

## Determination and Prioritisation of Material topics

The Stakeholder Engagement and Materiality Assessment exercise was previously conducted by us in FY 2017-18. We have revisited the process in FY 2021-22 to identify and account for externalities and internal developments that have taken place over a period of time.

### PROCESS FOR DEVELOPING MATERIALITY MATRIX

#### Identification of key stakeholders

Based on previous engagement and peer review

#### Identification of potential material E,S and G topics

– SASB guidelines, WBCSD Macro Trends & Disruptions 2020-30, World Economic Forum’s – The Global Risks Report and peer review of International banks and Indian banks

#### Prioritisation of key stakeholders and ranking of identified material topics

Prioritisation done by Senior Management

#### Finalise materialise ESG topics

Based on feedback collection from identified stakeholders through a detailed questionnaire

#### Develop materiality matrix of prioritised material topics

Based on the responses received from the Senior Management and our key Stakeholders

### KEY MATERIAL TOPICS

#### Risk Control Measures for Fraud and Money Laundering

As the uptake of anywhere - banking and digital channels rise, the risks of fraudulent transactions have grown manifold. We have a process of monitoring customer transactions through a combination of value-thresholds, velocity-checks and real-time decline of transactions to help mitigate the fraud risk. Please refer to

page 43 (Fraud Detection and Mitigation) to know more about the governance mechanisms and initiatives implemented during the year.

#### Customer Privacy and Data Security

Maintaining the privacy of millions of our customers with the highest standards of data security are material issues of the top priority for us. We continually invest in upgrading our core systems for better scalability, stability and enhanced security. Our systems are further bolstered by a variety of internal audits as well as external certifications. Please refer to page 65 of the Annual Report 2021-22 and page 44 (Customer Privacy & Data Security) of this report to know more about our actions.

#### Transparency, Accountability, and Disclosures to Stakeholders

Transparency, accountability and disclosures are a critical aspect of good governance practices, allowing key stakeholders, especially investors and regulators, to get a complete picture of our performance and value creation. Axis Bank was recognised as the national winner in ‘Transparency’ and ‘Leadership in Social Impact’ at the ESG India Leadership Awards in 2021. We publish a Sustainability Report annually which contains disclosures on our ESG strategy, commitments, our performance and initiatives. Please refer to page 02 of this report to know more about Our Report.

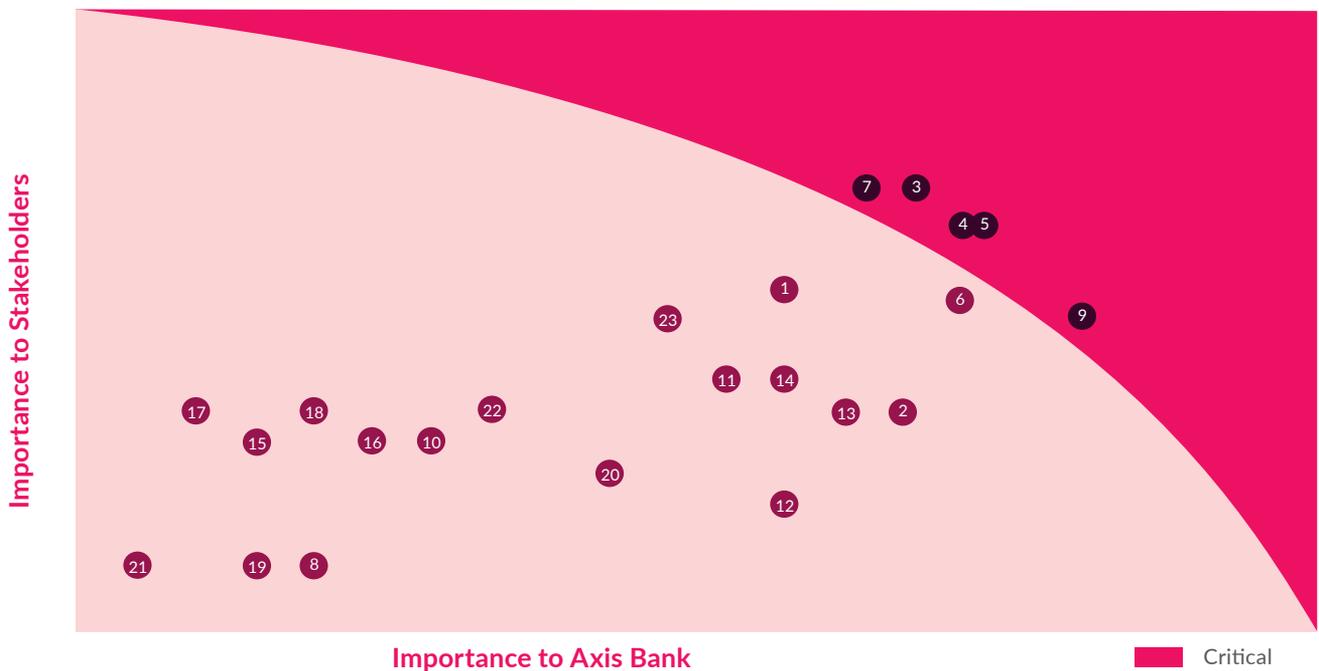
### Regulatory Compliance and Ethical Business Practices

We are committed to achieving and adhering to the highest standards of corporate governance. Compliance to applicable regulatory requirements is a non-negotiable imperative at the Bank. The Code of Conduct defines the standards expected of all employees to ensure that the right decisions are taken while performing their roles and responsibilities. Please refer to [page 40](#) (Fostering Strong Corporate Governance) to know more.

### Customer Satisfaction

We are committed to delivering the greatest levels of customer-experience and satisfaction to our user base, and have put in place the requisite frameworks and measurements to gauge customer satisfaction across key journeys, touch points and business lines. Please refer to [page 58](#) (Customer Satisfaction) of this report to know more.

## MATERIALITY MATRIX



- |   |  |   |
|---|--|---|
| 1 ESG Governance and Board Oversight                            | 9 Customer Satisfaction                                | 17 Optimising Resource Efficiency & Managing Carbon Footprint                 |
| 2 Systemic Risk Management                                      | 10 Diversity, Equity & Inclusion                       | 18 Access to Finance and Financial inclusion                                  |
| 3 Risk Control Measures for Fraud and Money Laundering          | 11 Employee Engagement, Training and Development       | 19 Community Development  |
| 4 Regulatory Compliance & Ethical Business practices            | 12 Talent Attraction & Retention                       | 20 Brand Enhancement as Environmentally and Socially Responsible Organisation |
| 5 Transparency, Accountability, and Disclosures to Stakeholders | 13 Leadership Development and Succession Planning      | 21 Responsible Procurement  |
| 6 Digital Transformation  | 14 Employee Health and Safety                          | 22 Financing Transition to Low-carbon Economy                                 |
| 7 Customer Privacy and Data Security                            | 15 Integrating ESG in investment and Lending Decisions | 23 Epidemic & Pandemic Preparedness   |
| 8 Policy Advocacy and Thought Leadership                        | 16 Human Rights  |   |

In this report, a brief discussion on the material topics most prioritised by our stakeholders is provided.