

Issuer GSS Profile

2021-05-17 07:43:04

Issuer Name

Axis Bank Limited

Issuer Information

Parent Organization

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Obligor Country

India

Industry

Financials

Issuer Type

Financial Institution

Standards

Green Bond Principles

Social Bond Principles

Sustainability Bond Guidelines

External Review Provider

Sustainalytics

Contributor

No

Number of Bonds/Tranches

2

Next Reporting Date

2023-06-30

Framework

Introduction

Axis Bank's Sustainable Financing Framework ("The Framework") was developed with the objective of reinforcing Axis Bank's capabilities in financing green and social projects, which contribute to the UN SDGs as well as the Paris Agreement. Axis Bank has already issued a Green Bond in 2016 under its Green Bond Framework, and now aims to create a Sustainable Financing Framework in order to raise investments for financing / refinancing environmental and Social Projects, as well as projects with both social and environmental impact. Through this new Framework, Axis Bank aims to mobilise investors to contribute capital towards the realisation of the UN SDGs.

Sustainable Financing Transactions ("SFT") will include bonds, loans and other forms of debt financing with structures tailored to contribute to sustainable development by application of the proceeds to Eligible Projects as defined in this Framework.

Use of Proceeds

The net proceeds of the SFTs will be used to finance or refinance, in whole or in part, new or existing Eligible Green Project Categories and Eligible Social Project Categories ("Eligible Project Categories").

- The proceeds of a Green Bond/Loan issued under this Framework will be applied to projects that fall under the Eligible Green Project Categories.
- The proceeds of a Social Bond/Loan issued under this Framework will be applied to projects that fall under the Eligible Social Project Categories.

- The proceeds of a Sustainability Bond/Loan issued under this Framework will be applied to projects that fall under the Eligible Green Project Categories.

Process for Selection & Evaluation

Axis Bank will perform the credit assessment and due diligence of projects / assets in accordance with its routine processes already laid down. For any project identified in the above Use of Proceeds categories (and therefore potentially eligible for an Axis Bank Sustainable Bond), the ESG Working Group (as defined below) will undertake a preliminary assessment for inclusion of projects on the basis of above framework criteria. If the criteria are met, the respective project / asset will be nominated for sustainable bond allocation.

Management of Proceeds

The net proceeds from each SFT issued will be managed by Axis Bank’s finance team and the proceeds of each bond will be deposited in the general funding accounts. An amount equal the net proceeds will be earmarked for allocation to Eligible Projects, in accordance with Axis Bank’s Sustainable Financing Framework.

Process for Reporting

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Methodology

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Disclaimer

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Framework Date

2021-07-31

Eligible Project Categories

No.	Project Category	SDGs	SDGs Target	Description
1	Renewable energy	7	7.2	<div><ul style="list-style-type: none">• Solar:<ul style="list-style-type: none">- Solar energy generation in operation or under construction for:<ul style="list-style-type: none">o Solar electricity generation facilities where a minimum of 85% of electricity generated from the facility is derived from solar energy resourceso Wholly dedicated transmission infrastructure for solar electricity generation facilities⁶.• Wind:<ul style="list-style-type: none">- Wind energy generation in operation or under construction for:<ul style="list-style-type: none">o The development, construction and operation of wind farmso Operational production or manufacturing facilities⁷ wholly dedicated to wind energy developmento Wholly dedicated transmission infrastructure for wind farms• Small Hydro and Run of the River Hydro</div>

				<p>Power:</p> <ul style="list-style-type: none"> - Production, transmission and distribution of renewable energy from hydropower below 25 MW capacity.
2	Sustainable water & wastewater management	11	11.4,12.7	<p>Projects that contribute to waste prevention and collection, waste reduction and waste recycling such as:</p> <ul style="list-style-type: none"> o The development, operation and upgrade of recycling facilities for metals, plastic or paper o Collection, treatment or remediation of hazardous waste or contaminated soil o Recycling or composting to divert waste from landfill or improve the efficiency of waste processing (waste to energy including using biomass as feedstock)
3	Clean transportation	9,11	9.1,11.6	<p>All infrastructure, infrastructure upgrades, rolling stock and vehicles for electrified public transport, including electrified rail, trams, trolleybuses and cable cars. Buses with no direct emissions (electric and hydrogen).</p> <ul style="list-style-type: none"> • Bus Rapid Transit (BRT) Systems- Components of any BRT project meeting Bronze, Silver or Gold score under the BRT Standard as developed by the Institute of Transportation and Development Policy • Development, manufacture and acquisition of low-carbon land transport such as passenger cars and commercial vehicles - zero tailpipe emission vehicles (e.g., hydrogen, fuel cell and electric vehicles) and hybrid vehicles with tailpipe CO2 emissions below 75 gCO2 per passenger-kilometre (pkm) • Development of infrastructure for low-carbon land transport (private and public) - projects related to capacity or energy efficiency improvement (e.g., station upgrade, improved signaling equipment), electric charging stations, and electricity grid connection upgrade • Infrastructure for zero direct emission water transport - batteries, hydrogen fueling facilities
4	Green buildings	11	11.6	<p>For Buildings located in cities</p> <ul style="list-style-type: none"> • Have achieved LEED gold or above certification, or equivalent certifications under other internationally recognized building standards such as BREEAM (excellent to outstanding)* and Green Star (5 star and 6 star)**, within the last 5 years <p>And</p> <ul style="list-style-type: none"> - Achieve a minimum 30% emissions improvement against ASHRAE 90.1 criteria (a part of the LEED standard) or equivalent stringency of additional emissions improvements under other building standards <p>Or</p> <ul style="list-style-type: none"> - Meet the carbon hurdles set in the IFC's Edge tool - Meet the GRIHA 4 to 5 Star Rating & IGBC Gold standards
5	Sustainable Agriculture	15	15.5	<ul style="list-style-type: none"> • Sustainable management of agriculture via implementation of sustainable agriculture techniques and sustainable agricultural production. • Sustainable agriculture techniques may include: <ul style="list-style-type: none"> o Remediation and restoration of degraded soil o Minimum or no use of synthetic fertilizer and pesticide <ul style="list-style-type: none"> o Crop rotation o No-till farming o Precision farming o Drip irrigation o Zero Budget Natural Farming
6	Socioeconomic advancement and empowerment	5,8	5.5,8.5	<ul style="list-style-type: none"> • Loans to companies in deprived areas • Support projects aiming a productive employment and decent work for all, including for persons with disabilities and young people, and equal pay for work of equal value. • Gender equality – microfinance for women SHGs/onward MF companies. Bank has

				<div>significant JLG portfolio already</div> <ul style="list-style-type: none">• Women founded start-ups/MSMEs which are majority-owned or majority-managed (at the most senior level) by women (where majority means more than 50%)
7	Health, Healthcare and Wellbeing	3	3.8,3.c	<div>Financing related to the construction, equipment or operation of activities that expand access to healthcare such as:</div> <ul style="list-style-type: none">o Public hospitals, clinics and healthcare centreso Private hospitals which are not for profit<ul style="list-style-type: none">• Financing to support vaccine manufacturing and distribution• Medical, healthcare, education, financial services support for natural disaster (including pandemic)• Supports for medical colleges and nursing colleges with purpose of enhancing basic medical care
8	Employment generation including through the potential effect of SME financing and microfinance	8	8.3	<ul style="list-style-type: none">• MSME financing and microfinance: support MSMEs who suffer from natural disaster (including pandemic):<ul style="list-style-type: none">o Providing loans at discounted rate and enlarged lending volumeo Waiving collateral requirement with accelerated process• Loans to entities involved in assisting the decentralized sector in the supply of inputs and marketing of output of artisans, village and cottage industries.
9	Education and Vocational Training	4,10	4.4,4.7,10.2	<ul style="list-style-type: none">• Financing related to the construction, equipment or operation of activities that expand access to education such as:<ul style="list-style-type: none">o Tertiary or vocational education that is public or not for profito Activities that improve educational infrastructure, such as construction of campuses or training facilities
10	Affordable Housing and Social Infrastructure	1	1.4	<ul style="list-style-type: none">• Bank loans for affordable housing projects in India with carpet area up to 60 sq. m• Bank loans up to a limit of ₹5 crore per borrower for setting up schools, drinking water facilities and sanitation facilities including construction/ refurbishment of household toilets and water improvements at household level, etc.

Allocation by Project Category

No.	Project Category	Allocated Proceeds	Currency	Note on Allocation
1	Clean transportation	-	USD	-
2	Green buildings	-	USD	-
3	Renewable energy	-	USD	-

Impact KPIs

Reporting Methodology for Project Category

- Renewable Energy
- Total renewable Capacity (in MW)
 - Energy generated per year (MWh)
 - GHG emissions avoided per year, reported in tonnes CO2-equivalent (tCO2e)
- Waste Management
- Waste diverted from landfill per year (tonnes)

- Clean Transportation
- GHG emissions avoided per year (tCO2e)
 - New clean transportation infrastructure built (km)
 - Number of electric or low emission land and water transport vehicles produced

- Green Buildings
- Building assets by type and green building certification level
 - Energy savings per year (MWh)
 - GHG emissions avoided per year (tCO2e)

- Sustainable Agriculture
- Area covered by sustainable agricultural land management practices (hectares)

- Socioeconomic advancement and empowerment
- Number of beneficiaries, by gender
 - Number of locations reached (number of villages, blocks or towns)

- Health, Healthcare and Wellbeing
- Number of beneficiaries/ potential beneficiaries
 - Number of locations reached

- Employment generation, including through the potential effect of SME financing and microfinance
- Number of jobs created, by gender
 - Number of SMEs and start-up supported or funded

- Education and Vocational Trainings
- Number of beneficiaries/potential beneficiaries
 - Number of locations reached

- Affordable Housing and Social Infrastructure
- Number of housing units built or refurbished
 - Amount of housing/social infrastructure loans disbursed to qualifying borrowers

No.	Project Category	Impact Metric	Metric Value	Metric Type	Metric Description
1	Renewable energy (Other/Mixed)	GHG Emissions Avoided (Tonnes CO2)	1640000	-	Emissions avoided from renewable power generation
2	Renewable energy (Other/Mixed)	Renewable Energy Generated (Mwh)	2000000000	-	Of renewable power generated

Estimated GHG Emissions Savings per Million Invested (Tonnes CO ₂ -eq)	Currency	Allocation/Impact Report Date
-	-	2021-03-31 00:00:00

Other Information

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