



Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information

(Fair Disclosure Code – September 2020)

[Pursuant to Regulation 8 (1) read with Schedule A of the SEBI [Prohibition of Insider Trading) Regulations, 2015]

In compliance with Regulation 8 (1) and the principles of fair disclosures as specified in Schedule A of the SEBI (Prohibition of Insider Trading Regulations), 2015 (**'the Regulations'**), Axis Bank Limited (**'the Bank'**) is required to abide with the following practices and procedures relating to fair disclosures in respect of the Unpublished Price Sensitive Information (**'UPSI'**) relating to the Bank and/or of its securities.

The Fair Disclosure Code intends to formulate a stated framework and policy for fair disclosure of events and occurrences that could materially impact price discovery in the market for the securities of the Bank.

For the purpose of this Fair Disclosure Code, UPSI shall mean any information, directly or indirectly relating to the Bank or of its securities, which is not generally available and which upon becoming public, is likely to materially affect the price of the securities of the Bank and shall, ordinarily include but not be restricted to, information relating to the following: –

- (i) financial results;
- (ii) dividends;
- (iii) change in its capital structure;
- (iv) mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions; and
- (v) changes in its key managerial personnel.

The practices and procedures to ensure fair disclosure of material events and/ or UPSI relating to the Bank or its securities, to the public, are as under:

1. Disclosure shall be made by the Bank of any event / information, which is considered to be material in nature. The materiality of such event / information shall be ascertained in accordance with the principles as set out in the 'Policy for Determination of Materiality of Events/ Information', which has been formulated and adopted by the Bank, in terms of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the '**Listing Regulations**').
2. Any event/ information that could have a material impact on the price of securities of the Bank shall be promptly disclosed to the Stock Exchanges where its securities are listed, no sooner than credible and concrete information in respect of such event/ information comes into being, in order to ensure details of such event / information, is generally available. Such disclosure would be made by Officers of the Bank, duly authorized under Policy for Determination of Materiality of Events/ Information, subject to receipt of requisite internal approvals.
3. Uniform and universal dissemination of UPSI would be ensured by the Bank by adopting a common platform for public disclosure i.e. Stock Exchanges. Once the UPSI is communicated to the Stock Exchanges as aforesaid, then other medium of dissemination may be used to ensure such information is made accessible to the public on a non-discriminatory basis.
4. The Head - Investor Relations of the Bank shall be the Chief Investor Relations Officer ('**CIRO**') of the Bank for the purpose of this Code and Schedule A of the SEBI (Prohibition of Insider Trading) Regulations, 2015.
5. In the unlikely event of any material UPSI being disclosed selectively, inadvertently or otherwise, at any forum, whether in India or abroad, the Bank, shall take effective steps to promptly disseminate such UPSI, to the Stock Exchanges, for public disclosure.
6. In case any clarification sought by the Statutory/ Regulatory Authorities or Stock Exchanges in respect of rumors / news reports relating to the Bank or that of its subsidiary companies, the Bank shall endeavor to provide an appropriate response by accepting / denying / clarifying the same.
7. As a policy, the Bank would make public disclosure with respect to any matter only after it has taken a concrete or definitive decision. Accordingly, the Bank shall not make any public disclosures in case where any proposal is in progress, or there are impending negotiations or where requisite approvals is awaited from any statutory/ regulatory authority or where such disclosure would not be appropriate or where it could prejudice the Bank's interest.
8. Any information that is classified as UPSI shall be dealt with on a need to know basis and shall be communicated or procured only for furtherance of a legitimate purpose or performance of duties or discharge of legal obligations.
9. The Policy for Determination of "Legitimate Purpose", in terms of Regulation 3 (2A) of the Regulations, is as under.
 - a) Legitimate Purpose means legitimate transactions undertaken for performance of a fiduciary duty in the interest of the Bank or transactions undertaken in the public interest or transactions undertaken without an intent to make unlawful profit or gain or without a view to misuse UPSI relating to the Bank, or the like, which would not be hit by any prohibition as contained in the Regulations.

Explanation – For the purpose of this Code, the term “legitimate purpose” would mean and include, sharing of UPSI in the ordinary course of business with Professional Firms (viz. statutory auditors, secretarial auditors, accountancy firms, law firms), analysts, collaborators, lenders, banks, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or such other advisors or consultants who are assisting or advising the Bank (collectively referred to as ‘Fiduciaries’)...

- b) Communication / procurement of UPSI relating to the Bank shall be considered to have been carried out for ‘legitimate purpose’, under any one or more of the following circumstances:
 - i. The communication / procurement of such UPSI has been made in furtherance of legitimate purpose, performance of fiduciary duties or discharge of legal obligations and in the ordinary course of the business of the Bank.
 - ii. The communication / procurement of such UPSI is duly authorized by the Bank stating the legitimate purpose for which such UPSI is being communicated and the manner in which such UPSI will be communicated or access granted.
 - iii. Any person in receipt of such UPSI pursuant to a “legitimate purpose” shall be considered as an “insider” in terms of Regulation 3 (2B) of the Regulations and due notice shall be given to such person(s) with regard to their obligation to maintain confidentiality of such UPSI, in compliance with the Regulations.
 - iv. The Insider, who is in receipt of such UPSI pursuant to a “legitimate purpose” shall also abide by the Code of Conduct formulated and adopted by them under Regulation 9 (2) read with Schedule C to the Regulations.
- c) It is further clarified that sharing of any such UPSI, for being considered to have been done for a “legitimate purpose”, must not have been done to evade or circumvent the Regulations or market abuse.
- d) The prescribed details of the insider(s), with whom such UPSI relating to the Bank has been shared and also name of such persons who have shared the UPSI for legitimate purpose(s) along with the nature of UPSI, shall form part of the ‘Structured Digital Database’ maintained by the Bank, under with Reg. 3(5) of the Regulations.

Issue of Notice to the recipient of UPSI under of Regulation 3 (2B) of the Regulations.

Any person in receipt of such UPSI pursuant to a “legitimate purpose” shall be considered as an “insider” in terms of Regulation 3 (2B) of the Regulations and due notice shall be given to such person(s) with regard to their obligation to maintain confidentiality of such UPSI, in compliance with the Regulations.

The said notice shall be given to such insider to inform:

- a. that the information shared with him / her, is an UPSI relating the Bank.
- b. his / her duties and responsibilities upon receipt of such UPSI and the liability attached to any misuse or unwarranted disclosure / misuse of such UPSI, on his / her part or by person acting on his behalf.
- c. to maintain confidentiality of such UPSI, in compliance with the Regulations, failing which, the Bank would have the right to initiate appropriate legal action.

Structured Digital Database under Regulation 3(5) of the Regulations.

In terms of Regulation 3 (5) of the Regulations, the Bank shall maintain a Structured Digital Database ('SDD') containing the nature of UPSI and the names of such persons who have shared the UPSI and the name of such persons or entities as the case may be, with whom UPSI relating to the Bank has been shared by the Bank under the Regulations for legitimate purpose and in the ordinary course of the business. Structured Digital Database shall contain the information as prescribed under the Regulations. Such database shall not be outsourced and shall be maintained internally with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database.

The structured digital database shall be preserved for a period of not less than eight years after completion of the relevant transactions and in the event of receipt of any information from the SEBI regarding any investigation or enforcement proceedings, the relevant information in the structured digital database shall be preserved till the completion of such proceeding.

The said database shall be maintained by the Bank with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering thereof.

10. The amendments to this Code have been reviewed and approved by the Executive Director (Corporate Centre) in terms of the authority granted by the Board of Directors of the Bank at its meeting held on 21st October 2020 and the revised Code shall come into effect from 10th September 2020.