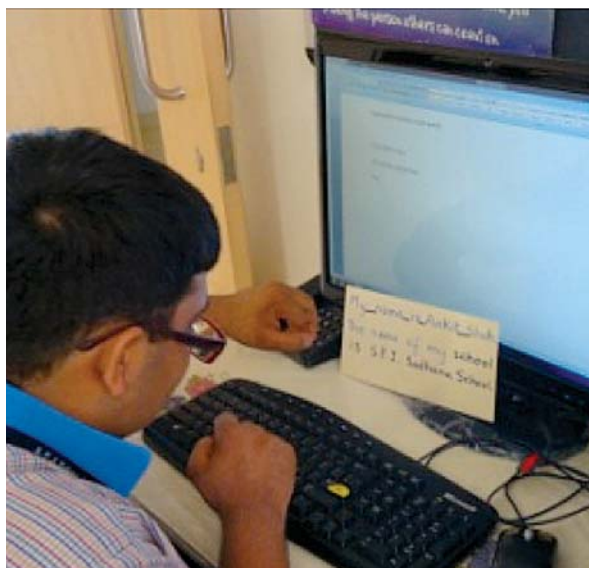
8.2.4 Stakeholder engagement and volunteering

Employee engagement forms an important part of ABF's activities. Through events conducted all-round the year, employees volunteer to help out the disadvantaged people of society. Some of the key initiatives in the FY 2013-14 include:

Recording books for the visually impaired people	18 volunteers recorded 30 pages each
Donating clothes/books/toys for the needy	10 collection drives were conducted accumulating 7 tonnes of clothes/books/toys
Blood donation drives	4,563 units collected through 99 drives

The engagement opportunities were not restricted to employees only. Through an initiative 'Donate a Day', people through the Bank's Facebook page were invited to spend a day with the partner NGOs for a cause of their choice. Two such events were conducted with participation of 10-15 people who connected with the Bank through the Facebook page.

Another initiative of ABF is 'Inspirational Hours', wherein, experts are invited to discuss with employees, pertinent social issues and raise awareness about them. 240 employees benefited from 6 such talks during the financial year. Further, ABF also helped conduct 95 exhibitions from different NGO's throughout the year with cumulative sales of approximately ₹30 lakhs.



Computer skills for differently-abled

Principle 9:

CUSTOMER VALUE AND SERVICE

Customer centricity is a core value of the Bank. This value is deeply ingrained in the customer service Credo that Bank and its subsidiaries have adopted. It puts customer at the core to become partners in the PROGRESS of customers by adopting insightful banking in everyday practice.

- P** Proactive in approach
- R** Right for the customer
- O** Own the solution
- G** Go Deeper
- R** Remove the jargon
- E** Error Free
- S** Simplify
- S** Serve Enthusiastically

9.1 Customer service

The Bank and its subsidiaries strive to provide unparalleled customer service. Continuous improvement measures are taken to better the service quality. One of the significant areas, the Bank and its subsidiaries focus on is reduction in turnaround time (TAT) for various services they offer. Process automation and electronic communication are used to provide quicker services to the customer. Generation of instant debit card PIN (Green PIN) online reduces customer time to wait for delivery of PINs through courier. e-statements for accounts, deposits, credit cards and demat accounts help customers to have immediate access to the statements whenever they want. Essential service like cheque book request can now be made through SMS. This year, e-welcome kits were introduced for new demat accounts. All these initiatives contributed to instant servicing to the customer which also helped in reducing environmental impact through reduction

of paper. The Bank constantly looks for opportunities to provide value added services through ATM. The Bank has also initiated mystery shopping with the objective to gather specific inputs and deeper insights on key transactions pertaining to customer on-boarding and handling of top service issues. The exercise is being conducted at select branches across each circle.

As part of such customer service initiatives, Contact Centre dedicated for Non-resident Indian (NRI) services, was set up and the service time of the existing Contact Centre (for domestic liabilities/cards customers) was extended to 24x7.

To enable easy access of ATMs to the vision-impaired people, the Bank has installed Braille enabled PED at all the ATMs. The Bank also has 85 branches with ramps and 618 branches with railings to enable access to differently-abled people. Further, ABF helped in identifying locations in Bengaluru for Braille enabled ATMs by leveraging its ties with different organisation working on the ground level. All in all, 44 different locations were identified for such ATMs.

The Bank has initiated more focused account planning activity for corporate relationships. The activity aims to bring greater synergy among various business departments to create better value proposition for corporate clients and is augmented by various support initiatives.

Similarly, the Bank has focused on lean process initiatives in dealer finance business by standardising business proposals, appraisal and account opening formats to ensure seamless flow of information. This initiative has helped the Bank to improve the TAT by ~20%.

9.2 Customer grievance redressal

The Bank has established a well-defined customer complaints and grievance redressal mechanism. The Bank has put in place a Grievance Redressal Policy and the customers can reach out to the Bank through various channels like branches, nodal

officers, emails, and customer helplines.

Customer complaints are centrally monitored and closure TAT is ensured to be at the minimum possible. The Customer Service team monitors all the complaints to identify areas for improvement and feedback is provided to relevant business departments to take corrective action. Assessment of quality of complaint closure is also carried out on a sample basis to highlight process adherence gaps by branches and backend processing teams. The Bank also has a dedicated Grievance Redressal Unit which monitors all complaints that are escalated to the second level which are categorised as customer grievances. Periodic meetings are held within business departments and at the apex level to assess customer complaints and grievances. The customer service initiatives of the Bank are periodically reviewed by the Bank's Standing Committee on Customer Service as well as the Customer Service Committee of the Board. The Standing Committee also encourages feedback from customer engagement through their representation in the Bank's Standing Committee on Customer Services.

Axis Securities Ltd. has established multiple channels for customers to raise concerns. It uses Customer Relationship Tool 'I-Leverage' to capture all customer interactions and provides a unique reference number for every interaction. Escalated complaints are handled through its Grievance Redressal Desk. Similarly, Axis Mutual Fund has institutionalised a Centralised Complaint Management Cell to analyse complaints. Axis Finance Ltd. has a designated Compliance/Customer Grievance Officer. The company also has an email id, where customer complaints can be posted. Axis Trustee Services customers can approach the Chief Operating Officer (COO) of the company for any grievance redressal. A designated email ID is maintained by the company, where customer/investor can post their grievances.

Complaints from	Pending Complaints As on 31.3.2013	Complaints received during 2013-14	Complaints redressed during 2013-14	Pending Complaints As on 31.3.2014
Customer	1,903	2,08,881	2,06,309	4,475
Investor	—	835	835	—
Consumer	981	302	17	1,266

9.3 Customer engagement and awareness

Customer engagement and awareness is a critical component of customer value proposition. The Bank continually engages with customers through print media, radio, digital media and social media to create awareness on safeguarding customer rights and their accounts from various possible frauds. **As an effort to inform consumers about their rights, a customer awareness campaign called – Know Your Rights was conducted across the Bank's ATM screens and on the Axis Bank website.** Financial literacy is one of the key aspects of customer engagement. The portal www.itsallaboutmoney.com is an exclusive website dedicated to educate and engage wider sections of society on various aspects like financial systems, banking products and services, investments, tax planning, customer rights and safe banking. Blogs are regularly updated to keep them abreast of the latest development in the banking and financial services sector. The Bank also leverages social media to engage with customers and others, and capture their concerns, if any. The Bank launched a 'Safe Banking' campaign, a customer education initiative in association with popular radio station Radio Mirchi (98.3 FM) in March 2014. As more and more customers today prefer to transact using online banking, ATMs or Cards because of the convenience and speed that these channels and products offer, there is a growing apprehension of the safety of banking through these modes. The objective of this campaign is educating customers about various safe banking practices. The portal www.axisbank.com/WakeUp has been created, which contains tips on safe banking practices and

related information. A Safe Banking audio visual has also been designed and made available to branches which can be used by them to educate customers on Safe Banking Tips.

The Bank re-launched a Rural Van Campaign for the third consecutive year across 251 branches of Punjab and Haryana. It is a key initiative to educate rural consumers on the merits of banking and the positive economic impact that it can have on their lives. The message was communicated through local folk forms, like Jhumar in Punjab and Swaang in Haryana. A team of professional artists, who through their performances educated consumers on various benefits of savings, insurance, deposits and agriculture financing. The campaign was aimed at tapping semi-urban and rural potential as well as providing technology driven banking services to the under-banked centres in the states of Punjab and Haryana. The Bank also regularly holds financial literacy camps for Banking Correspondent agents and customers on general financial awareness.

The Bank's subsidiaries also conduct customer engagement and awareness initiatives.

Axis Securities Limited conducts webinar trainings for customers through online portal www.axisdirect.in. A training calendar is published on the website and clients can register for classroom trainings as well as web based training. As of 31st March, 2014, trainings were conducted at 50 select branches for existing as well as prospective customers.

Axis Mutual Fund conducted 108 Investor Awareness Programmes (IAPs) during the financial year. These programmes were held across the



Rural Van Campaign

country to spread awareness about mutual funds. Over 6,000 investors were contacted under these programmes.

“Let’s Talk” is an initiative to directly engage with customers at branches and seek their feedback. Groups of customers are invited to a branch to discuss the changes that they feel are required in the Bank. The objective is to look at the Bank from the customer’s perspective and thus arrive at products, services and processes that are right for the customer. As of 31st March, 2014, over 1,000 branches have participated in the activity. The Bank also conducts Customer Satisfaction Survey (CSAT)/Customer Transaction Audit (CTA) survey with selective customers to collect feedback from them with regard to product features/services etc. and suggestions made in the survey are shared with different stake holders in the Bank for necessary changes, wherever required.

The Bank believes that it is important to reach out to people in a language they are most comfortable with. It has introduced the usage of regional language in its communication about their products and services across offices and branches in the country. The Bank’s existing Liabilities Contact Centre offers services in 11 languages, amongst the highest in the industry.

9.4 Customer satisfaction studies

The Customer Transaction Survey is an ongoing survey that is conducted with a sampling of customers to understand their experience with different aspects of the Bank. The scope of transaction survey has been expanded in this financial year to cover all businesses with the inclusion of Retail Asset Servicing and Credit Cards initiated this year. The insights from the surveys are discussed in the Service Quality Council meetings.

Safe Banking Tips poster



Splash painting competition

In addition to above, the process of analysing customer feedback and linking the same with the original transaction is being established in order to identify process level improvements.

The Bank has conducted Customer Relationship Assessment (CRA) for corporate clients to assess the customer satisfaction index for the Bank vis-à-vis its peers. The Bank has established 38 SME centres and 16 dedicated SME cells to promote SME services.

Axis Asset Management Company Ltd. through Axis Mutual Fund seeks feedback from investors on the services provided through EasyCall (toll-free service) facility. Axis Securities Ltd. conducts customer feedback survey for active, inactive and High Networth Individuals (HNI) on various aspects of customer service including quality of research, web interface, trainings etc. transaction survey has been expanded in this financial year to cover all businesses with the inclusion of Retail Asset Servicing and Credit Cards initiated this year. The insights from the surveys are discussed in the Service Quality Council meetings. In addition to above, the process of analysing customer feedback and linking the same with the original transaction is being established in order to identify process level improvements.

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Axis Asset Management Company Ltd. through Axis Mutual Fund seeks feedback from investors on the services provided through EasyCall (toll-free service) facility. Axis Securities Ltd. conducts customer feedback survey for active, inactive and High Networth Individuals (HNI) on various aspects of customer service including quality of research, web interface, trainings etc.

Clause 55 Annexure-1

Section A: General Information about the Company	
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	www.axisbank.com
5 Email id	brr@axisbank.com
6 Financial year reported	2013-14
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"> • Deposits • Loans • Investments and foreign exchange
9 (i) Number of international locations	8 (including overseas subsidiary)
(ii) Number of national locations	1636
10 Markets served by the Company – Local/State/National/International	Domestic: Pan India International: Singapore, Hong Kong, Dubai International Financial Centre (DIFC), Colombo and Shanghai. Representative offices in Dubai and Abu Dhabi.

Section B: Financial Details of the Company

1 Paid up capital (₹ crore)	₹469.84 crores
2 Total turnover (₹ crore)	₹38,046.38 crores
3 Total profit after taxes (₹ crore)	₹6,217.67 crores
4 CSR spend as percentage of profit after tax (%)	The Bank contributed 1% of its net profit of FY 2012-13 to Axis Bank Foundation in FY 2013-14
5 List of CSR activities	Refer Section '8.2 Community Development' of 'Business Responsibility Report'

Section C: Other details

1 Company subsidiaries/joint-ventures	<p>Subsidiary companies</p> <ul style="list-style-type: none"> i. Axis Capital Limited ii. Axis Securities Limited iii. Axis Private Equity Limited iv. Axis Trustee Services Limited v. Axis Asset Management Company Limited vi. Axis Mutual Fund Trustee Limited vii. Axis Finance Limited viii. Axis Bank UK Limited <p>Step down Subsidiary Companies</p> <ul style="list-style-type: none"> i. Enam International Limited ii. Axis Securities Europe Limited <p>Associate</p> <ul style="list-style-type: none"> i. Bussan Auto Finance India Private Limited
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Section C: Other details

2	Subsidiaries participating in Company's Business Responsibility (BR) initiatives	i. Axis Capital Limited ii. Axis Securities Limited iii. Axis Trustee Services Limited iv. Axis Asset Management Company Limited v. Axis Mutual Fund Trustee Limited vi. Axis Finance Limited
3	Other entities (e.g. suppliers, distributors etc.) participating in Company's BR initiatives	Nil

Section D (1): Business Responsibility Information

1.a	Director responsible for implementation of BR policies, Director Identification Number (DIN)	02150691
	Director responsible for implementation of BR policies (Name)	Mr. Somnath Sengupta
	Director responsible for implementation of BR policies (Designation)	Executive Director & Head (Corporate Centre)
1.b	BR Head (DIN, if applicable)	N.A.
	BR Head (Name)	Mr. C. Babu Joseph
	BR Head (Designation)	Executive Trustee & CEO (Axis Bank Foundation)
	BR Head (Telephone number)	+91-22-2425-2201
	BR Head (email id)	brr@axisbank.com

Section D (2): BR Information - Principle-wise (as per NVGs) BR Policy/policies (Yes/No)

	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	N	N	N	Y	Y
2. Has the policy being formulated in consultation with the relevant stakeholders?	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*
4. Has the policy being approved by the Board? Is yes, has it been signed by MD/owner/CEO/appropriate Board Director?	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
6. Indicate the link for the policy to be viewed online?	While the Code of Bank's Commitment to Customers and to Medium and Small Enterprises (MSE) and the Sustainability Development & Corporate Social Responsibility (SD & CSR) policy is available on the Bank's website (www.axisbank.com), the remaining policies being internal documents are only available to the employees through the Bank's intranet.								
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 ongoing process.								

	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
8. Does the company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	-	-	-	Y	Y
9. Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	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 . . .	-	-	-	-	The Bank is currently evaluating the policy framework for these three principles and intends to roll out appropriate policies in the near future.			-	-

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
P2	Code of Bank's Commitment to Micro and Small Enterprise, Environment & Social Safeguard Policy, Financial Inclusion practices, Credit Policy (SME Priority Sector exposures: Concessionary pricing)
P3	Remuneration Policy, Staff Housing Loan Policy, Staff Rules and Guidelines (covering leave policy, insurance benefits, superannuation scheme etc.), Sexual Harassment guidelines, Withdrawal from PF policy
P4	Code of Bank's Commitment to Micro and Small Enterprise, Sustainable Development & Corporate Social Responsibility Policy, Credit Policy (SME Priority Sector exposures: Concessionary Pricing)
P8	Financial Inclusion practices, Sustainable Development & Corporate Social Responsibility Policy
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

* The policies are developed and aligned to applicable legal requirements, RBI norms and guidelines, requirements of listing agreement with stock exchanges, international standards such as International Organisation for Standardisation (ISO) standards and Bank's internal requirements.

Section D (3): BR Governance

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 SD & CSR Committee meets atleast once in six months
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?	BR Report Frequency: Annual Hyperlink: www.axisbank.com

Section E: Principle wise performance

Principle 1

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?	Refer section '1.1 Policy framework for ethics, transparency and accountability of the 'Business Responsibility Report'
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.	Refer section '9.2 Customer grievance redressal' section of this report

Principle 2

1 List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.	<ul style="list-style-type: none"> • No-frills saving accounts • Remittance and payments service under Inclusive Banking • Micro loans and insurance products under Inclusive Banking Refer to section '8.1 Social commitment under Inclusive Banking' of 'Business Responsibility Report' for additional information
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?	N.A
3 Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?	N.A
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 Bank does not procure any goods for processing. The manpower services for offices and branches are generally hired from local agencies.

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.	Refer sections '6.1 Energy efficiency' and '6.2 Resource efficiency' of 'Business Responsibility Report'
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Principle 3

1 Please indicate the Total number of employees (as at 31.03.2014)	42,420
2 Please indicate the Total number of employees hired on temporary/contractual/casual basis. (as at 31.03.2014)	Refer section '3.1 Equal opportunity employment' of 'Business Responsibility Report'
3 Please indicate the Number of permanent women employees. (as at 31.03.2014)	Refer section '3.1 Equal opportunity employment' of 'Business Responsibility Report'
4 Please indicate the Number of permanent employees with disabilities (as at 31.03.2014)	Refer section '3.1 Equal opportunity employment' of 'Business Responsibility Report'
5 Do you have an employee association that is recognised by management?	Refer section '3.6 Employee associations' of 'Business Responsibility Report'
6 What percentage of your permanent employees is members of this recognised employee association?	Refer section '3.6 Employee associations' of 'Business Responsibility Report'
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.	14 complaints received related to sexual harassment 5 complaints related to sexual harassment pending No complaints related to child labour, forced labour, involuntary labour received, discriminatory employment.
8 What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year? <ul style="list-style-type: none"> • Permanent Employees • Permanent Women Employees • Casual/Temporary/Contractual Employees • Employees with Disabilities 	Refer section '3.3 Learning and development' of 'Business Responsibility Report'

Principle 4

1 Has the company mapped its internal and external stakeholders?	Refer section 'Principle 4: Stakeholder Engagement' of 'Business Responsibility Report'
2 Out of the above, has the company identified the disadvantaged, vulnerable & marginalised stakeholders?	Refer sections 'Principle 4: Stakeholder Engagement' and 'Principle 8: Inclusive Growth and Equitable Development' of 'Business Responsibility Report'

3 Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalised stakeholders. If so, provide details thereof, in about 50 words or so.	Refer sections 'Principle 4: Stakeholder Engagement', '8.1 Social commitment under Inclusive Banking' and '8.2 Community development' of this report.
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Principle 5

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 is currently evaluating the policy framework for Human Rights and intends to roll out appropriate policy in the near future. Refer section 'Principle 5: Human Rights' of 'Business Responsibility Report' for additional information.
2 How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	Nil

Principle 6

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 is currently evaluating the policy framework for Environment Management and intends to roll out appropriate policy in the near future. Refer to section 'Principle 6: Environment Management' of 'Business Responsibility Report' for additional information
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.	Refer to section 'Principle 6: Environment Management' of 'Business Responsibility Report' for additional information
3 Does the company identify and assess potential environmental risks?	Refer to section 'Principle 6: Environment Management' of 'Business Responsibility Report'
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
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.	Refer to sections '6.1 Energy efficiency', and 'Principle 2: Products and Services Designed with Environmental and Social Opportunities' of 'Business Responsibility Report'
6 Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?	N.A.
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.	Nil

Principle 7

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:	Refer section 'Principle 7: Public Policy Advocacy' of 'Business Responsibility Report'
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)	Refer section 'Principle 7: Public Policy Advocacy' of 'Business Responsibility Report'

Principle 8

1 Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes, details thereof.	Refer sections '8.1 Social commitment under Inclusive Banking' and '8.2 Community development' of 'Business Responsibility Report'
2 Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organisation?	Refer sections '8.1 Social commitment under Inclusive Banking' and '8.2 Community development' of 'Business Responsibility Report'
3 Have you done any impact assessment of your initiative?	Refer sections '8.1 Social commitment under Inclusive Banking' and '8.2 Community development' of 'Business Responsibility Report'
4 What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?	Contributions of ₹52.45 crores made towards Community development projects through ABF. Refer section '8.2 Community development' of 'Business Responsibility Report' for the details of the projects
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.	Refer section '8.2 Community development' of 'Business Responsibility Report' for the details of the projects

Principle 9

1 What percentage of customer complaints/consumer cases are pending as on the end of financial year.	Refer section '9.2 Customer grievance redressal' section of 'Business Responsibility Report'
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)	Refer section '9.3 Customer engagement and awareness' of 'Business Responsibility Report'
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?	Refer section '9.4 Customer satisfaction studies' of 'Business Responsibility Report'



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