

Progress on...



CODE OF CONDUCT & ETHICS FOR SENIOR MANAGEMENT

AXIS BANK CODE OF CONDUCT AND ETHICS

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1. **Preamble:** This Code of Conduct and Ethics is a statement of the Bank's commitment to integrity and the highest standards of ethical practices. It defines the standards of conduct that is expected of all employees in order that the right decisions are taken in performing roles and responsibilities across various functions in the Bank. The Code is intended to be the charter for day-to-day work to enable employees to make the right decisions and, therefore, serves to (1) underline the fundamental commitment to compliance with regulatory guidelines and laws of the land (2) set forth basic parameters of ethical behaviour (3) establish a system for detection and reporting of known or suspected ethical or violations of regulation.

The Bank's core values have been articulated as: Customer Centricity, Ethics, Transparency, Teamwork and Ownership and these define the manner in which we deal with various stakeholders as outlined below.

- a. Customers:** Apart from ensuring that the banking services provided to customers are simple and reliable, the most important attribute in the Bank's core values is

“doing what is right for the customer”. In other words, it must be the endeavour of all employees in the Bank to always act in the best interest of the customer. This would translate into acting in a completely transparent manner with customers, providing them with the right advices/ information about products and services as well as rendering assistance in case of need.

- b. Employees:** Employees are a valuable part of the Bank's infrastructure and in order to ensure that they will always do what is right for the customer, it is important that they are equipped with adequate job-skills. The Bank's endeavour is to ensure that knowledge of compliance, regulatory and legal aspects relating to banking services are provided to employees.

Another aspect of the Code of Conduct and Ethics for employees relates to public conduct, interactions with external entities including the media and dealings with colleagues. From the standpoint of creating a culture of cooperation and cohesion, it is also important for us to instil in our employees a sense of pride and the essence of teamwork.

- c. Shareholders:** Shareholders are one of our most important constituents and it is our responsibility to provide them with regular disclosure and information about the Bank that is accurate, transparent and intended to be in the public domain.
- d. Regulators:** Compliance with regulation constitutes one of the main attributes of the Code of Conduct and Ethics. It is the Bank's endeavour, as we have stated above, to ensure that employees of the Bank have knowledge of compliance requirements and that they are vigilant in preventing breaches in this regard.

The Code applies to Senior Management of the Bank. All the Group Executives of the Bank would be treated as Senior Management for the purposes of this Code. Several of the policies (Insider Trading Guidelines, Business Gift Policy, Employment of Relatives, Anti-Money Laundering Policy, Sexual Harassment Policy, Whistleblower Policy, Policy of Code of Right Sell, Dress Code Guidelines) are comprehensively detailed in separate Policy documents which have been approved by Management Committees, Committees of the Board or by the Board of the Bank. This Code shall be posted on the website of the Bank.

Application of the Code

It is your responsibility to fully read this Policy as well as all the other policies listed above in order that you remain aware at all times of the procedures, regulations and other requirements that are relevant or pertinent to your business or function. If there are instances where an entity of the Bank (e.g. an overseas branch) has drawn up policies necessitated by local regulation and if such policies differ from the Bank's policies governing the same issue, the more conservative/stringent policy will prevail. The process for seeking clarifications relating to any of these policies or particular issues that you may encounter which may not be spelt in the policies is outlined below.

- i. Seek Guidance:** The Code and other related policies cannot anticipate every issue in granular detail. Answers to questions involving ethical considerations are often neither easy nor clear-cut. You should understand and abide by both the spirit and the letter of the policies and standards in the Code. Some key aspects that you should keep in mind are:

- Ensure that you have all the facts
- Where there is shared responsibility, discuss the issue with the other colleagues involved
- A basic responsibility is to discuss the problem with your supervisor
- However, in case you are uncomfortable discussing the matter with your supervisor, discuss it with your Department Head, Unit Head/Branch Head or the

- Ethics Officer. (The Whistleblower Policy has also detailed the process for referring matters to designated officials/bodies)
- In case of an issue that appears ambiguous, ask yourself if your action is consistent with the Code or other policies
- ii. **Raising Concerns and Reporting Violations:** Inappropriate, wrongful or unethical behaviour by any employee, supervisor, customer, supplier or other third party can significantly compromise the reputation of the Bank. Such issues must, therefore, be reported immediately. It is your responsibility, therefore, to report concerns or questions relating to unethical behaviour, malpractices or apparent violations of law and regulation that you perceive in your workplace. If such behaviour appears to be in conflict with this Code, you must promptly inform the following officials or entities:
- Supervisor, Unit Head or the Department Head as appropriate
 - Human Resources representative
 - Designated contacts under a specific policy or procedure
 - Whistleblower Committee
 - Ethics Officer of the Bank

No action will be taken against anyone for reporting ethical violations in good faith, or participating or assisting in the investigation of a suspected violation of the Code of Conduct. Any act of retaliation against a person who reports such transgressions, malpractices etc. would tantamount to a violation of the Code of Conduct and Ethics of the Bank.

2. **Insider Trading:**

The Board of Directors of the Bank has formulated and adopted the Code of Conduct to Regulate, Monitor and Report Trading by Insiders (The Code) and the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI) in line with the standards prescribed under Schedule B of the Securities of Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("Insider Trading Regulations")

As an employee of the Bank, you may have access to Unpublished Price Sensitive Information (UPSI) about the Bank, our clients and companies that conduct business with us. The Code and Insider Trading Regulations, prohibits employees of the Bank from communicating or causing to communicate, provide, or allow access to any UPSI, relating to the Bank or that of its shares/securities listed or proposed to be listed, to any person except in furtherance of a legitimate purpose or performance of duties or discharge of legal obligations.

Further, no employees of the Bank shall procure or arrange the procurement of an UPSI of any other listed/ proposed to be listed company or that of its shares/securities listed or proposed to be listed, otherwise than in furtherance of a legitimate purpose, performance of duties and or in discharge of legal obligations. UPSI means any information, directly or indirectly relating to the Bank or its shares / securities or that of the Bank's Listed Client Companies or their shares/securities, which is not generally available and which upon becoming public, is likely to materially affect the price of the shares/securities of the Bank or that of the concerned Listed Client Companies.

Employees of the Bank are prohibited from entering into any trade in securities of the Bank during the blackout period(s). The Code requires Employees of the Bank to obtain requisite pre-clearance of the Compliance Officer for dealing in the Bank's securities beyond prescribed threshold limits. Further, it prohibits employees of the Bank from purchasing/ selling/ transferring etc., of Bank's securities whilst in possession of UPSI relating to the securities of the Bank. The employees of the Bank are also prohibited from

entering into contra trades on the floor of the Stock Exchange(s) and from dealing in securities of the Bank's Listed Client Companies.

3. **Conflict of Interest:** All employees are required to maintain the highest levels of professional and personal integrity to avoid situations in which an individual's personal interest may conflict or appear to conflict with either the interest of the Bank or that of our stakeholders. Conflict of interest issues may arise in dealings between employees and vendors, employees and customers, employees and counterparties / other entities, employees and their acquaintances and also employees and relatives. A conflict of interest arises when any dealing with any of the entities named above may appear to be influenced by your relationship with them. Such relationships may impair an objective or impartial assessment of the dealing/transaction and may not, therefore, be in the best interests of the Bank. It may even result in a financial/non-financial gain to the employee, his family member or acquaintance. Some examples of situations where conflict of interest may arise are (the list is not exhaustive):
- a. Accepting engagement outside the Bank that may benefit you in any manner
 - b. Engaging in personal investment decisions by conducting trading in personal accounts based on information learned as a result of employment with the Bank (also refer to the Insider Trading Guidelines)
 - c. Taking a business decision (including lending decisions, guarantees) that may result in personal gain, or benefit to a relative or acquaintance
 - d. Using your authority or knowledge of confidential information for personal benefit
 - e. Serving in a fiduciary capacity or as a director, official, any elected post of a company or political party outside of the Bank for non-profit, trade/industry, government agency without approval by the Bank
 - f. Competing with the Bank for a business opportunity or diverting opportunities
 - g. Accepting money, favours, gifts, meals, entertainment or other benefits (seen to be beyond normal business courtesies) that may influence business or commercial decisions of the Bank
 - h. Promoting a particular vendor or entity for personal gain
 - i. Using the Bank's facilities, employees, funds, property or resources towards personal activities
 - j. Contributing to a charitable cause/fund at the behest of a customer in order to maintain a business relationship
 - k. Sourcing candidates you have worked with in earlier organizations and also being part of the decision / selection process
 - l. Employing relatives* or undertaking business with a relative or any entity where your relative has a financial interest
 - m. Having a relative functionally reporting into you or where you are in a position to influence his/her pay, promotion, transfers etc

If you believe you have a conflict of interest, or may be perceived to have such a conflict, you must disclose this to your Department head, Human Resources representative or Ethics officer.

***Relative** has been defined in the Bank's Circular on employment of relatives dated June 3, 2013. Employees are required to disclose as per said guidelines

(Refer to the "Code of Conduct for Prevention of Insider Trading" dated 17.04.2013, "Business Gift Policy" dated 05.07.2013, "Employment of Relatives" dated 03.06.2013)

4. **Promoting Ethical Practices:** It is critical to the Bank's reputation that the actions of the organization and of its employees are seen to be appropriate and ethical. We should, therefore, review our business activities, sales practices, product features, potential conflicts of interest and aspects that may be frowned upon from a governance standpoint and affect the reputation of the Bank. Each line of business is responsible for knowledge of the laws and regulations that apply to its businesses, communicating necessary information to employees and maintaining an appropriate compliance program. The following sections outline some key requirements.

- **Anti-Corruption and Bribery:** We have zero tolerance towards all forms of bribery and we should be especially sensitive to this aspect in our dealings with the various entities that we come in contact with. In particular, the Bank prohibits offering, promising, giving or authorizing others to give anything in excess of a certain value*, either directly or indirectly, to any person or entity. Under no circumstances may you offer, promise or grant anything of value to anyone for the purpose of influencing the recipient. Payments made indirectly through any intermediary or other third party are subject to the same restrictions.

** Value has been determined by the Bank at INR 6,000 / USD 100 in terms of its Business Gift Policy (Refer to the "Business Gift Policy" dated 05.07.2013)*

- **Compliance with Regulation relating to KYC and Money Laundering:** Compliance with regulation relating to KYC and Money Laundering has a critical bearing upon the quality and integrity of the Bank's operations and strict adherence to regulatory guidelines is a pre-requisite that cannot be compromised. Towards that end, it is essential that you exercise utmost diligence in establishing the antecedents of our customers at the stage of on-boarding and that appropriate oversight is maintained upon the operations in customers' accounts for detecting suspicious transactions.

(Refer to the "Policy on Anti-Money Laundering Standards / Know Your Customer (KYC) Norms/ Combating of Financing of Terrorism (CFT)" dated 16.01.2013; Also refer "KYC Documentation for Opening Accounts of Proprietary Concerns" dated 24.01.2014 and "Re-KYC Guidelines and Process – Non Resident customers" dated 29.01.2014)

- **Inappropriate Sales and Customer Commitment:** Inducing a customer for purchasing an unnecessary product or indulging in "mis-selling" for the purpose of achieving budgetary targets is an unacceptable practice that not only affects the customer adversely but also results in an erosion of the Bank's credibility and reputation. It is, therefore, in contradiction of our objective of being a customer-centric organization. You should help customers achieve an informed decision based upon his requirements, the products most appropriate for fulfilling those needs and the customer's profile. Since the Bank acts in an advisory role for sale of third party products, it is imperative that we satisfy the customers' needs by suggesting the right product mix, depending on their risk profile and financial needs.

It is trust; satisfaction and loyalty of our customers that will help create sustainable businesses for the Bank. Understanding customers' needs should, therefore, be integral to the way we undertake business and provide service in the Bank.

(Refer to the "Policy on Code of Right Sell" dated 30.01.2013 and "Operational Policy for the Code of Right Sell" dated 26.07.2013)

- **Gaming:** Gaming is defined as the manipulation, misrepresentation, or both of sales or sales reporting in an attempt to receive compensation or to meet sales goals. Any form of gaming, indulged in, for receiving compensation or to meet sales goals etc. is prohibited. Gaming issues may arise in but are not limited to the following categories of activities.
 - i. **Reclassification or Transfer:** Reclassifying or transferring existing business should not be viewed as an actual sale and should not result in sales credit, unless the reclassification or transfer:
 - a. is part of a specific product program
 - b. is a general strategy of the Bank
 - c. there is a clear benefit to the customer who has provided an express agreement
 - ii. **Discounts or customer incentives:** It is not appropriate for you to supplement standard discounts or customer incentives by substituting your own personal funds, including your salary or incentive income, to complete a sale or earn a higher commission by recording a cross-sell. It is inappropriate to pay a fee, such as a credit card fee, or fund a deposit account on behalf of a customer to complete a sale.
 - iii. **Sales referrals:** Only valid sales referrals made by the team member seeking the credit may be submitted to meet sales goals or receive credit under sales incentive programs. Valid referrals typically require team members to have spoken directly with the customer about a specific product or a referral to a different business unit and to have gained the customer's agreement for that product or referral.
- **Undue Influence:** It is not appropriate for you to influence, or attempt to influence, anyone for the purpose of having him or her handle a transaction or process in a way that results in an improper personal benefit to you, your friends, relatives, or even to that particular team member. Such improper benefit may result from using a relationship (whether personal, social, or professional) to prevail upon another person, such as a colleague, vendor, or someone who reports to you, to do something for you that is outside the scope of standard business practice.
- **Handling Business Opportunities:** You should not take advantage of opportunities that rightly belong to the Bank. For instance, you should not:
 - i. divert business from the Bank for personal benefit
 - ii. receive a commission or fee for a transaction you have conducted for the Bank (other than compensation or incentives, if any, paid by the Bank)
 - iii. you may not refer a customer whose credit application was denied by the Bank to another financial institution/entity for funding
- **Lending Transactions:** No employee shall grant on behalf of the Bank any loan or advance to himself/herself or his/her spouse, a Joint Hindu Family of which he/she or his/her spouse is a member or a partnership with which he/she or his/her spouse is connected in any manner or a Trust in which he/she or his/her spouse is a Trustee, or a private or public limited company, in which he/she or his/her spouse hold substantial interest. (Substantial interest as defined in clause of Section 5 of the Banking Regulation Act 1949).

No employee shall grant on behalf of the Bank any loan or advance to (a) a family member; (b) an individual who is the guarantor of a family member or an individual who is a partner in business of a family member; (c) a Joint Hindu Family

in which a family member is a member; (d) a firm in which a family member is a partner, manager or guarantor; and (e) a company in which a family member holds substantial interest or is interested as director manager or guarantor, without prior permission of the Bank.

5. **Gifts and Entertainment:** A business gift refers to anything of value, including, but not limited to, meals, accommodation, loans, cash, favourable terms or discounts on any product or service, services, equipment, products, transportation, use of vehicles, vacation or other facilities, securities, home improvements, tickets (travel, leisure, social, sporting events, etc.), gift certificates, gift cards, discount cards, memberships or consulting relationships, favourable employment, etc.

You are not permitted to accept or provide business gift in any form or amount in excess of a certain value*. If the gift exceeds the limit, it is advisable to return the gift amicably to the donor (quoting the relevant provision of this policy). If the return of the gift may not be feasible due to situations, it may be reported to the Ethics Officer who may decide appropriately including but not limited to the option of donating it to a designated charity.

Prior to making any gift offers to government employees/departments, you must ascertain if there are any limitations or requirements that apply, e.g., limits on gifts and entertainment, requirement to register etc. and be guided by specific directives (or internal policies) including guidelines of Central Vigilance Commission.

An employee who procures a service from a vendor (or is involved in the procurement process) should inform the vendor of the Bank's Gift Policy in order to avoid any embarrassment in this regard.

You are discouraged to accept or solicit gifts, make a donation as a gift or other benefits from any colleague (except for special occasions such as marriage, transfer or retirement) so as to avoid possibility of such gifts or benefits appearing to compromise official relationships.

While facing prospective situations of gift acceptance or giving which may have illegal or unethical implications, you can seek help from the Ethics Officer when the proper course of action is unclear or unknown to them.

** Value has been determined by the Bank at Rs. 6,000 / USD 100 in terms of the Business Gift Policy ((Refer to the "Business Gift Policy" dated 05.07.2013)*

6. **Privacy & Confidentiality Obligations:**

- Privacy of Employee Information: Safeguarding of personal and confidential information relating to an employee should be strictly exercised. The Bank maintains appropriate safeguards to respect the personal privacy of staff members and protect the confidentiality of personal information about them. Employee-related information should not be shared or discussed with any external agencies or employees, except where internally authorized or required by applicable law, regulation, jurisdiction, administrative or legislative body. You must comply with all policies and guidelines relating to security and privacy of personal and confidential information, ignorance of which can lead to disciplinary measures. Responses to requests for such information may be provided only as permitted by applicable internal policies and authorization, law or regulations.

Workforce guidelines for privacy and security cover our employees as well as other individuals whose information is provided to the Bank within the context of the working relationship.

- Protecting Proprietary and Confidential Information: Proprietary and confidential information relating to the Bank's business and operations (listed illustratively below) is the property of the Bank. It may include sensitive information and data that is not in the public domain and should not be shared.
 - i. The Bank's business plans
 - ii. The Bank's financial performance, if it has not been disclosed
 - iii. The Bank's trading activities, holdings of investments
 - iv. Customer data
 - v. Our suppliers and distributor relationships
 - vi. Employee data
 - vii. Information relating to our products, services, and pricing
 - viii. Intellectual property the Bank has not disclosed to the public
 - ix. Information relating to technology, systems and processes
 - x. Information related to Data centres
 - xi. Passwords, computer programs and software being used by the Bank
 - xii. Marketing plans, strategies, and costs
 - xiii. Potential acquisitions and divestments

You must safeguard and not disclose or misuse personal or confidential information about the Bank, its customers, suppliers, distributors or employees to any unauthorized person (including other employees) or external entities, except where permitted or required by applicable law, administration, legislation or regulation. Improper release of or unauthorized access to confidential information damages our customers' trust in the Bank and can result in loss of business and even legal action. All employees of the Bank are required to sign a declaration of fidelity and secrecy in the prescribed form.

While maintaining the above guidelines, we should practise the following:

- Keeping records that are complete and accurate (retaining them for the required period of time as per policies and disposing the information which is not required to be filed or maintained for records)
- Complying with legal, accounting, tax, IT security and regulatory reporting requirements (including the timely submission of required filings)
- Taking reasonable steps to properly safeguard the Bank's information against loss, damage, misuse or unauthorised or unlawful use and acquiring and handling it in accordance with internal policies
- Protecting company information from illegal copying or other misuse of our logo, patents, trademarks and copyrights in accordance with our branding standards
- Maintaining business continuity measures to protect staff, critical businesses and functions in the event of a business disruption
- Ensuring that access to work areas, infrastructure and computers is properly controlled
- Not communicate about proprietary or confidential information in public places such as elevators, hallways, restaurants, restrooms and public transportation, or through mobile phones, the Internet or any other electronic media (including blogs and social networking sites)
- Promptly reporting any concerns regarding records that contain questionable or inaccurate information; or any instance where an individual is misusing or not appropriately safeguarding Bank's Information

Once your employment or association with the Bank ceases, you must return all means of access to Bank information, copies of such information, any Bank property, including but not limited to all ID cards, keys, telephone cards, laptops, cellular phones, fax machines and any other means of accessing such information. Forwarding of such information to personal computer, any e-mail address, or to any third-party service provider, server or website, or engaging in any other unauthorized use, misappropriation or disclosure of such information in anticipation of your resignation or termination of employment can lead to disciplinary issues. Similarly, you may not bring to the Bank any trademark or confidential information of any former employer, or use such information to aid the business, without the prior consent of your former employer and unless permitted by applicable law or regulation.

7. **Commitment to External Stakeholders:**

- **Maintaining Business Relationships and Fair Competition:** The Bank's commitment to dealing with external stakeholders such as customers, competitors, suppliers, and any related agency is based on the principles of fair competition, compliance with laws and regulations of the land, and in the spirit of honesty and integrity of our corporate values.

While maintaining a competitive outlook in the market, we will practice the following:

- Following transparency in all of our business dealings
- Conducting business in accordance with applicable laws and regulations
- Respecting the confidentiality, privacy and intellectual property of external stakeholders
- Transfer of accurate and complete information from and to our customers while complying with internal proprietary policies, data protection laws and any contractual obligations
- Avoiding conflict of interest in business dealings for the customer whose assets we manage. This includes having controls to minimise and resolve potential conflicts
- Fair hearing to any concerns from our customers while acting promptly on the resolution. If the complaint involves data privacy or an accounting or auditing matter, special measures will be followed
- In terms of supplier relationship, the Bank's protocols on pricing quotation, SLAs, quality of services or goods or any other related matter will be followed in compliance with internal and external rules or be subject to other internal restrictions or disclosure obligations under securities or other laws

To maintain the spirit of fair dealings with any external body, we will refrain from the following:

- Engaging with any third party known to be involved in manipulative or concealing market practices (fixing prices, allocating sales markets, exclusive dealing with vendors) or with activities that threaten public order or safety
- Payment, acceptance, offer, or authorisation of money, gifts, or any other forms of bribe and corruption with the customers
- Offering of anything of value to external stakeholders that could be construed as requiring or influencing any official decision and would give an impression of either obtaining or retaining business, suggesting that any business or service may be withdrawn or awarded in return for other business or securing an improper advantage vis-a-vis other organizations in the market

- **Maintaining Transparency with Regulators:** The Bank maintains a candid and proactive relationship with its regulators. This includes appropriately communicating significant corporate developments and actions to relevant regulators. Utmost co-operation with the regulators and thorough understanding of the regulators' mission, perspective and processes in alignment to Bank's internal policies and procedures is of key importance. The Bank's commitment to following applicable laws, rules, and regulations of all localities, states, and countries where we do business, is not only the right thing to do, it helps maintain and protect our reputation. As an employee, you are expected to support this commitment and to serve the Bank's best interest by:
 - Being responsible for ensuring that conduct in our activities are in accordance with the principles mentioned in the regulatory bulletins, circulars, advisories, manuals, checklists, and other guidance inclusive of statutory compliance and risk management guidelines
 - Discourage lobbying activities that attempts to influence or defeat the legislation on behalf of the Bank
 - On suspicion of any untoward activities relating to conduct and relationship with regulators, promptly bringing to the notice of the compliance officials

- **Co-ordination with Government and Regulators:** All employees are expected to be responsive, fair and transparent with officers from regulatory, legislative or administrative bodies. Responses to regulatory information requests should be completed accurately within the agreed time frame as per the internal policy guidelines and external regulations and must be safeguarded for delays, if any, by keeping the internal and external authorities in loop. You are also required to co-operate and report (and not withhold or misrepresent any information) for any violations of regulations, laws, internal processes, contract requirements, guidelines, etc., in any investigation as an involved party, witness or in terms of role responsibility. It is prohibited to disclose any aspect of investigation to any persons (either within our outside the organization) and maintain confidentiality of the situation. Making false statements, misleading internal or external auditors, investigators, legal counsel, other employees, regulators or other governmental entities can result in severe penalties.

- **Charitable Contributions, Civic Activities & Sponsorships:** Any personal activities related to charitable and/or educational activities should not interfere or in any way conflict with your work or with the Bank in any manner. When associated with a charity or civic activities in your personal capacity, it has to be ensured that there is no implied or presumed support of the Bank.

- **Participating in Trade associations, Conferences and speaking engagements:** Meetings at professional gatherings, trade associations or conferences activities should not interfere or in any way conflict with your job duties or with the Bank in any manner and may not be undertaken without the approval of the authorised personnel. There may be instances of contact with competitors for which you must follow the rules related to fair competition referenced in this Code and company policies

□ **Political Activities & Contributions:**

- No employee shall take an active part in politics, represent in a political party and contest for election anywhere outside the Bank and shall not involve other employees, clients, suppliers, vendors or any other party with whom the company does business
- Employees may not contribute or solicit political contributions, the Bank's funds or assets, resources to any political candidate, party, or similar organization; unless such contribution is expressly permitted by law/ regulation / directive and has been pre-approved by the appropriate authorized representative of the Bank. Under no circumstances will the Bank directly or indirectly reimburse any employee for their individual contributions
- Volunteering of personal services during Bank's working hours on behalf of a candidate, lobbying or engaging in any outreach to public officials, including attempts to influence legislation, government agencies, etc. is prohibited

8. Workplace Conduct:

- **Fair behaviour and Employment Practices:** All employees are expected to practice our Code of Conduct and Ethics guidelines and maintain professionalism, integrity, mutual respect and fairness in our daily course of business and relationship with colleagues or any other point of contact (internal or external). We aspire to be a meritocratic organization wherein employees continuously and consistently strive to demonstrate excellence and initiative. We, therefore, are committed to providing employees with the best opportunities to realize their potential and an environment where diversity is embraced. At all times, we must treat our teammates with respect, share the responsibility for our successes and accept accountability for our failures. Employees are prohibited from creating situations which are threatening, intimidating, hostile, spreading false rumours or display abusive behaviour in the workplace. We should strive to maintain a disciplined, ethical, healthy and productive work environment and resolve any conflicts in an amicable manner. Respectful workplace concerns escalated by employees and/ or customers will be taken seriously and dealt with promptly. You should refrain from favouritism and making business decisions on emotions. All employees should also honestly disclose any information on family or relatives who work at the Bank. No employee shall use his position or influence directly or indirectly, to secure employment for his son, daughter or any other member of his family in any private undertaking having official dealings with the company (this will include the Bank's borrowers, contractors, consultants and vendors).

(Refer to the Policies on "Employment of Relatives" dated 03.06.2013 and "Business Gift Policy" dated 05.07.2013)

As a Bank, we seek to maintain an inclusive diversity of our staff across branches and departments and recruit, develop and retain highly qualified, diverse and dedicated individuals for our workforce. The equal employment opportunity principles are based on fair employment regulations and non - discriminatory practices at workplace.

- **Harassment and Discrimination:** Harassment is an undesirable verbal or physical behaviour that interferes with work or creates an intimidating, hostile or offensive work environment. Examples include:

- Public or private tirades or bullying by a supervisor, subordinate, or peer
- Severe or repeated insults related to personal or professional competence
- Threatening or insulting oral or written comments
- Deliberate desecration of religious, racial, ethnic, or national symbols
- Malicious and knowingly false complaints against others

We prohibit from any discrimination (race, gender, caste, religion, disability, marital status, pregnancy, culture, ancestry, socioeconomic status etc.) while in employment or advancement. The Bank promotes a work environment where employees are valued and not discriminated on the basis of any reason. We prohibit discrimination or harassment of any nature that violates our policies, whether committed by or against a manager, co-worker, client, supplier or visitor.

The Bank prohibits uses of its communications, equipment, systems and services, including e-mail services and/or intranet/Internet services, to create a hostile, discriminatory, or offensive work environment. This includes downloading, transmitting, viewing or exchanging "jokes," pictures, stories, videos or other communications or content which are threatening, harassing, demeaning or offensive to any individual.

- **Sexual Harassment:** According to The Supreme Court of India, the definition of sexual harassment is any unwelcome sexually determined behaviour, such as:

- Physical contact and advances
- A demand or request for sexual favours
- Sexually coloured remarks
- Showing pornography and
- Any other unwelcome physical, verbal or non-verbal conduct of a sexual nature

The Bank strictly prohibits any kind of sexual harassment and takes allegations of sexual harassment seriously. Employees will be subject to disciplinary measures for sexual harassment up to and including termination. Anyone experiencing and reporting such unwelcome behaviour should know that the matter will be handled with the utmost sensitivity.

(Refer to "Sexual harassment in the Workplace Guidelines & Redressal" dated 01.01.2012)

- **Workplace Health & Safety:** The Bank strives to provide a safe work environment and comply with guidelines and applicable local laws or regulations that govern workplace health and safety. To ensure healthy, safe and secure working environments, we must practise the following:

- Take all reasonable measures to avoid putting others' lives and health at risk by preventing workplace accidents and injuries
- Give customers and colleagues adequate health and safety information
- You should be alert to individuals who are on premises of the Bank without proper authorization and report any unusual activities being conducted within the workplace to the Unit Head or reporting authority
- Ensure that visitors on company premises follow the appropriate procedures to prevent unauthorised access to materials, information or persons

- Should not possess, distribute, sell, transfer or use alcohol, drugs, firearms or other items that could adversely affect health, safety and security in the workplace or in the working hours
 - Take adequate measures to protect the integrity of computer and information systems, including password protection
- **Communication with Media:** Any official communication, verbal or electronic (which includes speeches, interviews etc.) with media and publishing houses, blog posts, websites, agencies, books, articles, podcasts, web casts, videos, can be undertaken only after authorization by the Corporate Communications department of the Bank. Please be alert in situations where you may be perceived as representing the Bank and do not make any statements on behalf of the organization unless you have been authorized to do so. You should also be diligent while using social media like Twitter, Facebook, Youtube, LinkedIn, etc. You should not post a comment, provide any recommendation, or endorse customers or vendors (either current or former) in the social media unless you are authorized to do so.
- **Maintaining accurate Company Records and Reporting Requirements:** Data and information relating to the Bank that is publicly disclosed or is provided to regulators should be complete and accurate. The Bank is committed to integrity of financial reporting and complete disclosures as mandated under applicable law and regulation. Falsification of any information or data (i.e. mis-statement, alteration, modification, omission or deleting of information) related to the Bank is a serious misdemeanour and is prohibited.
- **Protecting Axis Bank's Property and Assets:** Any property and assets of the Bank, whether tangible or intangible in nature, may be used only for approved purposes. The assets of the Bank should be used responsibly for professional and legitimate business purposes and not for personal gain. Assets are inclusive (but not limited to) of cash, funds, securities, physical property, professional services, internal plans or business strategies, client and employee information, supplier details, distributor information, equipment like computers, telephones, fax machines, intellectual property (software, office mails, shared disk drives, computer programs, models, copyrights and other items), company logo & brand, office supplies and all other personal, proprietary and confidential information. The Bank reserves the right to intercept, monitor and record your communication on the Bank's systems including mails, computers etc., in accordance with the law of the land.

You should protect the Bank's assets and ensure their efficient use. All assets of the Bank should be used for legitimate business purposes only and any suspected fraud or theft of the Bank's property must be reported for investigation immediately. To protect the Bank's physical assets, you must:

- Avoid using the Bank's property, assets or equipment in an improper manner, i.e. for purposes other than the conduct of the Bank's business
 - Report any suspected fraud or theft of the Bank's property
- **Managing Personal Finances:** As a financial institution, the Bank's business depends on public confidence in our ability to help manage the financial affairs of others. In general, your personal finances are private. However, because you represent the Bank, it is important that you manage your personal finances in an appropriate and prudent manner, avoiding instances of excessive indebtedness or bankruptcy. Any improper handling of your personal finances could undermine

your credibility and the Bank's. It could also cause others to question your decision-making on the job.

You must refrain from any personal financial transaction with fellow employees, customers or suppliers, whether borrowing or lending. You must not lend personal funds to, co-sign, endorse, guarantee, or otherwise assume responsibility for the borrowings of any customer or vendor of the Bank unless the customer or vendor is a family member, other relative, or close personal friend and the personal or family relations, and not the company's business, is the basis for the transaction.

The Bank prohibits improper transactions by employees, such as, but not limited to, issuance of cheques on their personal accounts without keeping sufficient balance therein. The Bank reserves the right to review the accounts of employees for unusual activity, both regularly and during investigations.

Every employee on first appointment and as on 31st March every year shall submit a return of assets and liabilities giving full details of:

- The immovable property owned or acquired or held by the employee in his/her name or in the name of any member of his / her family or in the name of any other person
- All financial securities and bank deposits including cash balances owned or acquired or held by the employee
- Debts and other liabilities incurred by the employee directly or indirectly, including loans from the Bank

For the purpose of this Rule "Family" means:

- Spouse, whether residing with the employee or not, but does not include a legally separated spouse;
- Children or step children or adopted children of the employee whether residing with the employee or not and dependent wholly on such employee but does not include children or step children of whose custody the employee has been deprived of by or under any law; and
- Any other person related to, by blood or marriage to the employee or to the employee's spouse and wholly dependent upon such employee

The Bank may also, at any time, by general or special order, require an employee to furnish within a period to be specified in the order, a statement of movable or immovable property owned, held or acquired by the employee or on the employee's behalf or by any member of the employee's family as may be specified in the order. Such a statement shall, if so required by the Bank include the details of the means by which or the sources from which such property was acquired.

- **Infractions of the Code:** The Bank has a "zero tolerance" policy for any violation of the Code of Conduct and Ethics. This means that when an occurrence of a violation has been verified, appropriate action commensurate with the nature and pervasiveness of the violation will be taken. Employees who violate the Code may be subject to disciplinary actions, up to and including termination. The following behaviours at work or activities while using Bank's systems are examples of actions that are prohibited and can result in disciplinary action:

- Sending or posting discriminatory, harassing, or threatening messages or images through the Bank's internal mails and internet
- Using the Bank's time and resources for personal gain.

- Stealing, using, or disclosing someone else's code or password without authorization
- Copying, pirating, or downloading software and electronic files without permission
- Engaging in unauthorized transactions that may incur a cost to the organization
- Participating or doing any activity that could damage the Bank's image or reputation
- Participating in the viewing or exchange of pornography or obscene materials
- Attempting to break into the computer system of another organization or person
- Refusing to cooperate with investigation.
- Sending or posting chain letters, solicitations, or advertisements not related to business purposes or activities
- Using the Bank's internet/ intranet for promoting political causes or activities, religious activities, or any sort of gambling
- Sending anonymous e-mail messages
- Engaging in any other illegal activities.
- Working under the influence of alcohol or illegal drugs
- Fighting or threatening violence in the workplace
- Spreading rumours and un-authenticated information
- Use of foul language (including verbal) in the workplace
- Negligence or improper conduct leading to damage of Bank or customer-owned property
- Insubordination or other disrespectful conduct with colleagues, customers etc.
- Violation of safety or health rules
- Smoking in the workplace at non-designated areas
- Possession of dangerous or unauthorized materials, such as explosives or firearms, in the workplace
- Excessive absenteeism, overstaying leave or leaving workplace without permission or any absence without notice.
- Unsatisfactory performance or conduct.
- Refusing reasonable directions including moderate changes in responsibilities that may from time to time be given on account of business necessity and exigencies.
- Participation in any demonstration against the Bank or its officials
- Violation of any of the provisions of the security policy including IT security policy of the Bank. (Refer to "Acceptable usage Policy", "Security Incident Management Policy", "Data Life Cycle Protection Policy")
- Failure to perform duties with utmost integrity, honesty and diligence
- Failure to avoid indebtedness in any manner while in service
- Submitting and claiming false bills for reimbursement
- Misuse of Bank's vehicle for personal journeys
- Violation of the Bank's Dress Code. (Please refer to the Bank's "Dress Code Guidelines" dated 26.04.2011)

9. **Manager and Leader Responsibilities:** As a progressive organization, managers and leaders have a special responsibility to demonstrate our values through their actions. As Managers and leaders, you must foster an environment of integrity, honesty and respect. This includes creating a work environment that is free from discrimination, harassment, intimidation or bullying of any kind. You must also ensure that all aspects of the employment relationship are free from bias and that decisions are based upon individual performance and merit. As a Manager or senior leader, you are therefore additionally accountable for the following:

- To be thoroughly familiar with the requirements of and the procedures established by the Code and to exemplify the highest standards of ethical behaviour
- To ensure that team members understand that business results are never more important than ethical conduct and compliance with applicable law and the Bank's policies.
- To ingrain the principles of the Code and compliance with applicable laws, regulations, and policies into your business unit's practices.
- To create a culture in which team members feel comfortable asking questions and raising ethical concerns without fear of retaliation

10. **Disciplinary Procedures and Penalties:**

- For violation of the Code or any orders /rules issued by the Bank, an employee shall be liable for any of the following penalties:
 - Warning or Censure
 - Withholding of increments/revision of pay
 - Withholding of promotion
 - Reduction to lower grade or salary
 - Discharge from service
 - Dismissal from service and/or
 - Recovery from salary or such other amounts as may be due to him of the whole or part of any pecuniary loss caused to the Bank by negligence or breach of orders
- Wherever it is decided to take disciplinary action against an officer, the Disciplinary Authority shall serve a show cause notice on him/her to which reply will have to be submitted by him within 7 days of its receipt. Upon consideration of the reply, he/she will be given a hearing by the Disciplinary Authority who will then pass an order about the punishment as deemed fit. If no reply is received within the stipulated period, the Disciplinary Authority will proceed to pass an appropriate order exparte
- An officer may appeal to the Appellate Authority against an order imposed upon him/her any of the penalties specified above, within 15 days from the date of receipt of the order appealed against. The Appellate Authority may pass an order confirming, enhancing, reducing or setting aside the penalty or remitting the case to the Disciplinary Authority with such directions as it deems fit in the circumstances of the case
- An Officer may be placed under suspension by the Disciplinary Authority (or any authority higher than it) –
 - If the said authority is prima-facie of the opinion that the officer has committed an offence which warrants detailed investigation and the officer's continued presence in the Bank may hamper the investigation and may be prejudicial to the interest of the Bank and other officers of the Bank.

- If the officer is arrested and/or if the officer is charged of having committed a serious criminal offence under the Indian Penal Code and/or other appropriate criminal laws of the country.

The suspension order so passed shall continue to be in force till final disciplinary proceedings initiated/to be initiated against the said officer are finally disposed of or otherwise revoked by the authority which issued the order of suspension (or by a higher authority).

The officer so placed under suspension shall be entitled to receive subsistence allowance equal to fifty per cent of the last drawn basic pay and monthly allowances excluding conveyance allowance for the first six months of suspension.

For the period of suspension beyond six months, for the remaining period of suspension, subsistence allowance equal to seventy-five per cent of the basic pay and monthly allowances excluding conveyance allowance, will be paid, provided the delay in the completion of disciplinary proceedings against such officer is not directly attributable to the conduct of such officer.

During the period of suspension, an officer may be allowed, at the discretion of the Bank, occupation of the Bank's owned or leased accommodation but shall not be entitled to free use of the Bank's car, if applicable.

During the period of suspension, statutory deductions such as Provident Fund, Income Tax will continue to be made proportionately as per the subsistence allowance (basic + allowances) payable. GSLIC contribution will continue to be deducted as in normal course.

No leave or Leave Travel Allowance or leave encashment shall be granted to an officer under suspension, though he may avail of Medical Reimbursement, to the extent admissible.

No Loans shall be disbursed to suspended officers. No further disbursements will be made during the period of suspension in respect of loans that are partially disbursed. In case of existing loans, instalments shall be recovered at 50% during the first six months of suspension and 75% thereafter during the period of suspension.

Where the officer is fully exonerated by the Disciplinary Authority, the period of suspension in such case shall be treated as period spent on duty and the officer will be reimbursed in full his salary and allowances from the date of suspension. In this case all administrative recoveries such as loan recoveries will also be effected in full.

In all other cases and where the officer is not subjected to the penalty of dismissal, the period spent under suspension shall be dealt with in a manner as may be decided by the Disciplinary Authority. An officer may appeal to the Appellate Authority against the order of suspension within 15 days from the date of receipt of the order.