

MESSAGE FROM THE MANAGEMENT –
OPERATIONS AND TRANSFORMATION

Raising the bar with each success



Subrat Mohanty

Executive Director (Banking
Operations & Transformation)

Dear Shareholders,

Fiscal 2025 marked an important chapter in our growth as we advanced towards becoming a stronger, more resilient franchise. Anchored by our GPS strategy, we achieved sustained growth and profitability, while simultaneously reimagining and reinforcing the foundation of our organisation.

In previous updates, I highlighted three strategic priorities that continue to shape our long-term readiness:

- » Strengthening and Modernising our core systems and processes to navigate increasing complexity and shifting business dynamics.
- » Developing future-focused capabilities that leverage technological advancements and respond to evolving customer expectations.
- » Championing responsible business practices and setting benchmarks in corporate citizenship.

We have made meaningful headway in each of these areas.

Strengthening our core

Enhancing customer experience and operational efficiency with pioneering technology

We remain steadfast in our commitment to leverage technology-driven initiatives that simplify and elevate the banking experience for our customers. In fiscal 2025, we continued to invest in building future-ready infrastructure by embracing continuous innovation and rapid adoption of emerging technologies. Our focus areas included lending transformation, generative AI (GenAI), hyper-personalisation, digital payments, and seamless cloud integration—all aimed at enhancing resilience and delivering superior customer experiences.

From an infrastructure perspective, we operate from two strategically located primary data centres in different seismic zones—Mumbai and Bengaluru—along with a near-DR data centre in Bengaluru. These facilities are equipped with high-performance wide-area network connectivity

comprising of leased lines and Multiprotocol Label Switching, ensuring seamless application delivery across domestic and international operations.

Our Cloud-first and Cloud-native strategy has led to the creation of three enterprise-grade landing zones and the deployment of over 150 applications on the cloud. We have adopted Continuous Integration/ Continuous Delivery practices for more than 100 applications and became the first Indian bank to receive ISO certification for cloud security on both AWS and Azure platforms.

Fiscal 2025, we also made significant strides in Central Bank Digital Currency (CBDC) initiatives. We became the first bank in our cohort to go live with both Android and iOS apps, surpassing key adoption milestones with over 0.65 million registered customers and more than 6 million transactions. We are also the RBI's preferred partner for the Government-led Programmable CBDC initiative, collaborating with various ministries and organisations.

Driving operational excellence

To enhance operational efficiency, we launched Axis Deep Intelligence (ADI), a GenAI-powered internal chatbot now deployed over 5,500 branches and supporting over 100,000 employees. We are actively integrating AI/ML, automation, and data analytics to improve customer engagement, streamline operations, and boost workforce productivity through AI-assisted tools. Additionally, we have empowered departments with Co-pilot capabilities, deploying over 4,500 bots across 1,850+ automated processes.

Investing in capabilities

Empowering employees

Delivering on our customer service promises hinges on the ability of our employees to engage with customers in a meaningful and contextual manner. Our employee platform 'Siddhi' provides single point access to our frontline staff on all products, customer engagement and service journeys. Today 90,000+ Bank's employees and partners utilise 'Siddhi' to gain real-time insights and personalised



recommendations, thus enabling every interaction to be insightful, meaningful, and rewarding. 'Siddhi' has been built using modern technical architecture and data stack and is integrated with 35+ systems including core banking, CRM origination systems, data lakes and learning systems. We use advanced analytics to deliver personalised nudges for customer conversations, driving higher impact and customer satisfaction. ~ 30% uplift on key metrics like Term Deposit (TD) booking, Mutual Fund (MF) transactions, credit card sales has been observed and ~10 points Higher Net Promoter Score (NPS) of 'Siddhi' journeys, leading to increased customer satisfaction.

Customer obsession

Sparsh, our Customer Obsession program, is a Bank-wide priority and a core area of distinctiveness for us, the tenets of which are now ingrained across all our 5,800+ branches, every customer touchpoint, and amongst all our 1,05,000+ colleagues. It aims to link initiatives to enhance customer satisfaction, leading to improved NPS and better business outcomes. We have been improving our institutional capabilities by empowering our employees with Adi (Our Gen AI Platform) and Kaleidoscope (a single chronological view of customer footprint, across various channels to improve first-contact resolution).

We have gained 59 (159 on indexed baseline of 100) points on retail NPS in fiscal 2025 and retained Rank 2 in India in the external benchmarking study undertaken by independent agency Kantar for Axis Bank.

Analytics for delivering customer delight

Customer delight is an outcome achieved by consistently delivering the right service at the Moments of Truths of customer need. Using our personalisation engine which has been live for over three years now, we have seen significant lift in the conversions for select products. The engine also helps us scan over

30 million transactions daily and create meaningful insights for personal finance module live in our mobile banking application.

We are live with 100+ machine learning models across diverse domains – credit risk, financial crime, marketing recommendation engine and collections, demonstrating data driven decision making across the bank. We are also building Machine Learning Operations capabilities to ensure scalable and efficient development and deployment of models and strategies with 4,000+ customer features and proprietary continuous live monitoring toolkits. Our modern data stack integrates cloud native tools, real-time data pipelines and manage 3+ Peta Byte to enable faster analytics.

Premiumisation of our franchise

We had completed an important step on our premiumisation agenda with acquisition of Citibank India consumer businesses in March 2023 (Legal Day1) and added diverse talent pool of 3200+ Citi employees as part of the acquisition. As the second leg of the acquisition, we completed the migration of customer data from Citibank systems to Axis Bank systems in July 2024 (Legal Day2). This marks full integration of ~2.4 mn customers with their multiple products migrating into Axis Bank's platform. Customers are now able to access the comprehensive suite of Axis's financial solutions.

Fortifying our defences

Digitisation of banking services continues to create both newer opportunities and threats in many areas. One such interesting area is fraud prevention, where digitisation is both a threat and an opportunity. At Axis Bank, we are committed to making banking safe and trustworthy for our customers. We continue to invest in real time transaction and stakeholder monitoring, dynamic onboarding checks, use of analytics and technology across our businesses to not just mitigate fraud risk but also build fraud prevention as our formidable strength and competitive advantage by investing

in it for the long term. By fostering a risk-first culture coupled with customer centricity, analytics and technology, the bank is building a robust defence against fraud thereby proactively protecting our customers' trust and ensuring a safer and more secure financial landscape. Our award winning initiative on "Sanskrit Password" is an innovative blend of tradition and technology—to enhance digital security while reconnecting individuals with India's rich linguistic heritage.

Being a responsible corporate citizen

We remain committed to the model of banking that fosters a more inclusive and equitable economy, empowers thriving communities and support a healthier planet. Over the year, we continued to build a strong, stakeholder-focused ESG culture at the Bank. Our CSR interventions now reach millions of participants in all corners of India. Our flagship program – 'Sustainable Livelihoods', achieved a significant milestone by impacting 2.05 million participants in 300 districts in 32 states and union territories as of March 31, 2025. Under the Axis 'DilSe' umbrella, our programs in Education reach thousands of children especially in the North-east and eastern India. This year, the Bank introduced sports as a new thematic area and is supporting interventions from the grassroots to the Olympics and Paralympics level.

We are beginning to see the tangible outcomes of our steadfast commitment to the GPS strategy and transformation agenda. With each milestone we reach, expectations grow — and so does our resolve. We remain deeply motivated to sustain this momentum and continue delivering against the ever-rising aspirations of our stakeholders.

Warm regards,

Subrat Mohanty

Executive Director – Banking Operations & Transformation