

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Twenty-Seventh Annual Report of ICICI Bank Limited (ICICI Bank/the Bank) along with the audited financial statements for the year ended March 31, 2021.

FINANCIAL HIGHLIGHTS

The financial performance for fiscal 2021 is summarised in the following table:

₹ in billion, except percentages	Fiscal 2020	Fiscal 2021	% change
Net interest income and non-interest income	484.23	529.12	9.3%
Operating expenses	216.15	215.61	(0.2%)
Core operating profit	268.08	313.51	16.9%
Treasury income	12.93	50.46	290.3%
Operating profit	281.01	363.97	29.5%
Provisions & contingencies (excluding tax)	140.53	162.14	15.4%
Profit before tax	140.48	201.83	43.7%
Profit after tax	79.31	161.93	104.2%

₹ in billion, except percentages	Fiscal 2020	Fiscal 2021	% change
Consolidated profit before tax and minority interest	185.89	260.28	40.0%
Consolidated profit after tax and minority interest	95.66	183.84	92.2%

APPROPRIATIONS

The profit after tax of the Bank for fiscal 2021 is ₹ 161.93 billion after provisions and contingencies of ₹ 202.04 billion (including provision for taxes of ₹ 39.90 billion). The accumulated profit is ₹ 375.20 billion, taking into account the balance of ₹ 213.27 billion brought forward from the previous year. Your Bank has a consistent dividend payment history. Your Bank's dividend policy is based on the profitability and key financial metrics, capital position and requirements and the regulations pertaining to the payment of dividend. The Reserve Bank of India (RBI) through its circular on 'Declaration of dividends by banks (Revised)' had directed that banks shall not make any dividend payouts on equity shares from the profits pertaining to fiscal 2020. Accordingly, the Board of Directors did not recommend any dividend for fiscal 2020. The Board of Directors has recommended a dividend of ₹ 2.00 per equity share for the year ended March 31, 2021 and has appropriated the disposable profit as follows:

₹ in billion	Fiscal 2020	Fiscal 2021
To Statutory Reserve, making in all ₹ 297.69 billion	19.83	40.48
To Special Reserve created and maintained in terms of Section 36(1) (viii) of the Income Tax Act, 1961, making in all ₹ 113.84	7.90	10.90
To Capital Reserve, making in all ₹ 133.80 billion	3.96	1.30
To Investment Fluctuation Reserve, making in all ₹ 16.89 billion ¹	6.69	(2.49)
To Revenue and other reserves, making in all ₹ 56.57 billion	-	14.92²
Dividend paid on equity shares ³	6.45	-
Leaving balance to be carried forward to the next year	213.28	310.09

¹ Represents an amount transferred to Investment Fluctuation Reserve (IFR) from disposable profit. As per the RBI guidelines, an amount not less than the lower of net profit on sale of available-for-sale (AFS) and held-to-maturity (HFT) category investments during the year or net profit for the year less mandatory appropriations is required to be transferred to IFR, until the amount of IFR is at least 2% of the HFT and AFS portfolio. The Bank can draw down balance available in IFR in excess of 2% of its AFS and HFT portfolio. Accordingly, during fiscal 2021, the Bank has transferred an amount of ₹ 2.49 billion from IFR to Balance in Profit & Loss Account.

² Includes transfer of accumulated balance amounting to ₹ 0.08 billion maintained in Reserve Fund under Sri Lankan Banking Act No. 30 of 1988 to balance in Profit & Loss account due to closure of the Branch.

³ Represent dividend declared for previous financial year and paid in current financial year. RBI through its circular on 'Declaration of dividends by banks (Revised)' had directed that banks shall not make any dividend payment on equity shares from the profits pertaining to the financial year ended March 31, 2020. Accordingly, the Bank did not declare any dividend for fiscal 2020.

DIRECTORS' REPORT

The Bank prepares its financial statements in accordance with the applicable accounting standards, RBI guidelines and other applicable laws/regulations. RBI, under its risk-based supervision exercise, carries out the risk assessment of the Bank on an annual basis. This assessment is initiated subsequent to the finalisation, completion of audit and publication of audited financial statements for a financial year and typically occurs a few months after the financial year-end. As a part of this assessment, RBI separately reviews asset classification and provisioning of credit facilities given by the Bank to its borrowers. The divergences, if any, in classification or provisioning arising out of the supervisory process are given effect to in the financial statements in subsequent periods after conclusion of the exercise.

In terms of the RBI circular no. DBR.BPBC.No.32/21.04.018/2018-19 dated April 1, 2019, banks are required to disclose the divergences in asset classification and provisioning consequent to RBI's annual supervisory process in their notes to accounts to the financial statements, wherever either (a) the additional provisioning requirements assessed by RBI exceed 10% of the reported net profits before provisions and contingencies or (b) the additional gross NPAs identified by RBI exceed 15% of the published incremental gross NPAs for the reference period, or both. Based on the condition mentioned in RBI circular, no disclosure on divergence in asset classification and provisioning for NPAs is required with respect to RBI's supervisory process for fiscal 2020.

SHARE CAPITAL

During the year under review, the Bank allotted 24,232,771 equity shares of ₹ 2.00 each pursuant to exercise of stock options under the Employee Stock Option Scheme.

On August 15, 2020, allotment of 418,994,413 equity shares of face value ₹ 2.00 each was made to eligible qualified institutional buyers at the issue price of ₹ 358.00 per equity share, i.e., at a premium of ₹ 356.00 per equity share.

For details refer to Schedule 1 of the financial statements.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Pursuant to Section 186(11) of the Companies Act, 2013, the provisions of Section 186 of the Companies Act, 2013, except sub-section (1), do not apply to a

loan made, guarantee given or security provided by a banking company in the ordinary course of business. The particulars of investments made by the Bank are disclosed in Schedule 8 of the financial statements as per the applicable provisions of the Banking Regulation Act, 1949.

SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES

There is no change in the subsidiaries and associates of the Bank during fiscal 2021. The Bank does not have any joint venture company. As at March 31, 2021, your Bank had following subsidiaries (16) and associate (8) Companies:

Name of the Subsidiary Company	% of shares held
ICICI Bank UK PLC	100
ICICI Bank Canada	100
ICICI Securities Limited	75.00
ICICI Securities Holding Inc. ¹	100
ICICI Securities Inc. ²	100
ICICI Securities Primary Dealership Limited	100
ICICI Venture Funds Management Company Limited	100
ICICI Home Finance Company Limited	100
ICICI Trusteeship Services Limited	100
ICICI Investment Management Company Limited	100
ICICI International Limited	100
ICICI Prudential Pension Funds Management Company Limited ³	100
ICICI Prudential Life Insurance Company Limited	51.37
ICICI Lombard General Insurance Company Limited	51.88
ICICI Prudential Asset Management Company Limited	51.00
ICICI Prudential Trust Limited	50.80

¹ ICICI Securities Holding Inc. is a wholly owned subsidiary of ICICI Securities Limited.

² ICICI Securities Inc. is a wholly owned subsidiary of ICICI Securities Holding Inc.

³ ICICI Prudential Pension Funds Management Company Limited is a wholly owned subsidiary of ICICI Prudential Life Insurance Company Limited.

DIRECTORS' REPORT

Name of the Associate Company	% of shares held
I-Process Services (India) Private Limited	19.00
NIIT Institute of Finance Banking and Insurance Training Limited	18.79
ICICI Merchant Services Private Limited	19.01
India Infradebt Limited	42.33
Arteria Technologies Private Limited	19.98
Rajasthan Asset Management Company Private Limited [#]	24.30
OTC Exchange of India Limited [#]	20.00
Falcon Tyres Limited [#]	26.39

[#] These companies are not considered as associates in the financial statements, in accordance with the provisions of AS 23 on 'Accounting for Investments in Associates in Consolidated Financial Statements'.

HIGHLIGHTS OF PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES AND THEIR CONTRIBUTION TO THE OVERALL PERFORMANCE OF THE COMPANY

The performance of subsidiaries and associates and their contribution to the overall performance of the Bank as on March 31, 2021 is given in "Consolidated Financial Statements of ICICI Bank Limited - Schedule 18 - Note 12 - Additional information to consolidated accounts" of this Annual Report. A summary of key financials of the Bank's subsidiaries is also given in "Statement Pursuant to Section 129 of Companies Act, 2013" of this Annual Report.

The highlights of the performance of key subsidiaries are given as a part of Management's Discussion & Analysis under the section "Consolidated financials as per Indian GAAP".

The Bank will make available separate audited financial statements of the subsidiaries to any Member upon request. These documents/details will be available on the Bank's website at <https://www.icicibank.com/aboutus/annual.htm> and will also be available for inspection by any Member or trustee of the holder of any debentures of the Bank. As required by Accounting Standard 21 (AS-21) issued by the Institute of Chartered Accountants of India, the Bank's consolidated financial statements included in this Annual Report incorporate the accounts of its subsidiaries and other consolidating entities.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY AND ITS FUTURE OPERATIONS

There are no significant and/or material orders passed by the regulators or courts or tribunals impacting the going concern status or future operations of the Bank.

UPDATE ON COVID-19

The Covid-19 pandemic has impacted most economies and banking systems globally, including India. The nationwide lockdown in April-May 2020 substantially impacted economic activity. The easing of lockdown measures subsequently led to gradual improvement in economic activity and progress towards normalcy. For the banking sector, these developments resulted in lower demand for loans and fee-based services and regulatory measures like moratorium on payment of dues and standstill in asset classification to mitigate the economic consequences on borrowers. It also resulted in increase in provisioning reflecting higher actual and expected additions to non-performing loans following the cessation of moratorium and asset classification standstill. Pursuant to the second wave of Covid-19 pandemic since March 2021, the number of new cases has increased significantly across India in both urban and rural areas and it has resulted in re-imposition of localised/regional lock-down measures in various parts of the country.

In these challenging times, the Bank's employees have shown strong resilience and the ability to adapt to changing circumstances. The health and well-being of employees and customers and business continuity is of utmost importance to the Bank. The Bank formed a quick response team to take steps to protect the health of the employees and provide essential services to the customers. About 97% of the branches were functional with reduced working hours during the national lockdown in fiscal 2021. The branches were staffed based on the customer footfalls and employees were rostered. Excluding the employees working at the branches and some of the team members from Operations and IT, the majority of the employees continue to work from home. The Bank continues to do a thorough risk assessment for augmenting IT security controls and curb any gaps and potential threats in the current working arrangement.

The Bank continues to see opportunities to grow and strengthen its franchise and it is using these opportunities to further accelerate the digital journey of the Bank

DIRECTORS' REPORT

and its customers. In March 2020, the Bank launched a comprehensive digital banking platform called ICICI STACK which offers nearly 500 services to ensure uninterrupted banking experience to retail, business banking, SME and corporate customers. Other major digital initiatives include WhatsApp banking, Video KYC for digital onboarding of customers, cardless cash withdrawal at ATMs and a mobile banking app, iMobile Pay, that extends the mobile banking facility to non-ICICI Bank customers. We have launched digital products like InstaBIZ and supply chain financing solutions for our small business customers including APIs from the API Banking Portal to integrate various payment and product solutions. Our digital offerings for large corporates and their ecosystems include digital platforms for domestic and international trade and industry specific solutions across the value chain. The Bank is seeing increased utilisation of its digital channels and platforms by its customers and has ensured that the IT infrastructure is able to handle any unexpected surge in digital transactions. The Bank continues to monitor the situation in the country and would take necessary steps to ensure safety of its people and continuity of its business operations. In its effort to support the nation in its fight against the Covid-19 outbreak, the ICICI Group has committed a sum of ₹ 1.00 billion, including ₹ 800.0 million to the PM Cares Fund. ICICI Bank and ICICI Foundation have worked actively to assist various agencies including hospitals, the police, paramilitary forces, municipalities and government bodies in their tireless efforts to safeguard the citizens of the country.

Going forward, economic activity will depend on the trajectory of the Covid-19 pandemic, the progress of the vaccination programme and the restrictions on activity and the period for which they continue. A prolonged period of economic weakness caused by the second wave of the pandemic and uncertainty regarding normalisation could continue to impact banking sector loan growth, revenues, margins, asset quality and credit costs in fiscal 2022. In view of the continuing uncertainties and rising risks in the operating environment, the Bank would continue to focus on ensuring a resilient balance sheet and maintaining strong capital levels. The Bank's capital and liquidity position is strong and would continue to be a focus area for the Bank during this period.

MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE BANK

There are no material changes and commitments affecting the financial position of the Bank which have occurred between the end of the financial year of the Bank to which

the financial statements relate and the date of this Report. For the impact of Covid-19 on the performance of the Bank and the Group, refer "note no. 59 of schedule 18 – Notes forming part of the accounts" of financial statements of the Bank and "note no. 19 of schedule 18 – Notes forming part of the accounts" of consolidated financial statements of the Bank.

DIRECTORS AND OTHER KEY MANAGERIAL PERSONNEL

Changes in the composition of the Board of Directors and other Key Managerial Personnel

The Members at the last Annual General Meeting (AGM) held on August 14, 2020 approved the re-appointment of Vishakha Mulye as a wholetime Director (designated as Executive Director) for a period of five years effective from January 19, 2021, subject to the approval of Reserve Bank of India (RBI). RBI through its letter dated January 8, 2021 approved the re-appointment of Vishakha Mulye as Executive Director of the Bank for a period of three years effective from January 19, 2021.

Further, the Members at the last AGM approved the re-appointment of Girish Chandra Chaturvedi as an Independent Director of the Bank for a period of three years effective from July 1, 2021. The Members also approved the re-appointment of Girish Chandra Chaturvedi as Non-Executive (part-time) Chairman of the Bank for a period of three years effective from July 1, 2021, subject to the approval of RBI. RBI through its letter dated June 8, 2021 approved the re-appointment of Girish Chandra Chaturvedi as Non-Executive (part-time) Chairman of the Bank for a period of three years with effect from July 1, 2021.

RBI through its letter dated December 22, 2020 communicated its approval for the appointment of Sandeep Batra as Executive Director of the Bank for a period of three years from the date of his taking charge as Executive Director. The Board of Directors through a circular resolution dated December 23, 2020 recorded December 23, 2020 as the effective date of appointment and taking charge by Sandeep Batra as Executive Director of the Bank.

The Board of Directors on April 24, 2021 based on the recommendation of the Board Governance, Remuneration & Nomination Committee approved the re-appointment of Anup Bagchi as a wholetime Director (designated as Executive Director) for a period of five years or date of retirement, whichever is earlier, effective from February 1, 2022, subject to the approval of Members and RBI. The re-appointment is being proposed in the Notice of the forthcoming AGM through item no.10.

DIRECTORS' REPORT

In terms of Section 203(1) of the Companies Act, 2013, Sandeep Bakhshi, Managing Director & CEO, Anup Bagchi, Executive Director, Sandeep Batra, Executive Director, Vishakha Mulye, Executive Director, Rakesh Jha, Chief Financial Officer and Ranganath Athreya, Company Secretary are the Key Managerial Personnel of the Bank.

Declaration of Independence

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149 of the Companies Act, 2013 as amended (the Act) and Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (SEBI Listing Regulations) which have been relied on by the Bank and were placed at the Board Meeting held on April 24, 2021. In the opinion of the Board, the Independent Directors fulfil the conditions specified in the Act and the SEBI Listing Regulations and are independent of the Management.

Retirement by rotation

In terms of Section 152 of the Companies Act, 2013, Sandeep Bakhshi would retire by rotation at the forthcoming AGM and is eligible for re-appointment. Sandeep Bakhshi has offered himself for re-appointment.

AUDITORS

Statutory Auditors

M/s Walker Chandiook & Co LLP Chartered Accountants were re-appointed as auditors by the Members at their Twenty-Sixth Annual General Meeting (AGM) held on August 14, 2020 to hold office till conclusion of the Twenty-Seventh AGM. M/s Walker Chandiook & Co LLP, Chartered Accountants, have been auditors of the Company for three consecutive years, which is the maximum term for statutory auditors of banking companies as per the circular issued by Reserve Bank of India (RBI) on 'Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs)', dated April 27, 2021. Hence they would be retiring at the conclusion of the forthcoming AGM. The Audit Committee and the Board of Directors have placed on record their appreciation of the professional services rendered by M/s Walker Chandiook & Co LLP during their association with the Company as its auditors.

As per the above-mentioned RBI guideline, the statutory audit needs to be conducted under joint audit of a minimum of two audit firms with effect from FY2022. Accordingly, as recommended by the Audit Committee, the Board has

proposed the appointment of M/s MSKA & Associates, Chartered Accountants and M/s Khimji Kunverji & Co LLP, Chartered Accountants as Joint Statutory Auditors for the year ending March 31, 2022 (fiscal 2022). Their appointment has been approved by RBI on July 8, 2021. The appointment of the auditors is being proposed to the Members in the Notice of the forthcoming AGM through item nos. 4 and 5.

There are no qualifications, reservation or adverse remarks made by the current statutory auditors in the audit report.

Secretarial Auditors

The Board appointed M/s. Parikh Parekh & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Bank for fiscal 2021. The Secretarial Audit Report is annexed herewith as Annexure A. There are no qualifications, reservation or adverse remark or disclaimer made by the auditor in the report save and except disclaimer made by them in discharge of their professional obligation.

The Annual Secretarial Compliance Report for fiscal 2021 is available on the website of the Bank at www.icicibank.com and on the websites of the stock exchanges i.e. BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com.

Maintenance of Cost Records

Being a Banking Company, the Bank is not required to maintain cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013.

Reporting of Frauds by Auditors

During the year under review, there were no instances of fraud reported by the statutory auditors, branch auditors and secretarial auditor under Section 143(12) of the Companies Act, 2013 to the Audit Committee or the Board of Directors.

PERSONNEL

The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in an Annexure and forms part of this report. In terms of Section 136(1) of the Companies Act, 2013, the annual report and the financial statements are being sent to the Members excluding the aforesaid Annexure. The Annexure is available for inspection and any Member interested in obtaining a copy of the Annexure may write to the Company Secretary of the Bank.

DIRECTORS' REPORT

INTERNAL CONTROL AND ITS ADEQUACY

The Bank has adequate internal controls and processes in place with respect to its financial statements which provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements. These controls and processes are driven through various policies, procedures and certifications. The processes and controls are reviewed periodically. The Bank has a mechanism of testing the controls at regular intervals for their design and operating effectiveness to ascertain the reliability and authenticity of financial information.

DISCLOSURE UNDER FOREIGN EXCHANGE MANAGEMENT ACT, 1999

The Bank has obtained a certificate from its statutory auditors that it is in compliance with the Foreign Exchange Management Act, 1999 provisions with respect to investments made in its consolidated subsidiaries and associates during fiscal 2021.

RELATED PARTY TRANSACTIONS

The Bank has a Board-approved Group Arm's Length Policy which requires transactions with the group companies to be at arm's length. All the related party transactions between the Bank and its related parties, entered during the year ended March 31, 2021, were on arm's length basis and were in the ordinary course of business. There were no related party transactions to be reported under section 188(1) of the Companies Act 2013, in Form No. AOC-2, pursuant to Rule 8(2) of the Companies (Accounts) Rules, 2014.

All related party transactions as required under Accounting Standard AS-18 are reported in note no. 50 of schedule 18 - Notes to Accounts of standalone financial statements and note no. 2 of schedule 18 - Notes to Accounts of consolidated financial statements of the Bank.

The Bank has a Board-approved policy on Related Party Transactions, which has been disclosed on the website of the Bank and can be viewed at (<https://www.icicibank.com/aboutus/other-policies.page?#toptitle>).

ANNUAL RETURN

The Annual Return in Form No. MGT-7 will be hosted on the website of the Bank at (<https://www.icicibank.com/aboutus/annual.html>).

BUSINESS RESPONSIBILITY REPORTING

The Business Responsibility Report as stipulated under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 will be hosted on the Bank's website

at (<https://www.icicibank.com/aboutus/annual.html>). Any Member interested in obtaining a copy of the Report may write to the Company Secretary of the Bank.

The Bank has been releasing the Environmental, Social and Governance Report since fiscal 2020. The report for fiscal 2021 will be hosted on the Bank's website at (<https://www.icicibank.com/aboutus/annual.html>).

INTEGRATED REPORTING

The Bank has adopted the principles of the International Integrated Reporting Framework as developed by the International Integrated Reporting Council (IIRC) in its Annual Report since fiscal 2019. For accessing the Report for fiscal 2021, please refer to the Integrated Report section of the Annual Report 2020-21.

RISK MANAGEMENT FRAMEWORK

The Bank's risk management framework is based on a clear understanding of various risks, disciplined risk assessment and measurement procedures and continuous monitoring. The Board of Directors has oversight on all the risks assumed by the Bank. Specific Committees have been constituted to facilitate focused oversight of various risks, as follows:

- The Risk Committee of the Board inter alia reviews risk management policies of the Bank pertaining to credit, market, liquidity, operational and outsourcing risks and business continuity management. The Committee also reviews the Risk Appetite and Enterprise Risk Management frameworks, Internal Capital Adequacy Assessment Process (ICAAP) and stress testing. The stress testing framework includes a range of Bank-specific market (systemic) and combined scenarios. The ICAAP exercise covers the domestic and overseas operations of the Bank, banking subsidiaries and non-banking subsidiaries. The Committee reviews setting up of limits on any industry or country, migration to the advanced approaches under Basel II and implementation of Basel III and the activities of the Asset Liability Management Committee. The Committee reviews the level and direction of major risks pertaining to credit, market, liquidity, operational, reputation, technology, information security, compliance, group and capital at risk as a part of the risk dashboard. In addition, the Committee has oversight on risks of subsidiaries covered under the Group Risk Management Framework. The Risk Committee also reviews the Liquidity Contingency Plan for the Bank and the various thresholds set out in the Plan.
- The Credit Committee of the Board, apart from sanctioning credit proposals based on the Bank's credit approval authorisation framework, reviews

DIRECTORS' REPORT

developments in key industrial sectors (along with exposure to these sectors), the Bank's exposure to large borrower accounts and borrower groups. The Credit Committee also reviews major credit portfolios, non-performing loans, accounts under watch, overdues, incremental sanctions etc.

- The Audit Committee of the Board provides direction to and monitors the quality of the internal audit function, oversees the financial reporting process and also monitors compliance with inspection and audit reports of RBI, other regulators and statutory auditors.
- The Asset Liability Management Committee provides guidance for management of liquidity of the overall Bank and management of interest rate risk in the banking book within the broad parameters laid down by the Board of Directors/Risk Committee.

Summaries of reviews conducted by these Committees are reported to the Board on a regular basis.

Policies approved from time to time by the Board of Directors/Committees of the Board form the governing framework for each type of risk. The business activities are undertaken within this policy framework. Independent groups and subgroups have been constituted across the Bank to facilitate independent evaluation, monitoring and reporting of various risks. These groups function independently of the business groups/subgroups.

The Bank has dedicated groups, namely, the Risk Management Group, Compliance Group, Corporate Legal Group, Internal Audit Group and the Financial Crime Prevention & Reputation Risk Management Group, with a mandate to identify, assess and monitor all of the Bank's principal risks in accordance with well-defined policies and procedures. The Risk Management Group is further organised into Credit Risk Management Group, Market Risk Management Group, Operational Risk Management Group and Information Security Group. The Chief Risk Officer (CRO) reports to the Risk Committee constituted by the Board which reviews risk management policies of the Bank. The CRO for administrative purposes reports to an Executive Director in the Bank. The above mentioned groups are independent of all business operations and coordinate with representatives of the business units to implement the Bank's risk management policies and methodologies.

The Internal Audit Group acts as an independent entity and is responsible to evaluate and provide objective assurance on the effectiveness of internal controls, risk management and governance processes within the Bank

and suggest improvements. The Internal Audit Group maintains appropriately qualified personnel to fulfill its responsibilities. The Internal Audit and Compliance groups are responsible to the Audit Committee of the Board.

INFORMATION REQUIRED UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Bank has a policy against sexual harassment and a formal process for dealing with complaints of harassment or discrimination. The said policy is in line with the requirements of 'The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013'. The Bank has complied with provisions relating to the constitution of Internal Complaints Committee under the said Act.

Pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details pertaining to number of complaints during the year has been provided below:

- number of complaints filed during the financial year: 33
- number of complaints disposed of during the financial year: 33
- number of complaints pending¹ at end of the financial year: Nil

1 All complaints received during fiscal 2021 have been closed within the applicable turnaround time (90 days).

CORPORATE GOVERNANCE

The corporate governance framework at ICICI Bank is based on an effective independent Board, the separation of the Board's supervisory role from the executive management and the constitution of Board Committees to oversee critical areas. At March 31, 2021, Independent Directors constituted a majority on most of the Committees and most of the Committees were chaired by Independent Directors.

I. Philosophy of Corporate Governance

At ICICI Bank, we are committed to maintain the highest standards of governance in the conduct of our business and continuously strive to create lasting value for all our stakeholders. We focus on maintaining comprehensive compliance with the laws, rules and regulations that govern our business and promote a culture of accountability, transparency and ethical conduct across the Bank.

DIRECTORS' REPORT

Group Code of Business Conduct and Ethics

The Group Code of Business Conduct and Ethics for Directors and employees of the ICICI Group aims at ensuring consistent standards of conduct and ethical business practices across the constituents of the ICICI Group. This Code is reviewed on an annual basis and the latest Code is available on the website of the Bank at (https://www.icicibank.com/managed-assets/docs/personal/general-links/code_of_business_conduct_ethics.pdf). Pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a confirmation from the Managing Director & CEO regarding compliance with the Code by all the Directors and senior management forms part of the Annual Report.

Code of Conduct as prescribed under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

In accordance with the requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Bank has adopted the Code on Prohibition of Insider Trading.

Material Subsidiaries

In accordance with the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Bank has formulated a Policy for determining Material Subsidiaries and the same has been hosted on the website of the Bank at (<https://www.icicibank.com/aboutus/other-policies.page>). ICICI Prudential Life Insurance Company Limited is a material listed subsidiary of the Bank in terms of the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Bank does not have any unlisted material subsidiary.

Familiarisation Programme for Independent Directors

Independent Directors are familiarised with their roles, rights and responsibilities in the Bank as well as with the nature of the industry and the business model of the Bank through induction programmes at the time of their appointment as Directors and through presentations on economy & industry overview, key regulatory developments, strategy and performance which are made to the Directors from time to time. The details of the familiarisation programmes have been hosted on the website of the Bank at (<https://www.icicibank.com/aboutus/bod-1.page?>).

Dividend Distribution Policy

In accordance with Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Dividend Distribution Policy is hosted on the website of the Bank and can be viewed at (<https://www.icicibank.com/aboutus/other-policies.page?#toptitle>).

Whistle-Blower Policy

The Bank has formulated a Whistle-Blower Policy, which is periodically reviewed. The policy comprehensively provides an opportunity for any employee or director of the Bank to raise any issue concerning breaches of law, accounting policies or any act resulting in financial or reputation loss and misuse of office or suspected or actual fraud. The policy provides for a mechanism to report such concerns to the Audit Committee through specified channels. The policy has been periodically communicated to the employees and also posted on the Bank's intranet. Issues raised under the Whistle-Blower Policy or to senior management are investigated for appropriate action, including an assessment of the impact on financial statements, if any. The Whistle-Blower Policy complies with the requirements of Vigil mechanism as stipulated under Section 177 of the Companies Act, 2013 and other applicable laws, rules and regulations. The details of establishment of the Whistle-Blower Policy/Vigil mechanism have been disclosed on the website of the Bank (www.icicibank.com).

CEO/CFO Certification

In terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the certification by the Managing Director & CEO and Chief Financial Officer on the financial statements and internal controls relating to financial reporting has been obtained.

Details of utilisation of funds

During the year under review, the Bank raised ₹ 150.00 billion through a Qualified Institutions Placement (QIP or the 'Issue'). The net proceeds, after deducting fees, commissions and expenses of the Issue aggregated to approximately ₹149.26 billion.

As mentioned in the Placement Document dated August 10, 2020, the net proceeds were raised to enhance the capital adequacy ratio of the Bank, improving the Bank's competitive positioning and for general corporate purposes, in accordance with

DIRECTORS' REPORT

applicable law and as approved by the Board of Directors of the Bank or its duly constituted committee.

As required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Audit Committee of the Bank at its meeting held on October 31, 2020 has reviewed and confirmed that the Bank has utilised the said funds for the above mentioned purposes and there is no deviation in utilisation of the said funds.

During the year under review, the Bank has not raised any funds through preferential allotment as specified under Regulation 32(7A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Fees to statutory auditor

The details of fees pertaining to services provided by the statutory auditor and entities in the network firm/network entity of which the statutory auditor is a part, to ICICI Bank Limited and its subsidiaries during the year ended March 31, 2021 are given in the following table:

Nature of service	Amount in ₹ ¹
Audit	89,773,417
Certification and other audit related services ²	23,110,000
Total	112,883,417

¹ Excludes taxes and out of pocket expenses.

² Certification and other audit related services includes fees related to QIP.

Recommendations of mandatory committees

All the recommendations made by the committees of the Board mandatorily required to be constituted by the Bank under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 were accepted by the Board.

Skills/expertise/competence of the Board of Directors

The Bank has identified the core skills/expertise/competence of the Board of Directors as required under Section 10A(2)(a) of the Banking Regulation Act, 1949 in the context of its business(s) and the sectors(s) for it to function effectively and has been in compliance with the same.

The details of the core skills/expertise/competence possessed by the existing directors of the Bank is detailed as under:

Name of Director	Areas of expertise
Girish Chandra Chaturvedi	Agriculture and rural economy, Banking, Economics, Business Management and Risk Management
Hari L. Mundra	Banking, Finance, Corporate Law, Business Strategy, Economist, General Management, Legal, Management and Taxation
Lalit Kumar Chandel	Banking, Insurance, Capital Markets, External Assistance, Agriculture and Rural Development, Power, Irrigation and Health
S. Madhavan	Accountancy, Economics, Finance, Law, Information Technology, Human Resources, Risk Management and Business Management
Neelam Dhawan	Information Technology and Business Management
Radhakrishnan Nair	Accountancy, Agriculture and Rural Economy, Banking, Insurance, Securities, Law, Co-operation, Risk Management, Business Management Economics and Finance
Rama Bijapurkar	Business Management and Marketing
B. Sriram	Banking and Finance
Uday Chitale	Accounts, Finance and Alternate Dispute Resolution (ADR)
Sandeep Bakhshi	Finance, Banking and Insurance
Anup Bagchi	Retail & Rural and Inclusive Banking, Finance & Accountancy, Strategy and Corporate Planning, Securities, Economics, Business Strategy, Retail Broking, Information Technology, Corporate Banking, Investment Banking, Treasury control and services, Financial Services and Business Management
Sandeep Batra	Accountancy, Banking, Finance, Risk Management, Business Management, Insurance, Securities, Law and Governance
Vishakha Mulye	Banking, Investments and Finance

DIRECTORS' REPORT

Credit Rating as on March 31, 2021

Foreign currency denominated instruments issued by the Bank

Instrument type	Moody's	S&P	JCRA
Senior unsecured medium term notes	Baa3	BBB-	-
Senior unsecured medium term notes issued under Tokyo pro-bond	-	-	BBB+
Certificate of Deposits	P-3	-	-

Rupee denominated instruments issued by the Bank

Instrument type	CARE	ICRA	CRISIL
Tier II bonds (Basel III)	CARE AAA	[ICRA]AAA	-
Additional Tier 1 bonds (Basel III)	CARE AA+	[ICRA]AA+	CRISIL AA+
Unsecured redeemable bonds	CARE AAA	[ICRA]AAA	-
Long term bonds issued by erstwhile ICICI Limited	CARE AAA	[ICRA]AAA	CRISIL AAA
Certificate of Deposits	CARE A1+	[ICRA]A1+	-
Fixed deposits	CARE AAA	MAAA	-

Moody's: Moody's Investors Services

S&P: S&P Global Ratings

JCRA: Japan Credit Rating Agency, Limited

CARE: CARE Ratings Limited, India

ICRA: ICRA Limited, India

CRISIL: CRISIL Ratings Limited, India

During the year under review, there were no revisions in the credit ratings obtained by the Bank.

Certificate from a Company Secretary in practice

In terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Bank has obtained a Certificate from a Company Secretary in practice that none of the Directors on the Board of the Bank have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority. The Certificate of Company Secretary in practice is annexed herewith as Annexure B.

Board of Directors

ICICI Bank has a broad-based Board of Directors, constituted in compliance with the Banking Regulation Act, 1949, the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in accordance with good corporate governance practices. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas.

The Board of the Bank at March 31, 2021 consisted of thirteen Directors, out of which eight were Independent Directors, one was a Government Nominee Director and four were Executive Directors.

There were twelve meetings of the Board during the year – May 9, June 18, June 21, July 8, July 25, August 26, September 16, October 31 and December 8 in 2020 and January 30, February 19 and March 25 in 2021.

There were no inter-se relationships between any of the Directors.

DIRECTORS' REPORT

The names of the Directors, their attendance at Board Meetings during the year, attendance at the last AGM and details of other directorships and board committee memberships held by them at March 31, 2021 are set out in the following table:

Name of Director	Board Meetings attended during the year	Attendance at last AGM (August 14, 2020)	Number of directorships		Names of the other listed entity where a person is a director and category of directorship	Number of other committee memberships ¹
			of other Indian public limited companies	of other Indian companies		
Independent Directors						
Girish Chandra Chaturvedi, <i>Chairman</i> (DIN: 00110996)	12/12	Present	4	-	1) Infrastructure Leasing and Financial Services Limited ² (NED) 2) IL&FS Energy Development Company Limited ² (Chairman, NED) 3) IL&FS Transportation Networks Limited ³ (Nominee Director)	4(3)
Hari L. Mundra (DIN: 00287029)	12/12	Present	1	-	-	1(1)
Neelam Dhawan (DIN: 00871445)	12/12	Present	-	-	-	-
Radhakrishnan Nair (DIN: 07225354)	12/12	Present	7	2	1) ICICI Prudential Life Insurance Company Limited (ID) 2) Geojit Financial Services Limited (ID) 3) ICICI Securities Primary Dealership Limited (ID) 4) Inditrade Capital Limited (ID)	5(1)
Rama Bijapurkar (DIN: 00001835)	12/12	Present	5	1	1) Nestle India Limited (ID) 2) Mahindra & Mahindra Financial Services Limited (ID) 3) Emami Limited (ID) 4) VST Industries Limited (ID) 5) Cummins India Limited (ID)	6(3)
B. Sriram (DIN: 02993708)	12/12	Present	4	1	1) Unitech Limited ⁴ (Government Nominee Director) 2) Nippon Life India Asset Management Limited (ID)	4(1)
S. Madhavan (DIN:06451889)	12/12	Present	5	5	1) UFO Moviez India Limited (ID) 2) Transport Corporation of India Limited (ID) 3) HCL Technologies Limited (ID) 4) Sterlite Technologies Limited (ID)	5(3)

DIRECTORS' REPORT

Name of Director	Board Meetings attended during the year	Attendance at last AGM (August 14, 2020)	Number of directorships		Names of the other listed entity where a person is a director and category of directorship	Number of other committee memberships ¹
			of other Indian public limited companies	of other Indian companies		
Uday Chitale (DIN: 00043268)	12/12	Present	3	1	1) ICICI Lombard General Insurance Company Limited (ID) 2) India Infradebt Limited (ID)	3(1)
Government Nominee Director						
Lalit Kumar Chandel (DIN: 00182667)	4/12	Present	1	-	1) India Infrastructure Finance Company Limited (Nominee Director)	2(0)
Executive Directors						
Sandeep Bakhshi Managing Director & CEO (DIN: 00109206)	12/12	Present	-	-	-	-
Anup Bagchi (DIN: 00105962)	12/12	Present	5	-	1) ICICI Prudential Life Insurance Company Limited (NED) 2) ICICI Securities Limited (NED) 3) ICICI Home Finance Company Limited (Chairman, NED)	-
Sandeep Batra (w.e.f. December 23, 2020) (DIN: 03620913)	3/3	N.A.	4	1	1) ICICI Prudential Life Insurance Company Limited (NED) 2) ICICI Lombard General Insurance Company Limited (NED)	3(1)
Vishakha Mulye (DIN: 00203578)	11/12	Present	1	-	1) ICICI Lombard General Insurance Company Limited (NED)	-

Independent Director (ID)

Non-Executive Director (NED)

¹ Includes only chairmanship/membership of Audit Committee and Stakeholders' Relationship Committee of other Indian public limited companies. Figures in parentheses indicate committee chairpersonships.

² Pursuant to the orders of the National Company Law Tribunal dated October 1, 2018 and October 3, 2018, the respective Boards of Infrastructure Leasing and Financial Services Limited and IL&FS Energy Development Company Limited appointed Girish Chandra Chaturvedi as the Director and as Chairman of Infrastructure Leasing and Financial Services Limited and IL&FS Energy Development Company Limited.

³ Nominee of Infrastructure Leasing and Financial Services Limited.

⁴ Pursuant to the order dated January 22, 2020 issued by the Government of India and order dated January 20, 2020 issued by the Supreme Court of India, B. Sriram was appointed as Nominee Director of Government of India on the Board of Unitech Limited with effect from January 22, 2020.

The profiles of the Directors can be viewed on the website of the Bank at (<https://www.icicibank.com/aboutus/bod-1.page?#toptitle>).

DIRECTORS' REPORT

The Board has constituted various Committees, namely, Audit Committee, Board Governance, Remuneration & Nomination Committee, Corporate Social Responsibility Committee, Credit Committee, Customer Service Committee, Fraud Monitoring Committee, Information Technology Strategy Committee, Risk Committee, Stakeholders Relationship Committee and Review Committee for Identification of Wilful Defaulters/Non Co-operative Borrowers.

The quorum of the Board Committees was increased from at least two members to at least three members with effect from June 30, 2019, to transact business at any Board Committee meeting and in case where the Committee comprises of two members only or where two members are participating, then any Independent Director may attend the meeting to fulfil the requirement of three members.

The terms of reference of the Board Committees as mentioned above, their composition and attendance of the respective Members at the various Committee Meetings held during fiscal 2021 are set out below:

II. Audit Committee

Terms of Reference

The Audit Committee provides direction to the audit function and monitors the quality of internal and statutory audit. The responsibilities of the Audit Committee include examining the financial statements and auditors' report and overseeing the financial reporting process to ensure fairness, sufficiency and credibility of financial statements, review of the quarterly and annual financial statements before submission to the Board, review of management's discussion & analysis, recommendation of appointment, terms of appointment, remuneration and removal of central and branch statutory auditors and chief internal auditor, approval of payment to statutory auditors for other permitted services rendered by them, reviewing and monitoring with the management the auditor's independence and the performance and effectiveness of the audit process, approval of transactions with related parties or any subsequent modifications, review of statement of significant related party transactions and utilisation of loans and/or advances from/investment by the Bank in its subsidiaries. The Audit Committee also reviews the functioning of the Whistle-Blower Policy, adequacy of internal control systems and the internal audit function, compliance with inspection and audit

reports and reports of statutory auditors, findings of internal investigations, management letters/letters on internal control weaknesses issued by statutory auditors. The Audit Committee responsibilities also include reviewing with the management the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for the purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency, monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take steps in this matter, discussion on the scope of audit with external auditors, examination of reasons for substantial defaults, if any, in payment to stakeholders, valuation of undertakings or assets, evaluation of risk management systems and scrutiny of inter-corporate loans and investments. The Audit Committee is also empowered to appoint/oversee the work of any registered public accounting firm, establish procedures for receipt and treatment of complaints received regarding accounting and auditing matters and engage independent counsel as also provide for appropriate funding for compensation to be paid to any firm/advisors. In addition, the Audit Committee also exercises oversight on the regulatory compliance function of the Bank. The Audit Committee is also empowered to approve the appointment of the Chief Financial Officer (i.e., the wholetime Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.

Composition

There were ten Meetings of the Committee during the year – April 23, May 8, July 23, July 24, October 29, October 30 and December 11 in 2020 and January 28, January 29 and March 5 in 2021. The details of the composition of the Committee and attendance at its Meetings held during the year are set out in the following table:

Name of Member	Number of meetings attended
Uday Chitale, <i>Chairman</i>	10/10
S. Madhavan	10/10
Radhakrishnan Nair	10/10

DIRECTORS' REPORT

III. Board Governance, Remuneration & Nomination Committee

Terms of Reference

The functions of the Committee include recommending appointments of Directors to the Board, identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommending to the Board their appointment and removal, formulate a criteria for the evaluation of the performance of the wholetime/independent Directors and the Board and to extend or continue the term of appointment of independent Directors on the basis of the report of performance evaluation of independent Directors, recommending to the Board a policy relating to the remuneration for the Directors, key managerial personnel and other employees, recommending to the Board the remuneration (including performance bonus and perquisites) to wholetime Directors and senior management personnel. The functions also include approving the policy for and quantum of bonus payable to the members of the staff including senior management and key managerial personnel, formulating the criteria for determining qualifications, positive attributes and independence of a Director, framing policy on Board diversity, framing guidelines for the Employees Stock Option Scheme (ESOS) and decide on the grant of stock options to employees and wholetime Directors of the Bank and its subsidiary companies.

Composition

There were six Meetings of the Committee during the year – April 10, May 9, July 25, September 16 and October 30 in 2020 and January 30 in 2021. The details of the composition of the Committee and attendance at its Meetings held during the year are set out in the following table:

Name of Member	Number of meetings attended
Neelam Dhawan, <i>Chairperson</i>	6/6
Girish Chandra Chaturvedi	6/6
Rama Bijapurkar	6/6
B. Sriram	6/6

Policy/Criteria for Directors' Appointment

The Bank with the approval of its Board Governance, Remuneration & Nomination Committee (Committee)

has put in place a policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes and independence of a Director as well as a policy on Board diversity. The policy has been framed based on the broad principles as outlined hereinafter. The Committee evaluates the composition of the Board and vacancies arising in the Board from time to time. The Committee while recommending candidature of a Director considers the special knowledge or expertise possessed by the candidate as required under the Banking Regulation Act, 1949. The Committee assesses the fit and proper credentials of the candidate and the companies/entities with which the candidate is associated either as a director or otherwise and as to whether such association is permissible under RBI guidelines and the internal norms adopted by the Bank. For the above assessment, the Committee is guided by the guidelines issued by RBI in this regard.

The Committee also evaluates the prospective candidate for the position of a Director from the perspective of the criteria for independence prescribed under the Companies Act, 2013 as well as the SEBI Listing Regulations. For a Non-Executive Director to be classified as Independent he/she must satisfy the criteria of independence as prescribed and sign a declaration of independence. The Committee reviews the same and determine the independence of a Director.

The Committee based on the above assessments makes suitable recommendations on the appointment of Directors to the Board.

Remuneration policy

The Compensation Policy of the Bank is in line with the RBI circulars and in compliance with the requirements for the Remuneration Policy as prescribed under the Companies Act, 2013. The Policy is divided into the segments, Part A, Part B and Part C where Part A covers the requirements for wholetime Directors & employees pursuant to RBI guidelines, Part B relates to compensation to Non-Executive Directors (except part-time Non-Executive Chairman) and Part C relates to compensation to part-time Non-Executive Chairman. The Compensation Policy is available at (<https://www.icicibank.com/aboutus/other-policies.page?#toptitle>). Further details with respect to the Compensation Policy are provided under the section titled "Compensation Policy and Practices".

DIRECTORS' REPORT

The remuneration payable to non-executive/Independent Directors is governed by the provisions of the Banking Regulation Act, 1949, RBI guidelines issued from time to time and the provisions of the Companies Act, 2013 and related rules to the extent these are not inconsistent with the provisions of the Banking Regulation Act, 1949/RBI guidelines. The remuneration for the non-executive/Independent Directors (other than Government Nominee Director) would be sitting fee for attending each Meeting of the Committee/Board as approved by the Board. The Members at their Meeting held on July 11, 2016 approved the payment of profit related commission upto ₹ 1,000,000 per annum to each non-executive Director of the Bank (other than part-time Chairman and the Government Nominee Director). The Board at its Meeting held on July 15, 2021, approved payment of fixed remuneration of ₹ 2,000,000 per annum with effect from April 1, 2021 to each non-executive Director of the Bank (other than part-time Chairman and the Government Nominee Director), subject to the approval of Members. The said payment of fixed remuneration is being proposed in the Notice of the forthcoming AGM through item no. 11.

For the non-executive Chairman, the remuneration, in addition to sitting fee includes such fixed payments as may be recommended by the Board and approved by the Members and RBI, maintaining a Chairman's office at the Bank's expense, bearing expenses for travel on official visits and participation in various forums (both in India and abroad) as Chairman of the Bank and bearing travel/halting/other expenses and allowance for attending to duties as Chairman of the Bank and any other modes of remuneration as may be permitted by RBI from time to time.

All the non-executive/Independent Directors would be entitled to reimbursement of expenses for attending Board/Committee Meetings, official visits and participation in various forums on behalf of the Bank.

Performance evaluation of the Board, Committees and Directors

The Bank with the approval of its Board Governance, Remuneration & Nomination Committee has put in place an evaluation framework for evaluation of the Board, Directors, Chairperson and Committees.

The evaluations for the Directors, the Board, Chairman of the Board and the Committees is carried out through circulation of four different questionnaires, for the Directors, for the Board, for the Chairperson of the Board and the Committees respectively. The performance of the Board is assessed on select parameters related to roles, responsibilities and obligations of the Board, relevance of Board discussions, attention to strategic issues, performance on key areas, providing feedback to executive management and assessing the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The evaluation criteria for the Directors is based on their participation, contribution and offering guidance to and understanding of the areas which were relevant to them in their capacity as members of the Board. The evaluation criteria for the Chairperson of the Board besides the general criteria adopted for assessment of all Directors, focuses on leadership abilities, effective management of meetings and preservation of interest of stakeholders. The evaluation of the Committees is based on assessment of the clarity with which the mandate of the Committee is defined, effective discharge of terms and reference of the Committees and assessment of effectiveness of contribution of the Committee's deliberation/recommendations to the functioning/decisions of the Board. The Bank has taken effective steps with regards to the action points arising out of performance evaluation process for fiscal 2020. The overall performance evaluation process for fiscal 2021 was completed to the satisfaction of the Board. The Board of Directors also identified specific action points arising out of the overall evaluation which would be executed as directed by the Board.

The evaluation process for wholetime Directors is further detailed under the section titled "Compensation Policy and Practices".

Details of Remuneration paid to Executive Directors

The Board Governance, Remuneration & Nomination Committee determines and recommends to the Board the amount of remuneration, including performance bonus and perquisites, payable to the wholetime Directors.

DIRECTORS' REPORT

The following table sets out the details of remuneration (including perquisites and retiral benefits) paid to wholetime Directors in fiscal 2021:

Details of Remuneration (₹)

	Sandeep Bakhshi	Vishakha Mulye	Anup Bagchi	Sandeep Batra ¹
	2020-21	2020-21	2020-21	2020-21
Basic	0	22,224,250	22,224,250	22,224,250
Performance bonus paid in fiscal 2021 ²	0	7,323,366	7,323,366	7,323,366
Allowances and perquisites ³	3,838,784	22,341,425	20,657,736	19,567,774
Contribution to provident fund	0	2,666,914	2,666,914	2,666,914
Contribution to superannuation fund	0	0	0	0
Contribution to gratuity fund	0	1,851,280	1,851,280	1,851,280
Stock options ⁴ (Number)				
Fiscal 2020	610,500	610,500	610,500	610,500

¹ Sandeep Batra was appointed as Executive Director effective December 23, 2020. The above is his full year salary.

² Represents amounts paid during the year as per RBI approvals. An amount of ₹ 720,331/- was paid to Vijay Chandok during the year, for the period spent in the Bank in fiscal 2020.

³ Allowances and perquisites exclude perquisites of previous years stock options exercised during fiscal 2021.

⁴ Represents options granted during the year as per RBI approvals pertaining to Fiscal 2020.

⁵ Amongst various measures to deal with the unprecedented challenge posed by Covid-19:

(a) Managing Director & CEO voluntarily relinquished his fixed compensation of basic, supplementary allowances and retirals for fiscal 2021 and was paid honorarium fee of ₹ 1/- for fiscal 2021.

(b) Material Risk Takers of the Bank including Executive Directors, Group Chief Financial Officer and Company Secretary voluntarily opted for a 10% salary reduction effective May 1, 2020 in the basic salary, retirals and supplementary allowances for fiscal 2021.

Perquisites (evaluated as per Income-tax rules wherever applicable and otherwise at actual cost to the Bank) such as the benefit of the Bank's furnished accommodation, gas, electricity, water and furnishings, club fees, group insurance, use of car and telephone at residence or reimbursement of expenses in lieu thereof, medical reimbursement, leave and leave travel concession, education benefits, provident fund, superannuation fund and gratuity, are provided in accordance with the scheme(s) and rule(s) applicable from time to time. In line with the staff loan policy applicable to specified grades of employees who fulfill prescribed eligibility criteria to avail loans for purchase of residential property, the wholetime Directors are also eligible for housing loans. The stock options vest in a graded manner over a three-year period, with 30%, 30% and 40% of the grant vesting in each year, commencing from the end of 12 months from the date of the grant. The options so vested are to be exercised within 5 years from the date of vesting.

The Bank does not pay any severance fees to its Managing Director & CEO or to its wholetime Directors. The tenure of the office of Managing Director & CEO and the wholetime Directors of the Bank is five years, subject to approval of RBI and the Members. The notice period for each of them, as specified in their respective terms of appointments is two months in addition to gardening leave.

During fiscal 2021, Sandeep Bakhshi and Sandeep Batra received gross amount of ₹ 6,360,229 and

₹ 4,100,976 respectively as performance bonus from ICICI Prudential Life Insurance Company Limited, subsidiary of the Bank being the deferred variable pay for fiscal 2017 and fiscal 2018.

Details of Remuneration paid to Non-Executive Directors

The Board of Directors has approved the payment of ₹ 100,000 as sitting fee for each Meeting of the Board, Audit Committee, Credit Committee and Risk Committee and ₹ 50,000 as sitting fee for each Meeting of the Committee attended other than the Audit Committee, Credit Committee and Risk Committee.

Information on the total sitting fees and commission paid to each Non-Executive Director during fiscal 2021 is set out in the following table:

Amount (₹)

Name of Director	Sitting Fees	Commission ¹
Girish Chandra Chaturvedi	2,400,000	-
Uday Chitale	3,000,000	1,000,000
Neelam Dhawan	1,900,000	1,000,000
Rama Bijapurkar	1,850,000	1,000,000
B. Sriram	4,500,000	1,000,000
S. Madhavan ²	3,300,000	964,481
Radhakrishnan Nair	2,700,000	1,000,000
Hari L. Mundra	4,400,000	1,000,000

¹ Commission pertaining to fiscal 2020 paid in fiscal 2021

² Director with effect from April 14, 2019

DIRECTORS' REPORT

As per the RBI approval, a gross amount of ₹ 3,500,000 was paid as remuneration for fiscal 2021 to Girish Chandra Chaturvedi.

Government Nominee Director is only entitled to reimbursement of expenses for attending Board/Committee Meetings.

Details of shares/convertible instruments held by Non-Executive Directors

As on March 31, 2021, Rama Bijapurkar; Lalit Kumar Chandel and S. Madhavan held 2,600; 10 and 4,000 equity shares of ₹ 2.00 each respectively.

Remuneration disclosures as required under RBI guidelines

The RBI circular on "Compensation of wholetime Directors/Chief Executive Officers/Risk takers and Control function staff etc." requires the Bank to make following disclosures on remuneration on an annual basis in their Annual Report:

COMPENSATION POLICY AND PRACTICES

(A) Qualitative Disclosures

a) Bodies that oversee remuneration.

- ***Name, composition and mandate of the main body overseeing remuneration***

The Board Governance, Remuneration and Nomination Committee (BGRNC/Committee) is the body which oversees the remuneration aspects. The functions of the Committee include recommending appointments of Directors to the Board, identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommending to the Board their appointment and removal, formulate a criteria for the evaluation of the performance of the whole time/ independent Directors and the Board and to extend or continue the term of appointment of independent Director on the basis of the report of performance evaluation of independent Directors, recommending to the Board a policy relating to the remuneration for the Directors, Key Managerial Personnel, Material Risk takers (MRTs) and other employees, recommending to the Board the remuneration (including performance bonus, share-linked instruments and perquisites) to wholetime Directors (WTDs) and senior

management, commission and fee payable to non-executive Directors subject to applicable regulations, approving the policy for and quantum of variable pay payable to members of the staff including senior management, key managerial personnel, material risk takers formulating the criteria for determining qualifications, positive attributes and independence of a Director, framing policy on Board diversity, framing guidelines for the Employee Stock Option Scheme (ESOS) and decide on the grant of the Bank's stock options to employees and WTDs of the Bank and its subsidiary companies.

- ***External consultants whose advice has been sought, the body by which they were commissioned, and in what areas of the remuneration process***

During the year ended March 31, 2021, the Bank employed the services of a reputed consulting firm for market benchmarking in the area of compensation, including executive compensation.

- ***Scope of the Bank's remuneration policy (eg. by regions, business lines), including the extent to which it is applicable to foreign subsidiaries and branches***

The Compensation Policy of the Bank, as last amended by the BGRNC and the Board at their meetings held on April 10, 2020 and May 9, 2020 respectively, covers all employees of the Bank, including those in overseas branches of the Bank. In addition to the Bank's Compensation Policy guidelines, the overseas branches also adhere to relevant local regulations.

- ***Type of employees covered and number of such employees***

All employees of the Bank are governed by the Compensation Policy. The total number of permanent employees of the Bank at March 31, 2021 was 97,488.

b) Design and structure of remuneration processes

- ***Key features and objectives of remuneration policy***

The Bank has under the guidance of the Board and the BGRNC, followed compensation

DIRECTORS' REPORT

practices intended to drive meritocracy within the framework of prudent risk management. This approach has been incorporated in the Compensation Policy, the key elements of which are given below.

- o Effective governance of compensation: The BGRNC has oversight over compensation. The Committee defines Key Performance Indicators (KPIs) for WTDs and equivalent positions and the organisational performance norms for variable pay based on the financial and strategic plan approved by the Board. The KPIs include both quantitative and qualitative aspects defined with sub parameters. The BGRNC assesses organisational performance and based on its assessment, it makes recommendations to the Board regarding compensation for WTDs, senior management and equivalent positions and variable pay for employees, including senior management, key management personnel.
- o Alignment of compensation philosophy with prudent risk taking: The Bank seeks to achieve a prudent mix of fixed and variable pay, with a higher proportion of variable pay at senior levels and no guaranteed bonuses. Compensation is sought to be aligned to both financial and non- financial indicators of performance including aspects like risk management and customer service. The Bank's employee stock option scheme aims at aligning compensation to long-term performance through stock option grants that vest over a period of time. Compensation of staff in audit, compliance and risk control functions is independent of the business areas they oversee and depends on their performance assessment.
- ***Changes, if any, made by the remuneration committee in the firm's remuneration policy during the past year, and if so, an overview of any changes that were made***

During the year ended March 31, 2021, the Bank's Compensation Policy was amended by the BGRNC and the Board at their meetings held on April 10, 2020 and May 9, 2020 respectively with the objective to align the policy to the RBI

circular on 'Guidelines on Compensation of Whole Time Directors/ Chief Executive Officers/ Material Risk Takers and Control Function staff' dated November 4, 2019.

- ***Process followed by the Bank to ensure that the risk and compliance employees are remunerated independently of the businesses they oversee***

The compensation of staff engaged in control functions like Audit, Risk and Compliance depends on their performance, which is based on achievement of the key goals of their respective functions. Their goal sheets do not include any business targets.

- c) ***Ways in which current and future risks are taken into account in the remuneration processes.***

- ***Key risks that the Bank takes into account when implementing remuneration measures***

The Board approves the Enterprise Risk Management framework for the Bank. The business activities of the Bank are undertaken within this framework to achieve the financial plan. The risk framework includes the Bank's risk appetite, thresholds/limits framework and policies and procedures governing various types of risk. KPIs of WTDs & equivalent positions, as well as employees, incorporate relevant risk management related aspects. For example, in addition to performance indicator in areas such as risk calibrated core operating profit (profit before provisions and tax excluding treasury income), performance indicators include aspects such as asset quality. The BGRNC takes into consideration all the above aspects while assessing organisational and individual performance and making compensation-related recommendations to the Board.

- ***Nature and type of key measures used to take account of these risks, including risk difficult to measure***

The annual performance targets and performance evaluation incorporate both qualitative and quantitative aspects including asset quality and provisioning, risk management framework, stakeholder relationships and leadership development.

DIRECTORS' REPORT

- ***Ways in which these measures affect remuneration***

Every year, the financial plan/targets are formulated in conjunction with a risk framework with limit structures for various areas of risk/lines of business, within which the Bank operates. To ensure effective alignment of compensation with prudent risk taking, the BGRNC takes into account adherence to the risk framework in conjunction with which the financial plan/targets have been formulated. KPIs of WTDs and equivalent positions, as well as employees, incorporate relevant risk management related aspects. For example, in addition to performance targets in areas such as risk calibrated core operating profit, performance indicators include aspects such as asset quality. The BGRNC takes into consideration all the above aspects while assessing organisational and individual performance and making compensation-related recommendations to the Board.

- ***The nature and type of these measures that have changed over the past year and reasons for the changes, as well as the impact of changes on remuneration.***

The nature and type of these measures have not changed over the past year and hence, there is no impact on remuneration.

- d) ***Ways in which the Bank seeks to link performance during a performance measurement period with levels of remuneration***

- ***Main performance metrics for Bank, top level business lines and individuals***

The main performance metrics includes risk calibrated core operating profit (profit before provisions and tax, excluding treasury income) asset quality metrics (such as additions to non-performing loans and recoveries and upgrades), regulatory compliance, risk management processes and stakeholder relationships. The specific metrics and weightages for various metrics vary with the role and level of the individual.

- ***Methodology followed whereby individual remuneration is linked to the Bank-wide and individual performance***

The BGRNC takes into consideration above mentioned aspects while assessing performance and making compensation-related recommendations to the Board regarding the performance assessment of WTDs and equivalent positions. The performance assessment of individual employees is undertaken based on their achievements, which incorporates various aspects described earlier.

- ***The measures that the Bank will in general implement to adjust remuneration in the event that performance metrics are weak, including the Bank's criteria for determining 'weak' performance metrics***

The Bank's Compensation Policy outlines the measures the Bank will implement in the event of a reasonable evidence of deterioration in financial performance. Should such an event occur in the manner outlined in the policy, the BGRNC may decide to apply malus/clawback on none, part or all of the relevant variable compensation

- e) ***Ways in which the Bank seeks to adjust remuneration to take account of the longer term performance***

- ***The Bank's policy on deferral and vesting of variable remuneration and, if the fraction of variable remuneration that is deferred differs across employees or groups of employees, a description of the factors that determine the fraction and their relative importance***

The variable compensation is in the form of share-linked instruments (including stock options) or cash or a mix of cash and share-linked instruments (including stock options). The quantum of variable pay for an employee does not exceed a certain percentage (as stipulated in the compensation policy) of the total fixed pay in a year. The proportion of variable pay to total compensation is higher at senior levels and lower at junior levels. At least 50% of the compensation is variable for WTDs, CEO and MRTs as a design. However, they can earn lesser variable pay based on various performance criteria. For WTDs, CEO and MRTs, a minimum of 60% of the total variable pay is under deferral arrangement (deferment). Additionally, at least 50% of the cash component of the variable pay is under deferment. If the cash component is under ₹ 2.5 million, the deferment is not applicable.

DIRECTORS' REPORT

- *The Bank's policy and criteria for adjusting deferred remuneration before vesting and (if permitted by national law) after vesting through claw back arrangements*

The deferred portion of variable pay pertaining to the assessment year or previous year/s (as defined in the policy) is subject to malus, under which the Bank prevents vesting of all or part or none of the unvested variable pay in the event of the assessed divergence in the Bank's provisioning for NPAs or in the event of a reasonable evidence of deterioration in financial performance or in the event of gross misconduct and/or other acts as mentioned in the policy. In such cases (other than assessed divergence), variable pay already paid out may also be subjected to clawback arrangements, as applicable.

f) Different forms of variable remuneration that the Bank utilises and the rationale for using these different forms

- *Forms of variable remuneration offered. A discussion of the use of different forms of variable remuneration and, if the mix of different forms of variable remuneration differs across employees or group of employees, a description of the factors that determine the mix and their relative importance*

The variable compensation is in the form of employee stock options or cash or a mix of cash and stock options. The Bank pays performance linked retention pay (PLRP) to its front-line staff and junior management. PLRP aims to reward front line and junior managers, mainly on the basis of skill maturity attained through experience and continuity in role which is a key differentiator for customer service. The Bank pays performance bonus and stock options to relevant employees in its middle and senior management. The variable pay payout schedules is sensitive to the time horizon of risks as defined in the policy.

The Bank ensures higher proportion of variable pay at senior levels and lower variable pay for front-line staff and junior management levels.

(B) Quantitative disclosures

The following table sets forth, for the period indicated, the details of quantitative disclosure for remuneration of WTDs (including MD & CEO) and other Material Risk Takers.

₹ in million, except numbers

Particulars	Year ended March 31, 2021
Number of meetings held by the BGRNC during the financial year	6
Remuneration paid to BGRNC members during the financial year (sitting fees)	1.2
Number of employees who received a variable remuneration award during the financial year ¹	49
Number and total amount of sign-on/joining bonus made during the financial year	-
Details of severance pay, in addition to accrued benefits, if any	-
Breakdown of amount of remuneration awards for the financial year	
Fixed ²	1,041.0
Variable ³	165.3
- Deferred	-
- Non-deferred	165.3
Share-linked instruments ³ (nos.)	9,127,500.0
- Deferred (nos.)	9,127,500.0
- Non-deferred (nos.)	-
Total amount of deferred remuneration paid out during the year	
- Bonus	-
- Share-linked instruments ⁴ (nos.)	9,370,230
Total amount of outstanding deferred remuneration	
Cash	N.A.
Shares (nos)	-
Shares-linked instruments ⁵ (nos.)	19,889,730
Other	-
Total amount of outstanding deferred remuneration and retained remuneration exposed to ex-post explicit and/or implicit adjustments	
- Bonus	-
- Share-linked instruments (nos.)	9,127,500

DIRECTORS' REPORT

₹ in million, except numbers

Particulars	Year ended March 31, 2021
Total amount of reductions during the year due to ex-post explicit adjustments ⁶	N.A.
Total amount of reductions during the year due to ex-post implicit adjustments	N.A.
Number of MRTs identified	47
Number of cases where malus has been exercised	-
Number of cases where clawback has been exercised ⁶	-
Number of cases where malus and clawback have been exercised ⁶	-
The mean pay for the bank as a whole (excluding sub-staff) and the deviation of the pay of each of its WTDs from the mean pay	
Mean pay of the bank ⁷	704,035
Deviation - MD & CEO	3,455,855
Deviation - WTD1	50,085,768
Deviation - WTD2	47,547,650
Deviation - WTD3	46,536,300

1 For the year ended March 31, 2021 includes MD & CEO/ WTDs/and other MRTs based on the revised criteria given by RBI in its guideline dated November 4, 2019. Also includes WTDs transferred to group companies. For the year ended on March 31, 2021 variable remuneration includes cash bonus and stock options based on the revised criteria given by RBI in its guideline dated November 4, 2019 that are paid/ granted/ vested during the year.

2 Fixed pay includes basic salary, supplementary allowances, superannuation, contribution to provident fund, gratuity fund and value of perquisites. The value of perquisite is calculated as cost to the Bank.

3 Variable and share-linked instruments represent amounts/ options awarded for the year ended March 31, 2020 as per RBI approvals wherever applicable.

4 Includes options vested during the year including for WTDs who were transferred to group companies.

5 Includes outstanding options unvested including for WTDs who were transferred to group companies.

6 Excludes ₹ 74.1 million variable pay to the former MD & CEO for past years which has been directed for claw-back in respect of which the Bank has filed a recovery suit against the former MD & CEO.

7 Mean pay is computed on annualised fixed pay that includes basic salary, supplementary allowances, superannuation, contribution to provident fund, gratuity fund and value of perquisites. The value of perquisite is calculated as cost to the Bank.

The following table sets forth, for the period indicated, the details of quantitative disclosure for remuneration of WTDs (including MD & CEO) and equivalent positions

₹ in million, except numbers

Particulars	Year ended March 31, 2020
Number of meetings held by the BGRNC	5
Remuneration paid to BGRNC members during the financial year (sitting fees)	1
Number of employees who received a variable remuneration award ¹	5
Number and total amount of sign-on awards made	-
Number and total amount of guaranteed bonuses awarded	-
Details of severance pay, in addition to accrued benefits	
Breakdown of amount of remuneration awards for the financial year	
Fixed ²	214.8
Variable ³	57.3
- Deferred	-
- Non-deferred	57.3
Share-linked instruments ³ (nos.)	5,475,500
Total amount of deferred remuneration paid out during the year	-
Total amount of outstanding deferred remuneration	
Cash	N.A.
Shares (nos)	-
Shares-linked instruments	4,690,430
Other forms	-
Total amount of outstanding deferred remuneration and retained remuneration exposed to ex-post explicit and/or implicit adjustments	-
Total amount of reductions during the year due to ex-post explicit adjustments ⁴	-
Total amount of reductions during the year due to ex-post implicit adjustments	-

1 Includes WTDs transferred to group companies and who were paid bonus during the year.

2 Fixed pay includes basic salary, supplementary allowances, superannuation, contribution to provident fund and gratuity fund by the Bank. The amounts mentioned in the above table correspond to the period of employment of WTDs in the Bank during fiscal 2020.

3 The variable (performance bonus) and share-linked instruments represent amounts paid/options awarded during the year, as per RBI approvals. Out of total options, 2,584,000 options pertain to fiscal 2018 and 2,891,500 options pertain to fiscal 2019.

4 Excludes ₹ 74.1 million variable pay to the former MD & CEO for past years which has been directed for claw-back in respect of which the Bank has filed a recovery suit against the former MD & CEO.

DIRECTORS' REPORT

Disclosures required with respect to Section 197(12) of the Companies Act, 2013

The ratio of the remuneration of each director to the median employee's remuneration and such other details in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and as amended from time to time.

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year;

Sandeep Bakhshi, Managing Director & CEO	NA [Refer Note 1(a)]
Vishakha Mulye, Executive Director	96:1 [Refer Note 1(b)]
Anup Bagchi, Executive Director	
Sandeep Batra, Executive Director (Appointed as Executive Director w.e.f. December 23, 2020)	

(ii) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

There was nil percentage increase in the remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the financial year 2021.

Sandeep Bakhshi, Managing Director & CEO	[Refer Note 1(a)]
Vishakha Mulye, Executive Director	[Refer Note 1(b)]
Anup Bagchi, Executive Director	
Sandeep Batra, Executive Director	
Rakesh Jha, Group Chief Financial Officer	
Ranganath Athreya, Company Secretary	

(iii) The percentage increase in the median remuneration of employees in the financial year;

The percentage increase in the median remuneration of employees in the financial year was around 5%.

(iv) The number of permanent employees on the rolls of Company;

The number of employees, as mentioned in the section on 'Management's Discussion & Analysis' is 98,750. Out of this, the employees on permanent rolls of the Company is 97,488 including employees in overseas locations.

(v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

The average percentage increase made in the salaries of employees in junior management for fiscal 2021 was around 5%. The average increase in the remuneration of middle and senior management including Key Managerial Personnel was 0%.

(vi) Affirmation that the remuneration is as per the remuneration policy of the Company.

Yes

Notes:

1 Amongst various measures to deal with the unprecedented challenge posed by Covid-19:

(a) Managing Director & CEO voluntarily relinquished his fixed compensation of basic, supplementary allowances and retiral for fiscal 2021 and was paid honorarium fee of ₹1/- for fiscal 2021.

(b) Material Risk Takers of the Bank including Executive Directors, Group Chief Financial Officer and Company Secretary voluntarily opted for a 10% salary reduction effective May 1, 2020 in the basic salary, retiral and supplementary allowances for fiscal 2021.

2 The Independent Directors of the Bank, other than Chairman receive remuneration in the form of sitting fees and profit related commission. The Chairman receives sitting fees and remuneration as approved by the Members and RBI.

DIRECTORS' REPORT

IV. Corporate Social Responsibility Committee

Terms of Reference

The functions of the Committee include review of corporate social responsibility (CSR) initiatives undertaken by the ICICI Group and the ICICI Foundation for Inclusive Growth, formulation and recommendation to the Board of a CSR Policy indicating the activities to be undertaken by the Company and recommendation of the amount of expenditure to be incurred on such activities, reviewing and recommending the annual CSR plan to the Board, making recommendations to the Board with respect to the CSR initiatives, policies and practices of the ICICI Group, monitoring the CSR activities, implementation and compliance with the CSR Policy and reviewing and implementing, if required, any other matter related to CSR initiatives as recommended/suggested by RBI or any other body. At the Board Meeting held on April 24, 2021, the terms of reference of the CSR Committee were revised to reflect the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021.

Composition

There were three Meetings of the Committee during the year – April 15, 2020, August 19, 2020 and January 13, 2021. The details of the composition of the Committee and attendance at its Meetings held during the year are set out in the following table:

Name of Member	Number of meetings attended
Radhakrishnan Nair, <i>Chairman</i>	3/3
Anup Bagchi	3/3
Rama Bijapurkar	3/3
Uday Chitale	3/3

Details about the policy developed and implemented by the Company on corporate social responsibility (CSR) initiatives taken during the year

ICICI Bank has a long-standing commitment towards socio-economic development. The Bank's CSR activities are focused in the areas of skill development for sustainable livelihoods, rural development and

related activities including financial inclusion and financial literacy, and other activities as may be required towards fulfilling the CSR objectives. The activities are largely implemented either directly or through the ICICI Foundation for Inclusive Growth.

The CSR policy was revised in April 2021 and the revisions in the CSR Policy were largely to reflect the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, and included changes to the operating framework, disclosure requirements and principles for selection of CSR projects.

The web-link to the Bank's CSR policy: <https://www.icicibank.com/managed-assets/docs/about-us/ICICI-Bank-CSR-Policy.pdf>

The Annual Report on the Bank's CSR activities is annexed herewith as Annexure C.

V. Credit Committee

Terms of Reference

The functions of the Committee include review of developments in key industrial sectors, major credit portfolios and approval of credit proposals as per the authorisation approved by the Board.

Composition

There were twenty-eight Meetings of the Committee during the year – April 6, April 16, May 13, June 10, June 18, June 30, July 14, July 16, July 27, August 12, August 25, September 5, September 11, September 21, September 24, September 28, October 16, November 20, November 27, December 11 and December 22 in 2020 and January 12, January 22, February 18, March 8, March 12, March 26 and March 31 in 2021. The details of the composition of the Committee and attendance at its Meetings held during the year are set out in the following table:

Name of Member	Number of meetings attended
Sandeep Bakhshi, <i>Chairman</i>	28/28
Hari L. Mundra	28/28
Vishakha Mulye	28/28
B. Sriram	28/28

DIRECTORS' REPORT

VI. Customer Service Committee

Terms of Reference

The functions of this Committee include review of customer service initiatives, overseeing the functioning of the Standing Committee on Customer Service (Customer Service Council) and evolving innovative measures for enhancing the quality of customer service and improvement in the overall satisfaction level of customers.

Composition

There were four Meetings of the Committee during the year – May 13, 2020, August 18, 2020, November 20, 2020 and February 17, 2021. The details of the composition of the Committee and attendance at its Meetings held during the year are set out in the following table:

Name of Member	Number of meetings attended
Rama Bijapurkar, <i>Chairperson</i>	4/4
Hari L Mundra	4/4
Sandeep Bakhshi	4/4
Anup Bagchi	4/4

VII. Fraud Monitoring Committee

Terms of Reference

The Committee monitors and reviews all the frauds involving an amount of ₹ 10.0 million and above with the objective of identifying the systemic lacunae, if any, that facilitated perpetration of the fraud and put in place measures to rectify the same. The functions of this Committee include identifying the reasons for delay in detection, if any, and reporting to top management of the Bank and RBI on the same. The progress of investigation and recovery position is also monitored by the Committee. The Committee also ensures that staff accountability is examined at all levels in all the cases of frauds and action, if required, is completed quickly without loss of time. The role of the Committee is also to review the efficacy of the remedial action taken to prevent recurrence of frauds, such as strengthening of internal controls.

Composition

There were four Meetings of the Committee during the year – April 24, 2020, July 15, 2020, October 29, 2020 and January 15, 2021. The details of the composition of the Committee and attendance at its Meetings held during the year are set out in the following table:

Name of Member	Number of meetings attended
S. Madhavan, <i>Chairman</i>	4/4
Neelam Dhawan	4/4
Radhakrishnan Nair	4/4
Anup Bagchi	4/4
Sandeep Bakhshi	4/4

VIII. Information Technology Strategy Committee

Terms of Reference

The functions of the Committee are to approve strategy for Information Technology (IT) and policy documents, ensure that IT strategy is aligned with business strategy, review IT risks, ensure proper balance of IT investments for sustaining the Bank's growth, oversee the aggregate funding of IT at Bank-level, ascertain if the management has resources to ensure the proper management of IT risks, review contribution of IT to business, oversee the activities of Digital Council, review technology from a future readiness perspective, overseeing key projects progress & critical IT systems performance and the review of special IT initiatives.

Composition

There were four Meetings of the Committee during the year – May 19, 2020, August 13, 2020, November 6, 2020 and January 20, 2021. The details of the composition of the Committee and attendance at its Meetings held during the year are set out in the following table:

Name of Member	Number of meetings attended
B. Sriram, <i>Chairman</i>	4/4
Neelam Dhawan	4/4
Sandeep Bakhshi (upto January 30, 2021)	4/4
Anup Bagchi	4/4
Sandeep Batra (w.e.f. January 31, 2021)	-

IX. Risk Committee

Terms of Reference

The functions of the Committee are to review ICICI Bank's risk management policies pertaining to credit, market, liquidity, operational, outsourcing, reputation risks, business continuity plan and disaster recovery plan and approve Broker Empanelment Policy and any amendments thereto. The functions of the

DIRECTORS' REPORT

Committee also include setting limits on any industry or country, review of the Enterprise Risk Management (ERM) framework, Risk Appetite Framework (RAF), stress testing framework, Internal Capital Adequacy Assessment Process (ICAAP) and framework for capital allocation; review of the status of Basel II and Basel III implementation, risk dashboard covering various risks, outsourcing activities and the activities of the Asset Liability Management Committee. The Committee has oversight on risks of subsidiaries covered under the Group Risk Management Framework. The Committee also carries out Cyber Security risk assessment.

Composition

There were nine Meetings of the Committee during the year – May 8, 2020, July 9, 2020, July 24, 2020, September 23, 2020, October 30, 2020, December 23, 2020, January 29, 2021, February 17, 2021 and March 24, 2021. The details of the composition of the Committee and attendance at its Meetings held during the year are set out in the following table:

Name of Member	Number of meetings attended
Girish Chandra Chaturvedi, <i>Chairman</i>	9/9
S. Madhavan	9/9
Sandeep Batra <i>(w.e.f. December 23, 2020)</i>	4/4

The quorum of the Board Committees was increased from at least two members to at least three members with effect from June 30, 2019, to transact business at any Board Committee meeting and in case where the Committee comprises of two members only or where two members are participating, then any independent Director may attend the meeting to fulfil the requirement of three members. Accordingly, Uday Chitale attended the Committee meetings on May 8, 2020, July 9, 2020, September 23, 2020, and October 30, 2020 and Radhakrishnan Nair attended the Committee meeting on July 24, 2020 to fulfil the requirement of quorum.

X. Stakeholders Relationship Committee

Terms of Reference

The functions of the Committee include approval and rejection of transfer or transmission of shares, bonds, debentures, issue of duplicate certificates, allotment of securities from time to time, redressal and resolution of grievances of security holders,

delegation of authority for opening and operation of bank accounts for payment of interest/dividend.

Composition

There were four Meetings of the Committee during the year – April 14, 2020, July 21, 2020, October 29, 2020 and January 21, 2021. The details of the composition of the Committee and attendance at its Meetings held during the year are set out in the following table:

Name of Member	Number of meetings attended
Hari L. Mundra, <i>Chairman</i>	4/4
Uday Chitale	4/4
Anup Bagchi	4/4

Ranganath Athreya, Company Secretary of the Bank acts as the Compliance Officer in accordance with the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. 45 investor complaints were received in fiscal 2021. As at March 31, 2021, one complaint was pending which has been subsequently addressed.

XI. Review Committee for Identification of Wilful Defaulters/Non Co-operative Borrowers

Terms of Reference

The function of the Committee is to review the order of the Committee for identification of wilful defaulters/non co-operative borrowers (a Committee comprising wholetime Directors and senior executives of the Bank to examine the facts and record the fact of the borrower being a wilful defaulter/non co-operative borrower) and confirm the same for the order to be considered final.

Composition

The Managing Director & CEO is the Chairman of this Committee and any two independent Directors comprise the remaining members. One meeting of the Committee was held during the year. The Committee Meeting held on February 16, 2021 was attended by Sandeep Bakhshi, Uday Chitale and Radhakrishnan Nair.

XII. Separate Meeting of Independent Directors

During the year, the Independent Directors met on May 9, 2020 inter alia to review the matters statutorily prescribed under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

DIRECTORS' REPORT

XIII. Other Committees

The Board at its meeting held on July 8, 2020 constituted and authorized 'Issuance Committee' comprising of Sandeep Bakhshi, Vishakha Mulye and Anup Bagchi to, inter alia, decide the terms and conditions of the fund raising proposal. The Issuance Committee Meetings were held on August 7, 2020, August 10, 2020, August 14, 2020 and August 15, 2020. The members attended all the meetings except Vishakha Mulye who attended 3 out of 4 meetings.

In addition to the above, the Board has from time to time constituted various committees, namely, Committee of Executive Directors, Executive Investment Committee, Asset Liability Management Committee, Committee for Identification of Wilful Defaulters/Non Co-operative Borrowers, Committee of Senior Management (comprising certain wholtime Directors and Executives) and Committee of Executives, Compliance Committee, Process Approval Committee, Regional Committees for India and overseas operations, Outsourcing Committee, Operational Risk Management Committee, Vigilance Committee, Product Governance Committee and other Committees (all comprising Executives). These committees are responsible for specific operational areas like asset liability management, approval/renewal of credit proposals, approval of products and processes and management of operational risk, under authorisation/supervision of the Board and its Committees.

XIV. General Body Meetings

The details of General Body Meetings held in the last three years are given below:

General Body Meeting	Day, Date	Time	Venue
Twenty-Sixth Annual General Meeting	Friday, August 14, 2020	3:30 p.m	Meeting held through Video Conferencing/Other Audio Visual Means
Twenty-Fifth Annual General Meeting	Friday, August 9, 2019	11:45 a.m.	Professor Chandravadan Mehta Auditorium, General Education Centre, Opposite D. N. Hall Ground, The Maharaja Sayajirao University, Pratapgunj, Vadodara 390 002
Twenty-Fourth Annual General Meeting	Wednesday, September 12, 2018	11:30 a.m.	Sir Sayajirao Nagargruh, Vadodara Mahanagar Seva Sadan, Near GEB Colony, Old Padra Road, Akota, Vadodara 390 020

The details of the Special Resolutions passed in the Annual General Meetings held in the previous three years are given below:

General Body Meeting	Day, Date	Resolutions
Annual General Meeting	Friday, August 14, 2020	<ul style="list-style-type: none"> Re-appointment of Girish Chandra Chaturvedi (DIN: 00110996) as an Independent Director of the Bank Shifting the Registered Office of the Bank from the State of Gujarat to the State of Maharashtra and consequent amendment to the Memorandum of Association of the Bank
Annual General Meeting	Friday, August 9, 2019	<ul style="list-style-type: none"> Alterations to Memorandum of Association Adoption of revised Articles of Association
Annual General Meeting	Wednesday, September 12, 2018	<ul style="list-style-type: none"> Amendment to Capital Clause of the Memorandum of Association Amendment to Article 5(a) of the Articles of Association Amendment to the definition of Exercise Period under Employees Stock Option Scheme-2000 Private placement of securities under Section 42 of the Companies Act, 2013

DIRECTORS' REPORT

Postal Ballot

Special Resolution for authorizing capital raising through issuance of equity shares and/or equity linked securities was passed through postal ballot during fiscal 2021 vide Postal Ballot Notice dated July 8, 2020 pursuant to the provisions of Section 110 and other applicable provisions of the Companies Act, 2013.

In accordance with the General Circulars issued by the Ministry of Corporate Affairs, Government of India in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19", the approval of the Members of the Bank was obtained through Postal Ballot only through the remote e-voting process.

The Board of Directors of the Company, appointed Mr. Alwyn D'souza of Alwyn D'souza & Co., Practicing Company Secretaries, as the Scrutinizer for conducting the Postal Ballot e-voting process in a fair and transparent manner. The scrutinizer submitted his report dated August 9, 2020. The results were declared on August 9, 2020 and communicated to the stock exchanges and displayed on the Bank's website at www.icicibank.com. The details of the voting pattern are given below:

Special Resolution	Number of votes polled	% of votes Polled on outstanding shares	Number of votes cast in favour of the Resolution	Number of votes cast against the Resolution	% of votes in favour on votes polled	% of votes against on votes polled
Authorize capital raising through issuance of equity shares and/or equity linked securities	4,904,338,742	75.73	4,894,439,751	9,898,991	99.80	0.20

At present, no special resolution is proposed to be passed through postal ballot.

XV. Disclosures

1. There are no materially significant transactions with related parties i.e., directors, management, subsidiaries, or relatives conflicting with the Bank's interests. The Bank has no promoter.
2. Penalties or strictures imposed on the Bank by any of the stock exchanges, the Securities & Exchange Board of India (SEBI) or any other statutory authority, for any non-compliance on any matter relating to capital markets, during the last three years, detailed as hereunder:
 - i. SEBI issued an Adjudication Order on September 12, 2019, imposing a penalty of ₹ 500,000 each (totalling to ₹ 1.0 million) under Section 15HB of the Securities and Exchange Board of India Act, 1992 and Section 23E of the Securities Contracts (Regulation) Act, 1956 on the Bank for delayed disclosure of an agreement made on May 18, 2010 relating to merger of erstwhile Bank of Rajasthan with the Bank. The Bank has filed an appeal against SEBI's Order with the Securities Appellate Tribunal

(SAT) on October 24, 2019. SAT vide its order dated July 08, 2020 converted the monetary penalty imposed on the Bank to warning. SEBI had filed an appeal with the Supreme Court of India ("Supreme Court") against the aforementioned SAT order on September 24, 2020 pertaining to the Bank. The matter was heard with Supreme Court on January 6, 2021 wherein the Supreme Court directed an interim stay on the operation of the SAT orders until further orders from them. The Bank filed counter affidavit before the Supreme Court on February 2, 2021. To bring closure to the matter, the Bank filed the settlement application on January 6, 2021, under SEBI (Settlement Proceedings) Regulations, 2018 pursuant to which the Bank has paid the settlement amount to SEBI and the Order is awaited.

- ii. The RBI, in exercise of powers conferred under section 47(A)(1)(c) read with Section 46(4)(i) of the Banking Regulation Act,

DIRECTORS' REPORT

- 1949, levied an aggregate penalty of ₹ 10.0 million vide its order dated February 25, 2019. The penalty was levied for delay in compliance to RBI's directives on "Time-bound implementation & strengthening of SWIFT related controls".
- In terms of the Whistle-Blower Policy of the Bank, no employee of the Bank has been denied access to the Audit Committee.
 - There is no application or proceeding pending against the Bank under the Insolvency and Bankruptcy Code, 2016 during the year under review.
 - There was no instance of one-time settlement with any other Bank or financial institution during the year under review.

XVI. Means of Communication

It is ICICI Bank's belief that all stakeholders should have access to information regarding its position to enable them to accurately assess its future potential. ICICI Bank disseminates information on its operations and initiatives on a regular basis. ICICI Bank's website (www.icicibank.com) serves as a key awareness facility for all its stakeholders, allowing them to access information at their convenience. It provides comprehensive information on ICICI Bank's strategy, financial performance, operational performance and the latest press releases.

ICICI Bank's investor relations personnel respond to specific queries and play a proactive role in disseminating information to both analysts and investors. In accordance with SEBI and Securities Exchange Commission (SEC) guidelines, all information which could have a material bearing on ICICI Bank's share price is released through leading domestic and global wire agencies. The information is also disseminated to the National Stock Exchange of India Limited (NSE), the BSE Limited (BSE), New York Stock Exchange (NYSE), Securities Exchange Commission (SEC), Singapore Stock Exchange, Japan Securities Dealers Association and SIX Swiss Exchange Ltd. from time to time.

The financial and other information and the various compliances as required/prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are filed electronically with NSE/BSE through NSE's Electronic Application Processing

System (NEAPS) and through BSE Listing Centre and are also available on their respective websites in addition to the Bank's website.

ICICI Bank's quarterly financial results are published in Business Standard or Financial Express and Vadodara Samachar or The Indian Express (Vadodara edition). The financial results, official news releases, analyst call transcripts and presentations are also available on the Bank's website.

The Management's Discussion & Analysis forms part of the Annual Report.

General Shareholder Information

Annual General Meeting	Day, Date	Time
Twenty-Seventh Annual General Meeting through Video Conferencing/ Other Audio Visual Means	Friday, August 20, 2021	3:00 p.m.

Financial Year : April 1, 2020 to March 31, 2021

Record Date: July 30, 2021

Dividend Payment Date: Will be paid/despatched on or after August 21, 2021

Listing of equity shares/ADSs/Bonds on Stock Exchanges

Stock Exchange	Code for ICICI Bank
BSE Limited (BSE) (Equity) Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400 001	532174 & 632174 ¹
National Stock Exchange of India Limited (NSE) (Equity) Exchange Plaza, Bandra-Kurla Complex Bandra (East), Mumbai 400 051	ICICIBANK
New York Stock Exchange (ADSs) ² 11, Wall Street, New York, NY 10005 United States of America	IBN

¹ FII segment of BSE.

² Each ADS of ICICI Bank represents two underlying equity shares.

The bonds issued in domestic market comprised privately placed bonds as well bonds issued via public issues which are listed on BSE/NSE.

ICICI Bank has paid annual listing fees for the relevant periods to BSE and NSE where its equity shares/bonds are listed and NYSE where its ADSs are listed.

DIRECTORS' REPORT

Listing of other securities

The bonds issued overseas are issued either in public or private placement format. The listed bonds are traded on Singapore Exchange Securities Trading Limited, 2 Shenton Way, #02-02, SGX Centre 1, Singapore 068804 or SIX Swiss Exchange Ltd, P.O. Box 1758, CH-8021 Zurich, Switzerland or Tokyo Stock Exchange, 2-1 Nihombashi Kabutocho, Chuo-ku Tokyo 103-8220 Japan.

Market Price Information

The reported high and low closing prices and volume of equity shares of ICICI Bank traded during fiscal 2021 on BSE and NSE are set out in the following table:

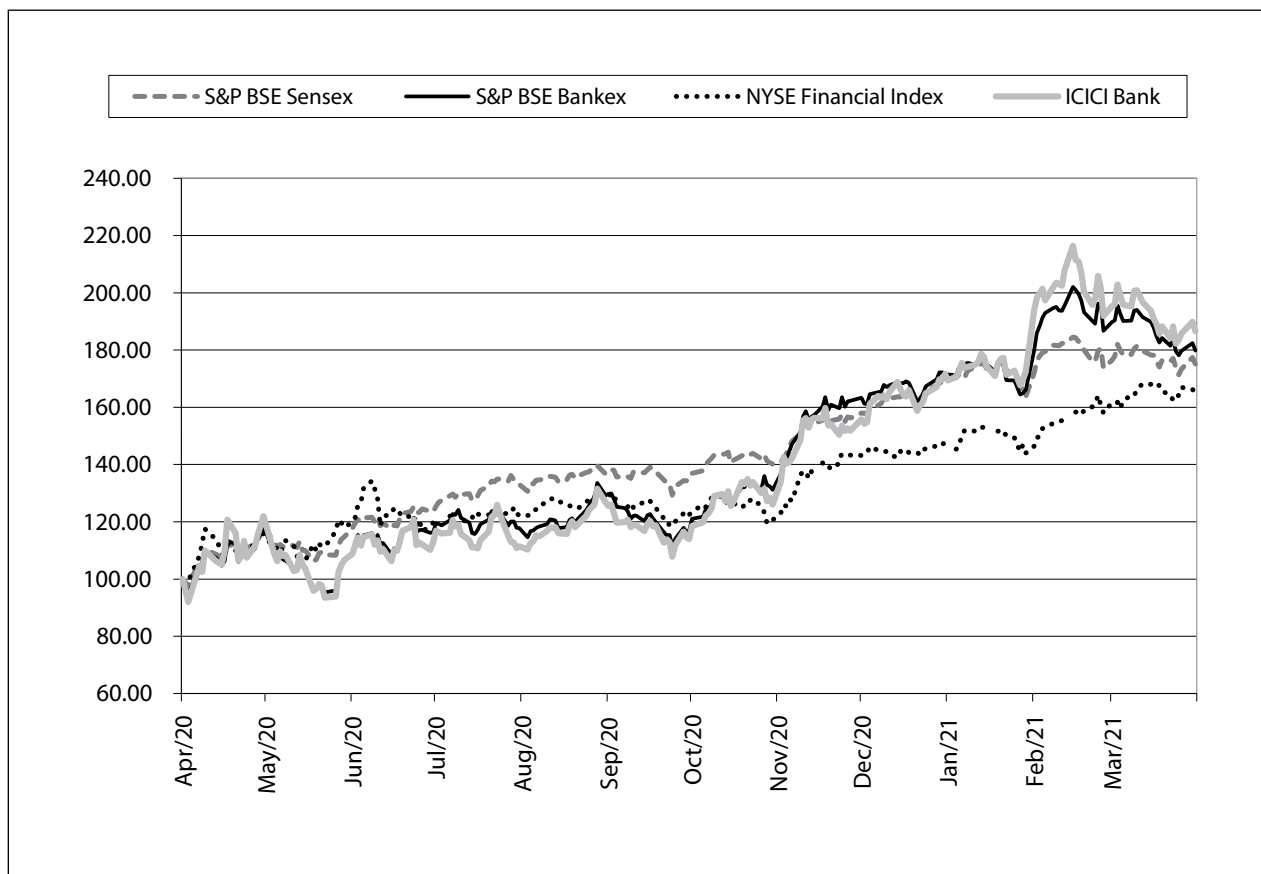
Month	BSE			NSE			Total Volume on BSE and NSE
	High ₹	Low ₹	Volume	High ₹	Low ₹	Volume	
April-20	379.90	286.50	38,475,089	380.15	286.65	876,636,050	915,111,139
May-20	341.40	291.20	36,284,940	341.40	291.05	1,051,267,675	1,087,552,615
June-20	376.05	330.90	40,052,156	376.15	331.10	1,009,616,812	1,049,668,968
July-20	392.30	344.75	39,089,386	392.25	344.65	1,011,039,398	1,050,128,784
August-20	409.75	343.40	48,574,406	409.70	343.25	831,061,395	879,635,801
September-20	392.25	335.80	22,528,566	392.40	335.70	613,532,823	636,061,389
October-20	420.35	369.15	21,890,828	420.30	369.20	589,915,296	611,806,124
November-20	497.45	417.10	30,570,946	497.65	417.45	740,748,991	771,319,937
December-20	534.80	480.45	24,696,353	535.05	480.45	531,995,383	556,691,736
January-21	556.40	522.30	14,585,900	556.50	522.35	426,883,599	441,469,499
February-21	674.00	597.60	27,943,347	673.95	597.75	595,364,253	623,307,600
March-21	631.85	567.45	23,403,821	632.10	567.50	484,734,111	508,137,932
Fiscal 2021	674.00	286.50	368,095,738	673.95	286.65	8,762,795,786	9,130,891,524

The reported high and low closing prices and volume of ADRs of ICICI Bank traded during fiscal 2021 on the NYSE are given below:

Month	High (USD)	Low (USD)	Number of ADS traded
April-20	10.14	7.23	223,581,500
May-20	9.36	7.76	165,974,700
June-20	9.86	8.67	187,301,800
July-20	10.60	9.26	134,091,300
August-20	11.24	9.30	196,745,100
September-20	10.88	9.30	145,560,500
October-20	11.47	10.24	130,701,600
November-20	13.45	11.56	187,912,900
December-20	14.86	13.16	176,419,500
January-21	15.32	14.32	177,932,100
February-21	18.12	16.61	200,729,100
March-21	17.44	15.64	145,416,700
Fiscal 2021	18.12	7.23	2,072,366,800

DIRECTORS' REPORT

The performance of ICICI Bank equity shares relative to the S&P BSE Sensitive Index (Sensex), S&P BSE Bank Index (Bankex) and NYSE Financial Index during the period April 1, 2020 to March 31, 2021 is given in the following chart:



Share Transfer System

ICICI Bank's investor services are handled by 3i Infotech Limited (3i Infotech). 3i Infotech is a SEBI registered Category I - Registrar to an Issue & Share Transfer (R&T) Agent. 3i Infotech is an information technology company and in addition to R&T services, provides a wide range of technology & technology-enabled products and services.

As per the SEBI mandate, securities of listed companies can be transferred/traded only in dematerialised form. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialised form.

During the year, 626,208 equity shares of face value ₹ 2.00 each involving 2,521 certificates were dematerialised. At March 31, 2021, 99.75% of paid-up equity share capital (including equity shares represented by ADS constituting 21.35% of the paid-up equity share capital) are held in dematerialised form.

As required under Regulation 40(9) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate is obtained every six months from a practising Company Secretary. Certificates issued in this regard are filed with BSE and NSE, where the equity shares of ICICI Bank are listed.

DIRECTORS' REPORT

In terms of Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and SEBI Circular D&CC/FITTC/CIR-16/2002 dated December 31, 2002, as amended vide Circular no. CIR/MRD/DP/30/2010 dated September 6, 2010 an audit is conducted on a quarterly basis by a firm of Chartered Accountants, for the purpose of, inter alia, reconciliation of the total admitted equity share capital with the depositories and in the physical form with the total issued/paid up equity share capital of ICICI Bank. Certificates issued in this regard are placed before the Stakeholders Relationship Committee and filed with BSE and NSE, where the equity shares of ICICI Bank are listed.

Registrar and Transfer Agents

The Registrar and Transfer Agent of ICICI Bank is 3i Infotech Limited. Investor services related queries/

requests/grievances may be directed to Ms. R. C. D'souza/Mr. S. R. Ramesh at the address as under:

3i Infotech Limited
International Infotech Park, Tower # 5, 3rd Floor
Vashi Railway Station Complex, Vashi
Navi Mumbai 400 703, Maharashtra, India
Tel. No.: +91-22-7123 8000
Fax No.: +91-22-7123 8099
E-mail: investor@icicibank.com

Queries relating to the operational and financial performance of ICICI Bank may be addressed to:

Rakesh Jha/Anindya Banerjee
ICICI Bank Limited
ICICI Bank Towers
Bandra-Kurla Complex, Mumbai 400 051
Tel. No.: +91-22-2653 7131
Fax No.: +91-22-2653 1175
E-mail: ir@icicibank.com

Debenture Trustees

Pursuant to Regulation 53 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the names and contact details of the debenture trustees for the public issue bonds and privately placed bonds of the Bank are given below:

Bank of Maharashtra Head Office, Legal Dept. Lokmangal, "1501" Shivaji Nagar Pune 411 005 Tel. No.: +91-020-2553 6256 bomcolaw@mahabank.com	Axis Trustee Services Limited The Ruby, 2 nd Floor, SW 29 Senapati Bapat Marg Dadar West, Mumbai 400 028 Tel. No.: +91-22-2425 5202 debenturetrustee@axistrustee.com	IDBI Trusteeship Services Limited Asian Building, Ground Floor 17, R Kamani Marg, Ballard Estate Mumbai 400 001 Tel. No.: +91-22-4080 7001 itsupport@idbitrustee.com
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The details are available on the website of the Bank at (<https://www.icicibank.com/Personal-Banking/investments/icici-bank-bonds/index.page>).

Information on Shareholding

Shareholding pattern of ICICI Bank at March 31, 2021

Shareholder Category	No. of Shares	% holding
Deutsche Bank Trust Company Americas (Depository for ADS holders)	1,476,534,595	21.35
FII/FPs	2,598,752,468	37.58
Insurance Companies	698,750,812	10.10
Bodies Corporate (includes Government Companies and Clearing Members)	100,063,999	1.45
Banks & Financial Institutions	2,766,286	0.04
Mutual Funds/UTI	1,418,269,966	20.51
Individuals, HUF and Trusts	425,879,217	6.15
NBFCs Registered with RBI	14,631,901	0.21
Provident Fund/Pension Fund	115,450,061	1.67
Alternative Investment Fund	33,619,265	0.49
IEPF	6,934,176	0.10
Others (includes NRIs, Foreign Banks, Foreign Companies, Foreign Nationals etc.)	24,339,641	0.35
Total	6,915,992,387	100.00

DIRECTORS' REPORT

Shareholders of ICICI Bank with more than one percent holding at March 31, 2021

Name of the Shareholder	No. of Shares	% holding
Deutsche Bank Trust Company Americas*	1,476,534,595	21.35
Life Insurance Corporation of India	447,577,924	6.47
SBI Mutual Fund	243,824,865	3.53
ICICI Prudential Mutual Fund	183,811,991	2.66
Dodge & Cox International Stock Fund	176,867,176	2.56
HDFC Mutual Fund	162,257,655	2.35
Government of Singapore	145,378,451	2.10
NPS Trust	115,450,061	1.67
Kotak Mahindra Mutual Fund	106,606,489	1.54
Nippon India Mutual Fund	103,972,201	1.50
Aditya Birla Sun Life Mutual Fund	95,925,796	1.39
UTI Mutual Fund	86,775,354	1.25
Europacific Growth Fund	78,749,478	1.14
Mirae Asset Mutual Fund	75,065,238	1.09

* Deutsche Bank Trust Company Americas holds equity shares of ICICI Bank as depositary for ADS holders.

Distribution of shareholding of ICICI Bank at March 31, 2021

Range – Shares	No. of Folios	%	No. of Shares	%
Upto 1,000	1,376,770	95.20	175,105,154	2.53
1,001 – 5,000	58,780	4.06	109,832,808	1.59
5,001 – 10,000	4,965	0.34	34,351,613	0.50
10,001 – 50,000	3,453	0.24	70,908,502	1.02
50,001 & above	2,258	0.16	6,525,794,310	94.36
Total	1,446,226	100.00	6,915,992,387	100.00

Disclosure with respect to shares lying in suspense account

The Bank had 94,647 equity shares held by 470 shareholders lying in suspense account at the beginning of the fiscal 2021. The Bank has been transferring the shares lying unclaimed to the eligible shareholders as and when the request for the same has been received after proper verification. During the year, the Bank had processed request received from a shareholder holding 269 shares and accordingly the said shares were transferred from the suspense account. As on March 31, 2021, 94,378 shares held by 469 shareholders remained unclaimed in the suspense account.

The voting rights on the shares lying in suspense account are frozen till the rightful owner of such shares claims the shares.

Transfer of unclaimed dividend and shares to Investor Education & Protection Fund (IEPF)

Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013, during fiscal 2021, dividend

amount of ₹ 44.3 million remaining unclaimed for a period of seven years from the date of its transfer to the Unpaid Dividend Accounts of the Company has been transferred to the IEPF.

Pursuant to Section 124(6) of the Companies Act, 2013 read with the Investor Education & Protection Fund Authority (Accounting, Audit, Transfer & Refund) Rules, 2016, during fiscal 2021, 486,711 equity shares in respect of which the dividend has not been claimed for seven consecutive years have been transferred to the designated demat account of the IEPF Authority.

The unclaimed dividend and the equity shares transferred to IEPF can be claimed by making an application in the prescribed form available on the website of IEPF at (www.iepf.gov.in).

Members who have not yet encashed their dividend warrant(s) for the financial year ended March 31, 2015 and/or subsequent years are requested to submit their claims to the Registrar and Transfer Agent of the Company without any delay.

DIRECTORS' REPORT

The details of Nodal Officer and Deputy Nodal Officers appointed under the provisions of IEPF are available on the website of the Bank at (<https://nli.icicibank.com/NewRetailWeb/showUnclaimedForm.htm>).

Outstanding GDRs/ADSs/Warrants or any Convertible instruments, conversion date and likely impact on equity

ICICI Bank has 738.27 million ADS (equivalent to 1,476.53 million equity shares) outstanding, which constituted 21.35% of ICICI Bank's total equity capital at March 31, 2021. There are no other convertible instruments outstanding as on March 31, 2021.

Commodity price risk or foreign exchange risk and hedging activities

The foreign exchange risk position including bullion is managed within the net overnight open position (NOOP) limit approved by the Board of Directors. The foreign currency assets of the Bank are primarily floating rate linked assets. Wholesale liability raising for foreign currencies takes place in USD or other currencies through bond issuances, bilateral loans and syndicated/ club loans as well as refinance from Export Credit Agencies (ECA) which may be at a fixed rate or floating rate linked. In case of fixed rate long-term wholesale fund raising in USD, the interest rate risk is generally hedged through interest rate swaps wherein the Bank effectively moves the interest payments to a floating rate index in order to match the asset profile. In case of fund raising in non-USD currencies, the foreign exchange risk is hedged through foreign exchange swaps or currency interest rate swaps.

The extant RBI guidelines do not allow AD Category I Banks to take any market positions in commodity related activities. However, the extant guidelines allows Bank to import gold and silver in line with the RBI license and selling of imported gold/silver on outright basis to domestic clients or providing gold metal loan to jewellery manufacturers and take gold deposits under the Gold Monetisation scheme. ICICI Bank provides pricing and hedging of Gold Metal Loan to jewellery customers and such exposures are covered on a back-to-back basis with gold suppliers.

In view of the above, the disclosure pursuant to the SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/000000141 dated November 15, 2018 is not required to be given.

Plant Locations – Not applicable

Address for Correspondence

Ranganath Athreya
 Company Secretary
 ICICI Bank Limited
 ICICI Bank Towers
 Bandra-Kurla Complex
 Mumbai 400 051
 Tel. No.: +91-22-2653 8900
 Fax No.: +91-22-2653 1230
 E-mail: companysecretary@icicibank.com

The Bank is in compliance with requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Bank has also complied with the discretionary requirements such as maintaining a separate office for the Chairman at the Bank's expense, ensuring financial statements with unmodified audit opinion, separation of posts of Chairman and Chief Executive Officer and reporting of internal auditor directly to the Audit Committee.

Analysis of Customer Complaints

The required details as per the RBI circular no. CEPD.CO.PRD.Cir.No.01/13.01.013/2020-21 dated January 27, 2021 are disclosed in Schedule 18 of the financial statements.

COMPLIANCE CERTIFICATE OF THE AUDITORS

ICICI Bank has annexed to this Report, a certificate obtained from the statutory auditors, M/s Walker Chandiook & Co LLP, Chartered Accountants, regarding compliance of conditions of Corporate Governance as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

EMPLOYEE STOCK OPTION SCHEME

The Bank has an Employee Stock Option Scheme (ESOS/ Scheme) which was instituted in fiscal 2000 to enable the employees and wholtime Directors of ICICI Bank and its subsidiaries to participate in future growth and financial success of the Bank. The ESOS aims at achieving the twin objectives of (i) aligning employee interest to that of the shareholders; and (ii) retention of talent. Through employee stock option grants, the Bank seeks

DIRECTORS' REPORT

to foster a culture of long-term sustainable value creation. The Scheme is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (the SEBI Regulations). Pursuant to the SEBI Regulations, options are granted by the Board Governance, Remuneration & Nomination Committee (BGRNC) and noted by the Board.

The Scheme was initially approved by the Members at their meeting held on February 21, 2000 and amended from time to time.

The Bank has upto March 31, 2021 granted 566.66 million stock options from time to time aggregating to 8.19% of the issued equity capital of the Bank at March 31, 2021. As per the ESOS, as amended from time to time, the maximum number of options granted to any employee/Director in a year is limited to 0.05% of ICICI Bank's issued equity shares at the time of the grant, and the aggregate of all such options is limited to 10% of ICICI Bank's issued equity shares on the date of the grant (equivalent to 691.60 million shares of face value ₹ 2.00 each at March 31, 2021).

Particulars of options granted by ICICI Bank as on March 31, 2021 are given below:

Number of options outstanding at the beginning of the year	237,906,773 ¹
Number of options granted during the year	33,417,700
Number of options forfeited/lapsed during the year	880,530
Number of options vested during the year	31,430,750
Number of options exercised during the year	24,232,771
Number of shares arising as a result of exercise of options	24,232,771
Money realised by exercise of options during the year (₹)	5,302,452,541
Number of options outstanding at the end of the year	246,211,172 ¹
Number of options exercisable at the end of the year	177,023,002

¹ Excludes options pertaining to wholetime Directors of subsidiary company pending for regulatory approval.

The Bank follows the intrinsic value method to account for its stock-based employee compensation plans. The diluted earnings per share (EPS) pursuant to issue of shares on exercise of options calculated in accordance with Accounting Standard 20 (AS-20) was ₹ 23.67 in fiscal 2021 compared to basic EPS of ₹ 24.01.

Based on intrinsic value of options, no compensation cost was recognised during the year ended March 31, 2021 (year ended March 31, 2020: Nil). If the Bank had used the fair value of options based on binomial tree model, compensation cost in the year ended March 31, 2021 would have been higher by ₹ 3,949.7 million (year ended March 31, 2020: ₹ 3,826.2 million) and proforma profit after tax would have been ₹ 157,977.1 million (year ended March 31, 2020: ₹ 75,481.9 million). On a proforma basis, the Bank's basic and diluted earnings per share would have been ₹ 23.43 (year ended March 31, 2020: ₹ 11.68) and ₹ 23.09 (year ended March 31, 2020: ₹ 11.49) respectively for the year ended March 31, 2021.

The following table sets forth, for the periods indicated, the key assumptions used to estimate the fair value of options granted.

Particulars	Year ended March 31, 2020	Year ended March 31, 2021
Risk-free interest rate	6.18% to 7.62%	4.83% to 5.74%
Expected life	3.46 to 5.46 years	3.45 to 5.45 years
Expected volatility	29.06% to 31.17%	35.19% to 37.31%
Expected dividend yield	0.19% to 0.37%	0.26% to 0.30%

The weighted average fair value of options granted during the year ended March 31, 2021 was ₹ 125.44 (year ended March 31, 2020: ₹ 149.62) and the weighted average exercise price of options granted during the year ended March 31, 2021 was ₹ 337.73 (year ended March 31, 2020: ₹ 402.16).

Risk free interest rates over the expected term of the option are based on the government securities yield in effect at the time of the grant. The expected term of an option is estimated based on the vesting term as well as expected exercise behavior of the employees who receive the option. Expected exercise behavior is estimated based on the historical stock option exercise pattern of the Bank. Expected volatility during the estimated expected term of the option is based on historical volatility determined based on observed market prices of the Bank's publicly traded equity shares. Expected dividends during the estimated expected term of the option are based on recent dividend activity.

The detailed disclosures as stipulated under Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 will be hosted on the website of the Bank at (<https://www.icicibank.com/aboutus/other-policies.page>).

DIRECTORS' REPORT

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The Bank has undertaken various initiatives for energy conservation at its premises. A detailed write up is given in the Environmental, Social and Governance Report of fiscal 2021 which will be available on the website of the Bank at (<https://www.icicibank.com/aboutus/annual.html>) and in the Natural Capital chapter in the Integrated Report section of the Annual Report for fiscal 2021. The Bank has used information technology extensively in its operations; for details refer to the chapter Our Business Strategy in the Integrated Report section of the Annual Report for fiscal 2021.

SECRETARIAL STANDARDS

Your Bank is in compliance with the Secretarial Standard on Meetings of the Board of Directors (SS-1) and Secretarial Standard on General Meetings (SS-2) for the financial year ended March 31, 2021.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors confirm:

1. that in the preparation of the annual accounts, the applicable accounting standards had been followed, along with proper explanation relating to material departures;
2. that they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Bank at the end of the financial year and of the profit of the Bank for that period;
3. that they have taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of the Banking Regulation Act, 1949 and the Companies Act, 2013 for safeguarding the assets of the Bank and for preventing and detecting fraud and other irregularities;
4. that they have prepared the annual accounts on a going concern basis;

5. that they have laid down internal financial controls to be followed by the Bank and that such internal financial controls are adequate and were operating effectively; and
6. that they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

ICICI Bank is grateful to the Government of India, Reserve Bank of India, Securities and Exchange Board of India, Insurance Regulatory and Development Authority of India and overseas regulators for their continued co-operation, support and guidance. ICICI Bank wishes to thank its investors, the domestic and international banking community, rating agencies and stock exchanges for their support.

ICICI Bank would like to take this opportunity to express sincere thanks to its valued clients and customers for their continued patronage. The Directors express their deep sense of appreciation to all the employees, whose outstanding professionalism, commitment and initiative have made the organisation's growth and success possible and continues to drive its progress. Finally, the Directors wish to express their gratitude to the Members for their trust and support.

For and on behalf of the Board

Girish Chandra Chaturvedi
Chairman

July 15, 2021

DIN: 00110996

Compliance with the Group Code of Business Conduct and Ethics

I confirm that all Directors and members of the senior management have affirmed compliance with Group Code of Business Conduct and Ethics for the year ended March 31, 2021.

Sandeep Bakhshi
Managing Director & CEO

July 15, 2021

DIN: 00109206