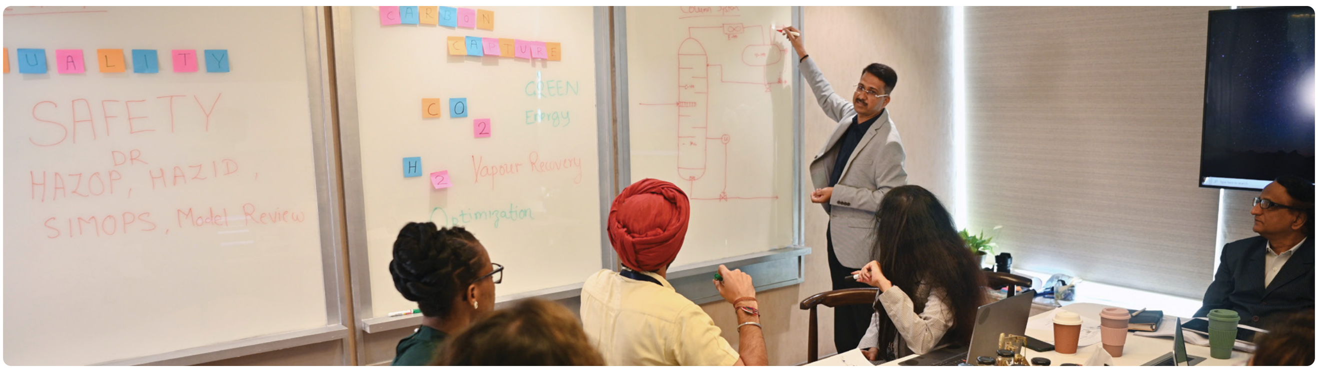
Identifying the priorities that shape our future

Materiality assessment helps the Bank identify and prioritise the matters that are most relevant to its business, strategy and stakeholders, and that may influence its performance, risk profile and long-term value creation.



In fiscal 2025, we undertook a comprehensive double materiality assessment, evaluating both the impact of the Bank's activities and the implications of material matters on financial performance and long-term resilience. The exercise involved internal evaluation, stakeholder inputs, sector analysis, and reference to recognised reporting frameworks. Such detailed assessments are undertaken every three years, with interim internal reviews to evaluate any changes in business context, regulations or stakeholder expectations.

In fiscal 2026, based on internal assessment and the environment in which the Bank continues to operate, previously identified material topics were found to remain relevant and continue to represent the areas of highest significance for the Bank's long-term value creation. Accordingly, the existing set of material matters has been retained for the reporting year.

For detailed disclosure on the materiality assessment process, including the materiality matrix and identified material matters, please refer to page 58 of the Integrated Annual Report FY 2024-25, available at:

axis.bank.in/annual-reports/2024-2025/pdf/Axis

Our approach to Double Materiality

Materiality Matrix

↑

Prioritisation of Material Matters

↑

Financial Materiality

↑

Impact Materiality

↑

Identifying IROs
(Impact, Risks & Opportunities)

Risk Management

Effective risk management strengthens the Bank's resilience and supports sustainable growth. In an evolving financial environment, managing both traditional and emerging risks remains critical to maintaining stability, responding to changing business and regulatory conditions.

Fiscal 2026 highlights

- Strengthened cyber security oversight
- Enhanced governance around risk appetite
- Strengthened stress testing framework
- Enhanced monitoring for unsecured lending, including models
- Regulatory reporting enhancement
- Reinforced risk and compliance culture

Capitals impacted

UN SDGs impacted

Stakeholders impacted

I C Re

Corporate Governance & Ethical Business Conduct

Strong governance and ethical conduct are essential to the Bank's long-term stability and stakeholder trust. The Bank maintains high governance standards, accountable leadership and robust oversight, while embedding integrity across operations and financing to support transparency, responsible decision-making and sustainable value creation.

Fiscal 2026 highlights

- Zero incidents of conflict of interest
- 23% representation of women in the Board of Directors
- 61.54% Independent Directors on the Board
- >99% average attendance at Board meetings
- Retained top–tier 'Leadership' rating in the IFC-BSE-IiAS Indian Corporate Governance Scorecard

Capitals impacted

UN SDGs impacted

Stakeholders impacted

I C Re N Ra

Regulatory Compliance

Regulatory compliance is fundamental to the Bank's stability and long-term value creation. Operating in a complex and evolving regulatory environment, the Bank maintains strong compliance practices to mitigate financial, legal, and reputational risks and to ensure responsible and sustainable operations.

Fiscal 2026 highlights

- Strengthened compliance framework through enhanced monitoring and improved policy governance
- Promoted compliance culture via tone-from-the-top and targeted training programs
- Implemented continuous improvement initiatives across policies, frameworks and processes
- Enhanced AML monitoring and EDD processes using AI and workflow-based tracking
- Pro-active involvement of compliance in product and policy design
- Strengthened key frameworks:
  - Compliance Risk Assessment (CRA)
  - Remedial Action Framework
  - Staff accountability for regulatory violations
- Strengthening first line of defence (CAROs) and encouraging self-identification of risks and issues
- Enhanced compliance testing frameworks for additional layer of assurance
- Established a robust Group Compliance structure for continued oversight

Capitals impacted

UN SDGs impacted

Stakeholders impacted

I Re E

Fraud & Money Laundering – Prevention, Detection & Mitigation

Fraud and money laundering pose material risks to customer protection, regulatory compliance, and the Bank's reputation. As digital adoption accelerates and fraud risk patterns continue to evolve, the Bank is expected to maintain strong, technology-enabled controls to prevent misuse of the financial system. Ineffective management of these risks can lead to customer detriment, financial loss, enforcement actions and erosion of stakeholder trust. We thus prioritise robust prevention, detection, and response mechanisms across the Bank's operations to safeguard customers, uphold regulatory standards and preserve financial system stability.

Fiscal 2026 highlights

- 633 vigilance cases processed and 588 officials were subjected to disciplinary action during fiscal 2026
- 96.2% of eligible employees trained in AML & related laws - KYC/AML completion

Capitals impacted

UN SDGs impacted

Stakeholders impacted

C I Re

Privacy & Data Security

Safeguarding data privacy and information security is vital to maintaining customer trust and operational stability. Amid rapid digitalisation, the Bank strengthens its cybersecurity and data protection practices to mitigate cyber risks and ensure secure and reliable operations.

Fiscal 2026 highlights

- During fiscal 2026, the Bank upheld a robust and comprehensive data security and privacy framework anchored by Board-approved policies, including the Information Systems Security Policy and the Cyber Crisis Management Plan
- **Risk-based security assurance:** Periodic vulnerability assessments and penetration testing were conducted across applications and infrastructure based on defined risk classifications, supported by structured governance, tracking, and remediation oversight
- **Advanced monitoring & response:** A 24×7 in-house Security Operations Centre (SOC) enabled continuous surveillance, threat intelligence integration, and proactive incident detection and response
- **Strong incident outcomes:** No material cyber security incidents, data breaches, or regulator-reportable outages were recorded during the year. One isolated third-party vendor incident was effectively contained, with no impact on customer data or the Bank's systems
- Overall, the Bank demonstrated strong cyber resilience, effective risk management, and adherence to regulatory expectations in safeguarding information assets

Capitals impacted

UN SDGs impacted

Stakeholders impacted

Re E C

Return on Equity & Return to Shareholders

Return on equity and returns to shareholders are key indicators of the Bank's financial strength and capital efficiency. Sustained performance builds investor confidence, supports prudent capital allocation, and enables long-term value creation while managing emerging risks and meeting wider stakeholder expectations.

Fiscal 2026 highlights

13.15% RoE	3.69% NIM	16.42% CRAR
1.45% RoA	0.37% NNPA	14.38% CET-1

Capitals impacted

UN SDGs impacted

Stakeholders impacted

I Ra

Customer Experience & Satisfaction

Customer satisfaction and experience are fundamental to the Bank's success and customer trust. The Bank safeguards customer savings and investments through fair and transparent practices, and continuously improves its products and services through customer feedback and effective grievance redressal.

Fiscal 2026 highlights

- Strengthened customer experience through SPARSH by embedding customer obsession across touchpoints, processes and metrics
- Retail Net Promoter Score (NPS) at 159 (on an indexed baseline of 100 since inception of baseline, i.e. Q1FY23)
- Focused on improving experience outcomes and simplifying interactions through digitisation across branches, digital channels, and relationship touchpoints
- Empowered employees through Adi and Kaleidoscope, enabling faster access to knowledge, sharper customer context, and more informed conversations
- Deepened leadership engagement to ensure frontline customer signals were translated into action with clearer ownership
- Prioritised Senior Citizens and NRIs through cohort-led redesign and behavioural science-led empathy workshops to better understand customer friction points and emotional expectations
- Celebrated meaningful customer moments while building a more disciplined, insight-led, and digitally enabled approach to delighting customers every day

Capitals impacted

UN SDGs impacted

Stakeholders impacted

Re I C

Sustainable Finance & Responsible Banking

Sustainable finance and responsible banking strengthen the Bank's long-term growth while supporting a sustainable future. Integrating environmental, social, and governance (ESG) considerations into lending and investment helps direct capital to responsible sectors, manage exposure to sensitive assets, meet the demand for responsible financing, and support societal priorities and the transition to a low-carbon economy.

Fiscal 2026 highlights

- During the year, the Bank increased its lending towards sectors with positive environmental and social outcomes to ₹61,348 crores
- The Bank has actively engaged with its value chain partners to strengthen their ESG capacity and capabilities.
- ₹45,511 crores Green lending portfolio
- ~₹100,000 crores Total value of proposals reviewed under the ESG policy for lending in fiscal 2026

Capitals impacted

UN SDGs impacted

Stakeholders impacted

Re I C N Ra

Employee Engagement, Development & Well-being

Attracting, developing, and retaining talent is critical to the Bank's success, supported by investments in learning, engagement and well-being to build a resilient, high-performing workforce and an inclusive culture.

Fiscal 2026 highlights

6.7 million+
Learning hours of employees

30.1%
Workforce diversity

7,200
Internal mobility movements

Capitals impacted

UN SDGs impacted

Stakeholders impacted

E I

Innovation & Digitalisation

Digitalisation and innovation are enhancing efficiency, customer experience, and competitiveness by enabling streamlined operations, advanced digital offerings and secure, personalised interactions that build trust.

Fiscal 2026 highlights

~31 million
Total registered Mobile Banking users

~16 million
Mobile Banking MAU

Capitals impacted

UN SDGs impacted

Stakeholders impacted

I C V Re P

Community Engagement & Development

Community engagement helps the Bank understand local needs and deliver targeted initiatives that drive social impact and support sustainable development.

Fiscal 2026 highlights

- Impacted over 21 lakh lives across India through focused CSR initiatives
- Reached over 7 lakh households via the Sustainable Livelihoods Program in fiscal 2026
- Established a High Performance Shooting Centre with Lakshya Shooting Club
- Empowered 1.6 lakh women through financial literacy programs in fiscal 2026

Capitals impacted

UN SDGs impacted

Stakeholders impacted

I N

Financial Inclusion, Literacy & Access

Financial inclusion, literacy and access support the Bank's objective of expanding its reach while contributing to a more inclusive economy. By improving access to financial services and strengthening financial literacy, the Bank enables underserved communities to participate in the formal economy and enhance their financial well-being and resilience.

Fiscal 2026 highlights

- During the year, the Bank delivered ~2,200 financial literacy programs, launched 'FI Model Village' across 80 villages, and digitised ~1,000 SHGs to enable cashless transactions and deepen financial inclusion further through its CSR programs
- 14.83 lakh customers in PM Jan Dhan Yojna
- 5.75 lakh customers under Pradhan Mantri Jeevan Jyoti Yojana
- 5.2 million women participants in microfinance rural lending
- CSR-led Financial Inclusion and Literacy efforts facilitated ~20,797 enrolments under Pradhan Mantri Suraksha Bima Yojana and ~16,064 under Pradhan Mantri Jeevan Jyoti Bima Yojana for the rural poor across 5 states

Capitals impacted

UN SDGs impacted

Stakeholders impacted

I N

Policy Advocacy and Thought Leadership

The Bank contributes to shaping the financial ecosystem through policy advocacy and industry thought leadership. It provides input at key forums, including the World Economic Forum, SEBI, CII, and FICCI, to support the development of robust, sustainable regulations while promoting innovation, inclusivity and resilience, in line with its commitment to responsible governance and long-term growth.

Fiscal 2026 highlights

- The Bank continues to be an active member of several prominent industry associations, including the Associated Chambers of Commerce and Industry of India (ASSOCHAM), FICCI, CII, the Bengal Chamber of Commerce and Industry (BCCI), and the Indian Banks' Association (IBA)
- To the best of its knowledge, either directly or indirectly, the Bank has not made any monetary contribution/undertaken any spending towards any political campaign or political organisation in fiscal 2026

Capitals impacted

UN SDGs impacted

Stakeholders impacted

P Re Ra

Impact of Climate Change

Climate change presents significant risks to the Bank's operations, financial performance, and the broader economy. The Bank manages these risks by improving energy and resource efficiency across operations, addressing physical and transition risks, and strengthening strategic and operational resilience. It also considers financed emissions from its lending, investments, and counterparties as part of its climate strategy, recognising the need to mitigate climate-related risks, manage costs, and respond to evolving regulatory and stakeholder expectations.

Fiscal 2026 highlights

- 8.99 GJ/FTE energy intensity per employee
- 1,57,328 tCO_2e Scope 1 & 2 emissions
- 57,007 GJ Total renewable energy consumed
- ~4.16 million trees planted
- 17,124 tCO_2e emissions avoided through various energy efficiency measures in this fiscal

Capitals impacted

UN SDGs impacted

Stakeholders impacted

I E Re

Diversity, Equity, and Inclusion

Diversity, equity, and inclusion are key opportunities aligned with the Bank's core philosophy and values, building a workplace where diverse backgrounds are represented, employees feel valued, and equitable opportunities are available to all. Prioritising DE&I strengthens the organisation, drives innovation and supports long-term value creation.

Fiscal 2026 highlights

- During the year, the Bank's overall workforce diversity increased to 30.1%, with 37% of new hires being women.
- Over 67% of teams have women representation
- The Bank continued to strengthen women's participation in front-line and revenue-generating roles through the Women in Sales employee resource group
- Axis Women in Motion continued its grassroots engagement across towns, hinterlands and talukas, encouraging women to participate as independent economic entities

Capitals impacted

UN SDGs impacted

Stakeholders impacted

I Re E