

STRATEGY IN ACTION

Building on Execution Strength, Distinctiveness and Differentiation

Over the course of the past few years, our GPS strategy, centred on customers and people, has set us on the path of predictable and sustained high performance.

Five years ago, we launched our 'Growth, Profitability and Sustainability (GPS)' strategy, also known as the 'House of GPS'. An element of distinctiveness was added to further strengthen the original 'House of Strategy'.

The 'House of GPS', as it stands today, reflects our aspirations and remain relevant. Our overall strategy and specific business and function strategies are aligned with our core philosophy of GPS.

Last year, we bolstered our 'House of Strategy' by four key themes :- Deposit mobilisation, People proposition, Operational risk and Compliance culture, and Execution excellence.

We are propelling our business towards success by prioritising the GPS strategy and its key themes, along with a continued focus on our values, which serve as the foundation for the 'House of GPS'.





We have strengthened our 'House of GPS' with distinctiveness and identified focus themes to take charge

GPS strategy

Sustained, Consistent Financial Outperformance

- » Deliver world-class customer experience led by Project SPARSH
- » Build India's most profitable Bharat Banking franchise
- » Leadership in Digital with best-in-class capability

Identified areas of distinctiveness with focus on **Customer Obsession 'SPARSH'** and serving the high growth potential RuSu markets as part of **Bharat Banking**

Leadership in Digital and Technology to drive productivity, scale and profitability



Growth

- » Accelerate deposit growth
- » Emphasis on profitable advances and achievement of leadership positions across our focus areas
- » Scale-up of subsidiaries and Axis Digital Bank



Profitability

- » Growth in fee income
- » Improve operating efficiency and optimise costs
- » Sweat existing infrastructure
- » Maintain control over credit cost



Sustainability

- » Strengthen governance across the Bank to enhance risk management
- » Robust audit and compliance culture
- » Retain high-quality talent

Bolstered the Sustainability elements with focus on **Executorial Excellence, People Proposition,** and **Operational Risk and Compliance**

Our Values



Customer Centricity



Ethics



Ownership



Transparency



Teamwork

Our Progress on GPS Strategy in Fiscal 2024

Growth

- » Delivered strong growth across our focused segments, led by our drive to build granularity across businesses and strong emphasis on execution
- » 13% y-o-y growth in overall deposits and 3% y-o-y growth as on 31 March, 2024 in CASA deposits; this growth was complemented by improvement in the quality of our average LCR deposits (improved ~500 bps in outflow rates in the last 2 years)
- » Issued ~1 million+ credit cards during the 9 consecutive quarters

since fiscal 2024, making us now the 4th largest credit card player; attained CIF (Cards in force) market share of 14%

- » Scaled Wealth Management franchise; we now manage ₹5+ trillion worth of wealth AUM, and we are the 3rd largest Private Banking and Wealth Management franchise
- » Axis Mobile is one of the highest-rated mobile banking apps globally, with a rating of 4.8 on Google Play
- » Created multiplicative forces through the unification of One Axis, partnerships and new-age tech platforms to win across businesses

5.0%*

Market share deposits

5.9%*

Market share advances

25%

CAGR (since fiscal 2020) of Focus[#] Business Segments

*Based on RBI data of Mar'24 (excluding the impact of merger of large NBFC with large private bank)

[#]Focus segments for the Bank include Small Business Banking (SBB), Small & Medium Enterprises (SME), Mid Corporate, Rural, Personal Loans (PL) and Credit Card Advances

Profitability

- » Delivered a healthy operating performance: net interest income grew by 16% y-o-y and Operating Profit grew by 16% y-o-y in fiscal 2024 as compared to fiscal 2023
- » Continued to focus on building cost consciousness across the Bank with cost to assets ratio at 2.55% in fiscal 2024

- » Total PAT of domestic subsidiaries grew by 22% y-o-y in fiscal 2024 as compared to fiscal 2023, and ROI in domestic subsidiaries stood at 54%

- » Consolidated Return on Assets (RoA) grew from 0.66% in fiscal 2019 to 1.84% in fiscal 2024

- » Consolidated Return on Equity (RoE) grew from 8.58% in fiscal 2019 to 19.29% in fiscal 2024

₹24,861 crores

Profit after tax (PAT)

93%

Composition of granular fees

4.07%

Net Interest Margin (NIM)

Sustainability

- » Bolstered our risk frameworks and institutionalised culture changes, which gives us confidence that the franchise will remain resilient through cycles
- » Added 2 new departments viz. OH&C (Operational Health & Compliance) and FCI (Financial Crime Intelligence) to further strengthen our risk and compliance culture
- » Set to become India's best tech bank by our best-in-class digital and analytics capabilities, coupled

with our strategy to leverage new emerging tech such as GenAI

- » Armed with our distinctive people proposition, **Project Thrive**, which helps us retain high-quality talent to 'run'/'change' the Bank

- » Set apart for the next decade by the following programmes

Spash

Our customer obsession programme

Siddhi

Our super app that empowers Axis colleagues to engage seamlessly with customers

100%

Agile adoption for relevant systems

2,480+

RuSu branches with 30% growth in rural advances

145\$

Retail Net Promoter Score (NPS)

^{\$}baseline of 100

Above are standalone figures as on/for year ended March 31, 2024 unless otherwise mentioned

Our Purpose Drives our Actions

<p>1</p> <p>We leverage our digital leadership to serve the unbanked and underbanked population in the country, helping them enter the financial mainstream.</p>	<p>2</p> <p>We continue to create platforms for mutual growth, which results in the constant support received from our value chain partners.</p>	<p>3</p> <p>We have committed to significant investments in sectors that create positive environmental and social impacts.</p>	<p>4</p> <p>We aim to improve the socio-economic conditions and help create new, often unprecedented opportunities for economic progress and well-being for communities across India.</p>	<p>5</p> <p>We strive to create an environment that is inclusive, diverse, and promotes the overall well-being while providing our employees with opportunities to grow.</p>
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Sustainability is deeply engrained in our organisational philosophy as we move forward on the three core areas of execution towards achieving our GPS strategy

