

CHAIRMAN'S STATEMENT

Promoting enduring value for our stakeholders



N. S. Vishwanathan

Independent Director and
Part-time Chairman

Dear Shareholders,

It is with great pride and optimism that I present to you Axis Bank's Integrated Annual Report for the financial year 2024-25. This year has been a year of steady progress, thoughtful transformation, and continued focus on building a resilient and future-ready institution. Underpinning our journey has been a strong commitment to sound governance and robust compliance frameworks—ensuring that our growth is not only sustainable but also responsible.

The global economy is in flux as the U.S. undertakes structural shifts in trade, taxation, and regulation to address domestic imbalances. According to the IMF, the global economy appears to be entering

a period of transition, as the long-standing economic framework of the past 80 years undergoes a reset. A key element has been the imposition of tariffs, particularly targeting China, which has disrupted global supply chains and increased costs. While some tariffs have been partially rolled back, uncertainty around future trade rules continues to delay investments and tighten financial conditions. Currency volatility and geopolitical tensions further weigh on global growth. Reflecting this uncertainty, the IMF has revised its global growth forecast for 2025 downward by 0.5% to 2.8%. However, coordinated fiscal action in Europe and China, or resolution of major conflicts, could help restore confidence and economic momentum.

India's moderated growth in fiscal 2025 reflected a period of prudent fiscal and monetary consolidation. With the temporary effects of election-related spending pauses now behind us and a more measured fiscal easing anticipated in fiscal 2026, government expenditure is poised to return to a more normalised and growth-supportive trajectory, setting the stage for a renewed momentum. On the monetary front, recent RBI actions—CRR cuts, bond purchases, and liquidity easing—are restoring credit flow and supporting growth. Inflation below 4% has shifted policy focus squarely to expansion. India remains resilient to global shocks, with strong services exports, rising competitiveness in manufacturing,



and gains from the “China + 1” strategy. These structural strengths position India for a robust and broad-based economic rebound.

We delivered a consolidated RoA of 1.77% and RoE of 16.89% in fiscal 2025 and our focus on high RAROC businesses continues to drive healthy growth across our focus segment of Small Business Banking, SME, and Mid-Corporate, growing 14% y-o-y and now forming ~23% of our loan book, up ~740 bps in four years. Our balance sheet remains strong, backed by best-in-class asset quality metrics with net NPA at 0.33% and ₹11,957 crores in non-NPA provisions. With a CET-1 ratio of 14.67%, up 93 bps y-o-y largely through organic accretion, we are well-capitalised to invest in future growth. Prudent risk management, disciplined execution, and strong internal accruals continue to position us well to deliver, high-quality performance.

Our customer obsession program, Sparsh 2.0 is a bold step forward—seamlessly connecting our people—first initiatives to elevate customer experiences, driving stronger Net Promoter Score, and unlocking meaningful business growth through empathy and excellence.

We're proud to share that Axis Bank has once again been rated in the top-tier “Leadership” category in the Indian Corporate Governance Scorecard (December 2024) by IiAS. This recognition reflects our unwavering commitment to corporate governance and regulatory excellence. The evaluation, based on globally benchmarked G20/OECD principles, reaffirms our industry leadership and dedication to the highest standards of accountability and transparency.

At Axis Bank, our philosophy is anchored in sustainable growth

and creating long-term value for our customers and stakeholders. In recent years, we have made substantial strides in reinforcing our governance architecture and strengthened over risk, audit, and compliance functions. Our steadfast commitment to excellence in corporate governance is reflected in the rigorous standards we uphold and the comprehensive policies we implement across every dimension of our operations.

At Axis Bank, ESG is deeply embedded in our strategic vision, with dedicated structures driving focused action. In 2021, we became the first Indian bank to establish a standalone Board-level ESG Committee, aligning diverse priorities under a unified ESG agenda. This Committee met four times in fiscal 2025, reviewing progress and guiding new initiatives. Our ESG commitments are aligned with the UN Sustainable Development Goals and India's Paris Agreement commitments. We exceeded our ₹30,000 crores sustainable wholesale lending target well ahead of the 2026 deadline, consequently, we raised our target to ₹60,000 crores by 2030, with ₹48,412 crores already achieved by March 31, 2025. We continue to maintain an exposure to coal and thermal power well within our glide path limits. Additionally, as part of our commitment to achieving 30% women representation in our workforce by fiscal 2027, we are actively scaling up diverse hiring across all businesses and support functions, while launching innovative initiatives that truly reflect our organisational values.

As a responsible corporate citizen, we continue to drive meaningful impact through our CSR arm, Axis Bank Foundation (ABF), and strategic partnerships. Since 2018, ABF has been relentlessly driving ‘Mission 2 Million’ to uplift 2 million households across India. By fiscal 2025, ABF not only met

but surpassed this goal—impacting ~2.05 million participants across 300 districts in 32 states and union territories as of March 31, 2025.

In this fiscal alone, we reached ~0.39 million participants nationwide. Moreover, we amplified our impact in the Education theme—expanding Axis DilSe® to new remote frontiers, forging powerful partnerships to strengthen education systems, and backing cutting-edge research and innovation.

Each achievement is a step toward a greater vision—one where opportunity, equity, and sustainability are accessible to all. The Bank's journey is far from over, and its commitment to creating lasting impact has never been stronger. Guided by the ‘open’ philosophy, we will continue to push boundaries, scale impact, and build a future where inclusive growth and sustainability go hand in hand.

As we look ahead, I would like to take a moment to acknowledge Mr. Rajiv Anand, who will be retiring in August 2025 after an exceptional 16-year journey with Axis Group. His visionary leadership has been instrumental in shaping our digital and innovative solutions-led franchise. We thank him for his invaluable contributions and lasting impact on the Bank's growth and culture.

Warm regards,

N. S. Vishwanathan

Independent Director and
Part-time Chairman