

Catalysing Positive Transformation



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Rakesh Makhija
Chair

DEAR STAKEHOLDERS,

I am pleased to present Axis Bank's Sustainability Report for FY 2021-22. This is the eighth year of publishing this report, which highlights the key milestones and acts as a report card, for our strategy and actions on making ESG an integral part of our way of doing business.

The pandemic, coupled with heightened geo-political instability, rapidly manifesting climate change, and their multi-dimensional compounding effects brought forth the many social, economic and environmental inequities that exist across the world. The silver lining perhaps has been that the corporate sector, governments, regulators and civil society have acknowledged the need and urgency for transformative action. We recognise that collectively we are at a turning point in history, and the decisions we make now shall shape the course of the future.

The year gone by has been significant in firmly anchoring Axis Bank on the path to achieving its purpose of 'Banking that leads to a more inclusive and equitable economy, a thriving community and a healthier planet'. Our aspirations are not only of being an industry leader, but to truly catalyse positive transformation across the community and the economy.

I am pleased with the considerable progress we have made on our ESG agenda. While many ESG-aligned elements have always been a part of the decision making at the Bank, this year marked the beginning of a comprehensive integration of E, S & G in everything we will do as an institution.

The journey started with the adoption of our Purpose statement that clearly outlines our larger intent and longer-term goals. We became the first bank in India to constitute an ESG Committee of the Board, demonstrating unequivocal leadership endorsement. The Committee met thrice during the year and its guidance has been key in catalysing and influencing our broader ESG strategy and action plans.

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Along with my dual role as Chair of the CSR Committee, I am happy that the Bank's CSR interventions during the year reached millions of citizens across the country, directly as well as through our Axis Bank Foundation (ABF). Our key CSR themes encompass Rural Lives & Livelihoods, Financial Inclusion & Literacy, Education and Environment & Relief programs.

The Bank continued to support government and allied agencies against the pandemic and supported vaccination drives for the economically weaker sections. ABF actively supported the most vulnerable population in rural areas, facilitating diverse interventions including vaccine awareness, access to medical facilities, providing grocery, medical support and creating and supporting quarantine centres. The adoption of 'work from anywhere' during the pandemic presented new gig opportunities for Persons with Disabilities (PwDs) and was a key focus of ABF's skilling interventions.

The year gone by was also significant in expanding the Bank's horizons on education. Our flagship education program, Axis Dil Se, that aims to drive education-led development in the very remote parts of our country, increased its footprint in the North East by launching a program in Majuli, Assam. During the year, we expanded the Axis Bank scholarship program for

scholars, primarily women, pursuing higher education in STEM, which is now active at Ashoka University and Plaksha University.

The Bank's Financial Literacy and Financial Inclusion Program, primarily focused on women from economically weaker sections in rural and semi-urban India, reached 1.37 million participants in 21 states in FY22. As a part of our larger ESG agenda, we have also committed to planting 2 million trees by 2027, thereby contributing to India's reforestation and carbon sink.

The Bank also achieved significant milestones towards financing sectors with positive social and environmental impact. We issued India's first Sustainable AT1 Notes for US\$ 600 million and announced blended finance facilities with marquee partners including PIDG (through its guarantee arm, GuarantCo), ADB and IPE Global towards sectors that support India's sustainable transition.

Our Bank continues to take steady steps towards being recognised as an ESG frontrunner in India. We have consistently been strengthening our performance on leading global ESG assessment platforms including the FTSE4Good Index Series and the Dow Jones Sustainability Indices. The Bank was also independently assessed and emerged as the sole national winner in two categories at the 1st ESG India Leadership Awards, hosted by Acuite Ratings & Research Ltd.

I would like to take this opportunity to thank our teams who have been true ambassadors of our 'Dil Se Open' philosophy during the past two years when the pandemic disrupted almost every aspect of our lives. Their courage and ownership of the difficult task during these trying times has been truly overwhelming. Our pioneering efforts in reshaping workplaces with differentiators such as GIG-A opportunities as well as the Diversity, Equity and Inclusion (DEI) agenda that the Bank has adopted has been very noteworthy.

'Putting Purpose First', the theme of this year's report, is not just a statement but a rousing call to action for us at the Bank. We are ready and look forward to the road ahead.

Warm Regards,

Rakesh Makhija
Chair