

STAKEHOLDER ENGAGEMENT

# Engaging with purpose and addressing what matters



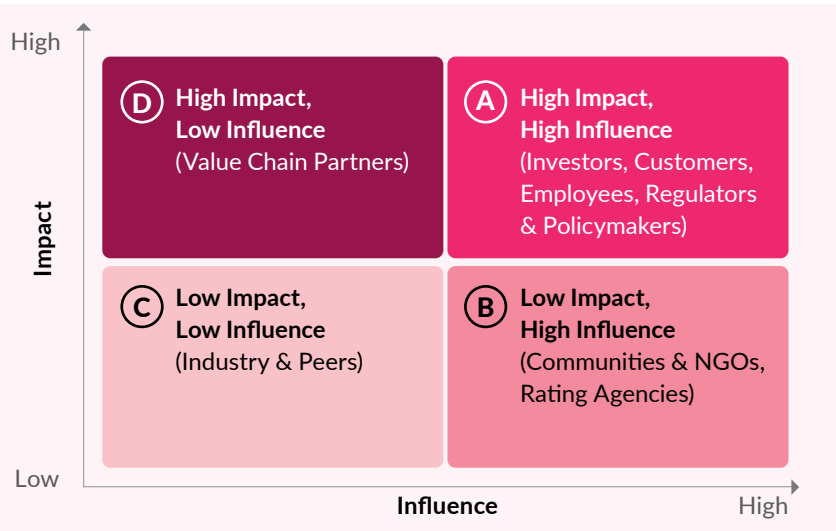
At Axis Bank, meaningful engagement with our stakeholders is essential to understand their expectations. This commitment to purposeful engagement helps us gauge the internal and external business environment and assess key material issues and risks based on their severity and likelihood of occurrence. It also shapes our business purpose and guides our strategy to create long-term sustainable value.

We conduct a formal Stakeholder Engagement and Materiality Assessment (SEMA) exercise periodically, engaging with both our internal stakeholders, such as employees, and external stakeholders, such as our customers. Engaging with our stakeholders helps us maintain a strong, organisation-wide grievance redressal framework, ensuring stakeholders,

expectations and concerns are addressed promptly, reinforcing trust and accountability.

In fiscal 2025, the Bank conducted a fresh SEMA exercise, which included for the first time a Double Materiality Assessment. Based on our internal survey and benchmarking exercise, the identified stakeholders were prioritised according to their influence and impact.

### Stakeholder Prioritisation Matrix



**Our Approach to Stakeholder Engagement and Materiality in Fiscal 2025**

**1 Stakeholder Identification**  
 Key stakeholder groups were identified through a comprehensive internal assessment and industry benchmarking exercise. The process mapped how stakeholders affect and are affected by the Bank's operations.

**2 Categorisation and Prioritisation**  
 Stakeholders were prioritised and categorised based on their relevance, significance, and impact on the Bank's value creation process. They were systematically classified into internal, external, and affected stakeholder groups to support focused engagement.

**3 Identification of IROs (Impacts, Risks, and Opportunities)**  
 15 material IROs were identified through in-depth research, peer benchmarking, internal deliberations, and alignment with the European Sustainability Reporting Standards (ESRS). These IROs reflect actual or potential positive and negative impacts, as well as associated risks and opportunities, arising from the Bank's business model and value creation activities.

**4 Stakeholder Engagement and Double Materiality Assessment**  
 A customised survey framework was designed in line with the Corporate Sustainability Reporting Directive (CSRD) to assess double materiality:

- » **Impact Materiality (Inside-out Perspective)**  
 Evaluated the significance and severity of impacts based on their **scale, scope, and irremediability** over short, medium, and long-term timeframes for the identified IROs.

- » **Financial Materiality (Outside-in Perspective)**  
 Assessed the likelihood and potential magnitude of financial impacts of material issues on the Bank's performance in the short, medium, and long term.

**5 Impact Prioritisation and Materiality Matrix Development**  
 Material topics were prioritised by integrating the outcomes of both impact and financial materiality assessments. The final Materiality Matrix was developed by plotting the prioritised IROs to visually represent their significance across the double materiality dimensions.



**Stakeholder Engagement**

To ensure our strategy aligns with our stakeholders' priorities and creates mutual value, we systematically map and identify stakeholders based on their potential impact on our business, their influence (direct and indirect), and our impact on them. Following internal assessments and leadership discussions, we identified 8 key stakeholder groups, encompassing Investors, Customers, Regulators &

Policymakers, Communities & NGOs, Industry & Peers, Rating Agencies, Value Chain Partners, and Employees. To connect with these diverse groups, we undertook planned engagements through regular customer surveys, investor meetings, employee town halls, and other means, focusing on responsive, need-based dialogue.



## Investors

### Why They Matter

Investors play a pivotal role in the growth and sustainability of a bank. For a rapidly developing economy like India, access to growth capital is essential, and investors are not only stakeholders but also the providers of capital—both in the form of equity and debt instruments such as bonds. Their confidence and continued support are vital for maintaining financial stability and fostering long-term value creation. A structured and proactive communication with market participants, including investors, ensures transparency, builds trust, and facilitates a continuous two-way dialogue that contributes to efficient price discovery.

### How We Connect

- » Post-quarterly earnings calls
- » Conference presentations to analysts and investors
- » Investor forums, industry conferences, and broker-led events
- » Organised investor roadshows (both domestic and international)
- » One-on-one and group meetings
- » Analyst meets
- » Non-deal roadshows

#### Frequency

Continuous/Periodic/  
Need-based

### What Matters Most to Them

- » Financial performance
- » Compliance, governance, and ethical business practices
- » Business strategy & operational efficiency
- » Long-term value creation
- » ESG performance, risks, and opportunities
- » Transparent lending & responsible banking practices
- » Technology & innovation in business



### How We Respond

Our response to an evolving environment is anchored in our GPS strategy—which shapes every decision we make. We are committed to:

- » Focusing on sustainable growth and long-term value creation
- » Upholding transparent governance, ethical conduct, and robust disclosures
- » Promoting responsible banking and driving inclusive impact
- » Staying agile by continuously tracking market trends and refining strategies
- » Strengthening risk management frameworks to proactively manage emerging risks
- » Maintaining open and continuous dialogue with stakeholders

### Shared Value Creation

We continue to deliver value through strong financial performance, consistent EPS growth, and robust asset quality, anchored in prudent risk management and regulatory compliance. Our healthy capital position and low NPAs reflect disciplined governance. ESG excellence is validated by top-tier ratings and global sustainability index inclusion. We uphold transparency and accountability through strong corporate governance. Impactful CSR initiatives in education, livelihoods, and financial inclusion reinforce our social commitment. A rising NPS highlights our customer-centric approach, driven by digital innovation and trust. By integrating profitability, responsibility, and governance, we create sustainable long-term value for all stakeholders.



## Customers

### Why They Matter

Our aim is to help our customers reach their financial goals by offering them a bouquet of products and services. Our policies and practices directly impact their financial health, and their active engagement with the Bank is key to our shared success and ability to create value.

### How We Connect

- » Communication at branches and with Relationship Managers
- » Telephonic and online communication via website, emails, Mobile Banking application, social media platforms
- » Axis Virtual Centre
- » Customer satisfaction survey
- » Grievance mechanisms
- » Marketing campaigns
- » Meetings with Retail and corporate customers

#### Frequency

Continuous/Need-based

### What Matters Most to Them

- » Quality products and services
- » Innovative technology
- » Transparency and fair business
- » Maintaining customer data privacy and security
- » Effective and quick customer grievance redressal mechanism

### How We Respond

- » 'One Axis' approach – offering all services under one roof
- » Customised and specialised products and services
- » Continuous focus on customer delight
- » Ethical business practices
- » Focus on digitisation and customer data privacy
- » Introduced Axis Pride, focusing on the quick resolution of customer grievances
- » Sustainable Financing
- » Regular interaction and Satisfaction Surveys
- » Leadership in digital banking – highest rated banking application in the world offering over 200 services



### Shared Value Creation

Strengthening of the Bank's Social and Relationship Capital, as reflected in key customer-centric KPIs – Retail Net Promoter Score (NPS) at 159 (on an indexed baseline of 100 since inception of baseline i.e. Q1FY23) 59 million customers as on March 31, 2025. The Bank has an extensive branch network, ATMs and CDMs. To make its products and services accessible to all customers, including persons with disabilities (PWDs), the Bank has enabled its ATMs with Braille keypads and talking functionality (voice guidance). In branches that are not easily accessible, ramps have been constructed where feasible to facilitate access for PWDs. The Bank has doorstep banking services for the ease of operations for senior citizens and PWDs.



## Regulators & Policymakers

### Why They Matter

The Banking sector operates under the most stringent fiduciary and regulatory standards and evolving regulations impact their operations. From regulations on capital requirements, lending practices and financial reporting requirements to priority sector lending targets or new policies on cyber security, Banks' business strategy as well as profitability are directly impacted by changing regulations and policies.

### How We Connect

- » Mandatory filings with regulators; interaction during inspections
- » One-on-one meetings, group meetings and email correspondence
- » Periodical submissions of business and operational performance
- » Engagement at banking and industry platforms, conferences, and regulatory reviews
- » Corporate announcements

#### Frequency

Continuous/Need-based

### What Matters Most to Them

- » Corporate governance
- » Adherence to all compliance norms
- » Financial and non-financial performance of the organisation
- » Financial inclusion initiatives

### How We Respond

- » Transparent and fair disclosures
- » Robust compliance culture across the Bank
- » Responsible lending & NPA management
- » Digitisation and reaching underserved populations
- » Publishing third-party assured ESG disclosures



### Shared Value Creation

At Axis Bank, we prioritise a culture of compliance and ethical business conduct, transparent corporate governance, and upholding robust policy frameworks and complying with all regulations. The Bank's Board committees maintain independence for impartial decision-making and effective governance.



## Employees

### Why They Matter

Our employees drive organisational success through their expertise, productivity, and commitment—directly influencing our ability to achieve strategic goals and deliver exceptional customer experiences. In return, the Bank fosters a culture rooted in strong values, inclusive policies, and supportive practices that shape employee engagement, performance, and overall wellbeing.

### How We Connect

- » Internal communications – webcasts, newsletters, surveys, emails
- » Management visits to branches
- » Employee engagement surveys
- » Amber AI chatbot for real-time listening
- » Town-hall meetings with MD
- » Training and development program
- » Mid-year and annual performance appraisals
- » Intranet portal—My Connect
- » Wellness program
- » Employee-led communities and groups like Pride365

#### Frequency

Continuous/Periodic

### What Matters Most to Them

- » Career development and growth opportunities
- » Learning & skill building opportunities
- » Health & wellbeing
- » Inclusion at workplace
- » Hybrid & flexible working
- » Exposure & interaction with leadership
- » Recognition of contributions and service milestones
- » Compensation & Benefits

### How We Respond

- » Industry first mobility program – *thrive* with opportunities for cross-functional movements and fast track promotions
- » Best-in-class learning resources and leveraging technology for enabling anytime, anywhere learning
- » Wellbeing ecosystem, including mental health support, financial literacy, ergonomic workspaces and wellness sherpas
- » Effective employee feedback and grievance mechanism
- » Promoting Diversity, Equity, and Inclusion
- » Deploying AI-driven tools across recruitment, learning and employee services
- » Structured rewards and recognition program
- » Multi-tiered leadership development programs to build capabilities across levels



### Shared Value Creation

Axis Bank remains committed to nurturing its human capital of over 1.04 lakh employees through continuous learning, inclusivity, and employee wellbeing. Key KPIs such as 58.6 average L&D hours per employee, workforce diversity of 27.7%, employee engagement scores and initiatives like the GIGA program, reflect this focus. We have also had 5,700+ employees benefit from our internal mobility program.



## Industry & Peers

### Why They Matter

The Bank operates within a dynamic and competitive ecosystem, constantly impacted by its industry peers and associations. Industry associations play a crucial role in advocating for the interests of the banking sector, shaping industry best practices, and facilitating knowledge-sharing.

### How We Connect

- » Communication with industry and trade associations
- » Engagement under the Indian Banks' Association (IBA) and multilateral platforms
- » Corporate seminars

#### Frequency

Continuous/Need-based

### What Matters Most to Them

- » Policy advocacy
- » Knowledge sharing
- » Collaboration opportunities

### How We Respond

Formally represented on industry platforms – World Economic Forum, IBA, CII, BCCI, FICCI, and NASSCOM, among others participation in thought leadership and advocacy including ESG, CSR, DE&I and climate action



For more details, please refer to pg. 196 on Thought Leadership and Policy Advocacy



### Shared Value Creation

In fiscal 2025, the Bank's leadership played an active role in shaping ESG and climate action agendas by serving on key national committees of reputed industry bodies such as FICCI, CII, the Bombay Chamber of Commerce & Industry (BCCI), and IBA. These positions underscore our commitment to meaningful engagement, policy advocacy, and thought leadership at both national and international levels.



## Communities & NGOs

### Why They Matter

Banks directly and indirectly impact communities near their operational areas. Beyond financial services, the Bank actively contributes to societal wellbeing through impactful CSR initiatives, partnerships with NGOs, and collaborations with academia.

### How We Connect

- » CSR programs implemented by Axis Bank
- » Feedback through structured questionnaires
- » Conferences and roundtables
- » NGO/CSO capacity building workshops

#### Frequency

Continuous/Need-based

### What Matters Most to Them

- » Financial inclusion
- » Inclusive growth
- » Quality of education
- » Environmental sustainability
- » Access to healthcare

### How We Respond

Continued efforts in aligning our CSR goals across the thematic areas including access to banking in rural and remote areas:

- » Sustainable livelihoods
- » Education
- » Financial literacy and inclusion
- » Environmental sustainability
- » Sports
- » Health and nutrition
- » Humanitarian and relief



### Shared Value Creation

The Bank continues to create long-term social value through targeted interventions. Key performance indicators such as CSR participants of ~10 lakhs and having active CSR interventions in 32 States and Union Territories of India reflect our commitment to inclusive growth. These initiatives have structured monitoring mechanisms to ensure effectiveness, transparency, and impact.





## Rating Agencies

### Why They Matter

Rating agencies (both credit and ESG) significantly influence the Bank's financial health and public perception. Their assessments directly impact the Bank's access to capital, influencing the interest rates on instruments issued by the Bank, ultimately affecting the cost of capital.

### How We Connect

- » One-on-one meetings and group meetings
- » Email correspondence
- » Submissions of financial & non-financial performance for issuance & review of ratings

#### Frequency

Periodic/Need-based

### What Matters Most to Them

- » Financial parameters and profitability
- » ESG performance & reporting

### How We Respond

- » Transparent financial and non-financial reporting
- » Improved profitability and operational performance
- » Improved ESG disclosures and scores



### Shared Value Creation

Axis Bank's strong credit Ratings and ESG ratings/scores are a direct result of its disciplined financial management, sound governance, and sustainability integration. In fiscal 2025, this enabled a reduction in cost of capital, better pricing on debt instruments, and increased access to green and sustainable finance. During the year, the International Finance Corporation (IFC), a member of the World Bank Group, partnered with Axis Bank to provide a \$500 million loan to help develop a blue finance market and scale up financing of green projects in India. Improved CAR by 44 bps and GNPA by 15 bps in fiscal 2025 on a y-o-y basis, reflecting a resilient risk profile and sustained business growth. The Bank's governance and ESG disclosures' alignment with the <IR> framework/BRSR standards highlights our commitment to responsible business practices and long-term value creation.



## Value Chain Partners

### Why They Matter

A bank's relationship with its value chain partners (service providers, material suppliers, business associates, distributors, and other upstream partners) is crucial for its smooth and efficient operation and cost effectiveness.

### How We Connect

- » Vendor meetings
- » Structured surveys
- » Techno-commercial discussions and service engagements
- » Audit, governance, and compliance meetings
- » Contracts, emails, and calls

#### Frequency

Periodic/Need-based

### What Matters Most to Them

- » Timely payouts
- » Fair contractual terms and adherence to these terms
- » Organisational ESG consciousness
- » Transparent, ethical, and long-term business relations
- » Regular exchange of technical know-how

### How We Respond

- » Ensuring timely payouts for services
- » Commitment to equitable agreements and their faithful implementation
- » Having a Vendor Code of Conduct in place
- » Building trustworthy, moral, and enduring partnerships
- » Operating with a strong focus on ESG-aligned responsibilities



### Shared Value Creation

The Bank promotes a responsible and inclusive value chain by engaging a wide network of business associates and MSME vendors, with a strong focus on local sourcing (97%). Guided by a comprehensive Vendor Code of Conduct, we encourage ethical and sustainable practices across our supplier base. Regular awareness programs and periodic assessments help ensure compliance and continuous improvement among value chain partners.