

# ICICI BANK AT A GLANCE

**ICICI Bank offers a range of financial products and services to retail, rural, small and medium enterprises and corporate customers. The Bank delivers products and services through various channels including branches, ATMs, mobile phones and the internet. The Bank aims to offer a seamless omni-channel experience to customers.**

**₹14,112.98  
billion**

Standalone Total Assets

**₹474.66  
billion**

Net Interest Income\*

**₹8,590.20  
billion**

Period-end Advances

**₹383.47  
billion**

Core Operating Profit\*

**3.96%**

Net Interest Margin\*

**19.16%**

Total Capital Adequacy Ratio

**₹233.39  
billion**

Profit After Tax\*

**₹10,645.72  
billion**

Period-end Deposits

\*During fiscal 2022; others at March 31, 2022

## ICICI BANK AT A GLANCE

### iMobile Pay – built for all, built for scale

6.3 million activations of iMobile Pay by non-ICICI Bank account holders till March 31, 2022.

### Over 90% digital transactions

Over 90% of savings account transactions (financial and non-financial) are done through digital channels.\*

### More than one million customers on InstaBIZ

InstaBIZ, an app that enables Small and Medium Enterprises (SMEs) to link account of any bank, has over one million active customers. The value of financial transactions through InstaBIZ increased by 71% year-on-year in fiscal 2022.

### 76% increase in trade online transactions

Value of transactions on Trade Online increased by 76% year-on-year in fiscal 2022.

### Credit card transactions more than doubled

Value of credit card transactions in fiscal 2022 was over twice the value of credit card transactions in fiscal 2021.

### Market leader in FASTag

ICICI Bank continues to be the leading bank in electronic toll collections through FASTag with a market share of close to 33%. Our electronic toll collections through FASTag increased by 51.9% year-on-year in fiscal 2022.

### UPI transactions was 2.3 times

The value of UPI person-to-merchant transactions in fiscal 2022 was 2.3 times as compared to fiscal 2021.

### Working towards inclusion

ICICI Bank has provided loans to over nine million women beneficiaries through more than 692,000 Self-Help Groups (SHGs) till March 31, 2022. Of these, 3.8 million were first-time borrowers.

### Rural outreach

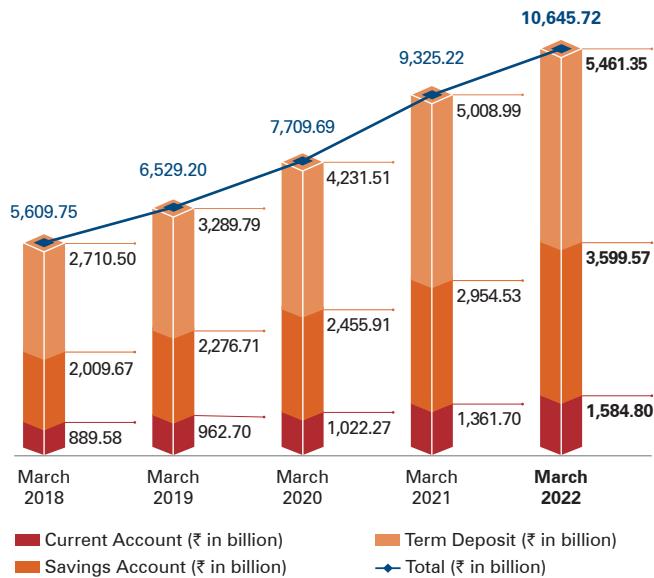
51% of the Bank's branches are in rural and semi-urban areas with 649 branches in villages that were previously unbanked.

### Over 750,000 individuals trained

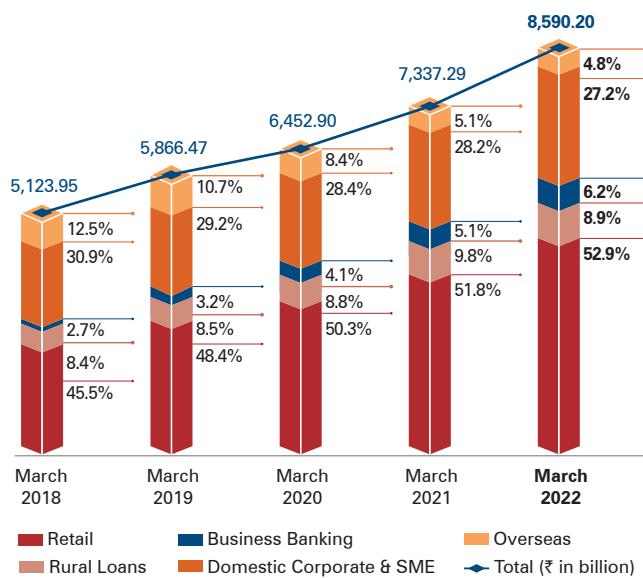
ICICI Foundation for Inclusive Growth, CSR arm of ICICI Group, has trained over 750,000 less privileged individuals in the country since inception.

# FINANCIAL HIGHLIGHTS

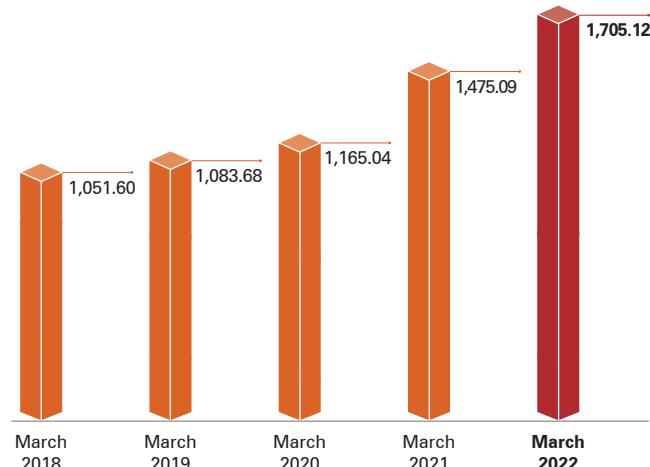
## TOTAL DEPOSITS



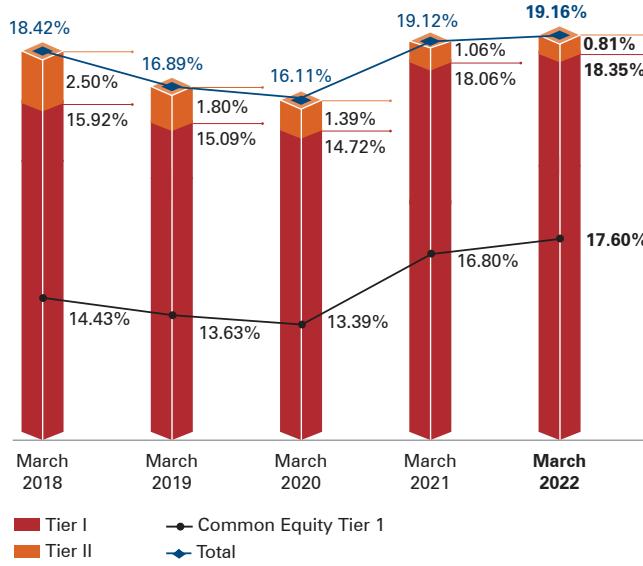
## TOTAL ADVANCES



## NET WORTH

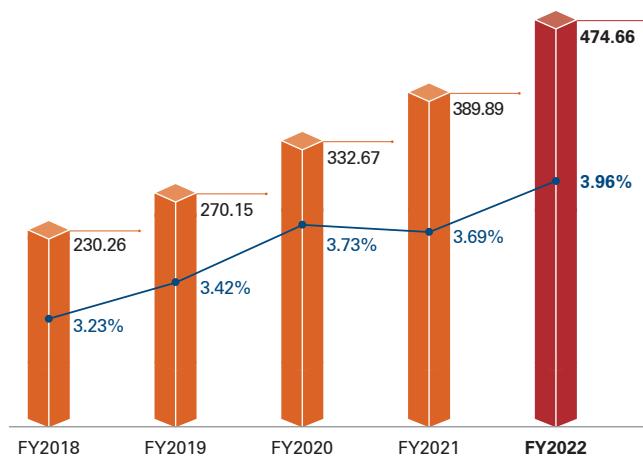


## CAPITAL ADEQUACY



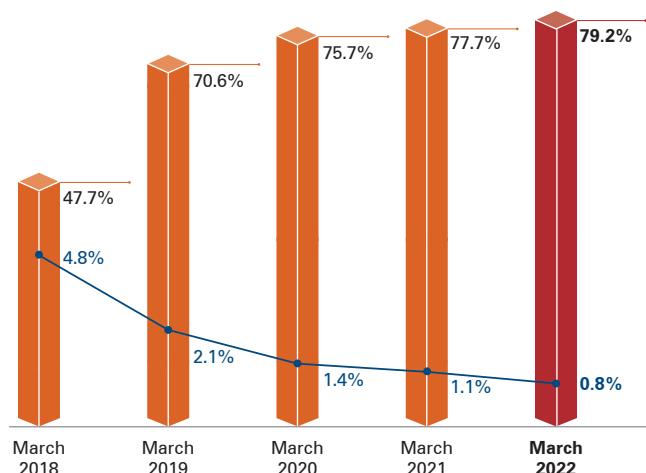
## FINANCIAL HIGHLIGHTS

### NII & NIM



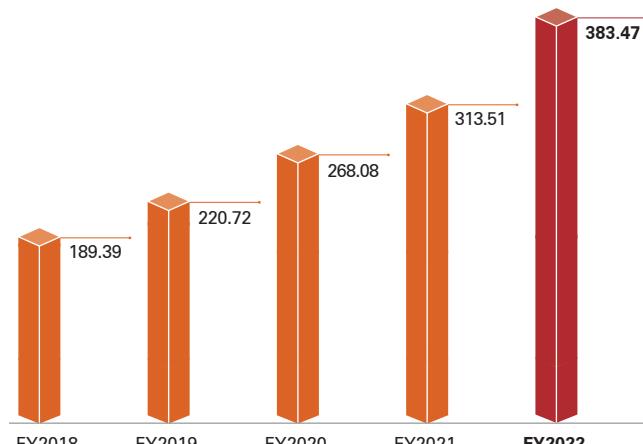
■ Net Interest Income (NII) (₹ in billion)  
● Net Interest Margin (NIM)

### PROVISION COVERAGE RATIO & NET NPA RATIO



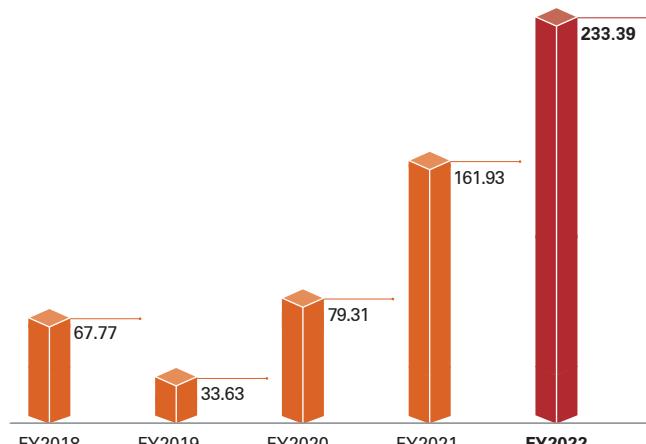
■ Provision coverage ratio (specific provisions as a percentage of gross NPAs)  
● Net NPA Ratio (based on customer assets)

### CORE OPERATING PROFIT



■ Core Operating Profit (₹ in billion)

### STANDALONE NET PROFIT



■ Standalone Net Profit (₹ in billion)

# MESSAGE FROM THE CHAIRMAN



**During fiscal 2022, ICICI Bank stayed committed to its articulated strategy of targeting risk-calibrated growth in core operating profit, while ensuring resilience against potential risks and being well-poised to capitalise on market opportunities.**

Fiscal 2022 was marked by a strong recovery in economic activities, bringing to the fore the inherent strengths in the Indian economy. Despite the setback from the Covid-19 pandemic earlier, and with variants of the virus and localised lockdowns during the year, the Indian economy was resilient and saw a strong rebound and progress towards normalcy. The recovery in the Indian economy was broad-based, and supported by the rollout of the vaccination programme. Amidst these positive developments, however, the year ended with new challenges of high energy prices and inflation, geopolitical tensions, supply side disruptions and a likely slowdown in global growth. Nonetheless, we remain optimistic on India's potential.

During fiscal 2022, ICICI Bank stayed committed to its articulated strategy of targeting risk-calibrated growth in core operating profit, while ensuring resilience against potential risks and being well-poised to capitalise on market opportunities. The strong financial performance and portfolio quality that the Bank has delivered in the last three years demonstrates the efficacy of the strategy. The healthy growth in core operating profit and profit after tax in fiscal 2022 reflect the strong underlying performance of the business. The Bank grew its market share across key segments, while maintaining credit discipline and a robust balance sheet. The decline in credit costs during the year was a further pointer to the effective risk management framework adopted by the Bank over the last few years.

A key focal point for business growth is to create value for customers. The Bank is pursuing this through a customer-centric approach, underlined by the principles of 'Fair to Customer, Fair to Bank' and 'One Bank, One ROE'. These value drivers lend confidence to the Bank's focus on 'customer-360' and becoming a trusted financial partner for its clients. However, the dynamism, creativity and commitment of our employees are a key driver of the Bank's success. Working as one team to serve customers and facilitating cross-functional collaboration will differentiate the Bank and enable value-unlocking of our franchise.

A core enabler to meet the Bank's strategic objectives is technology. The initiatives in developing a strong technology architecture, the focus on platforms and digitisation, and continuous investments in innovations and security features are enabling the Bank to respond

## MESSAGE FROM THE CHAIRMAN

to the needs of customers with agility. The Bank's mobile applications, iMobile Pay and InstaBIZ, have now become universal and open architecture, enabling the Bank to expand the number of people and businesses that it can serve. In today's dynamic environment, it is imperative to be responsive to new technologies, digital processes and design customer digital journeys with speedy time-to-market. The Bank's competencies will only strengthen as it progresses on transforming from *Bank to Bank<sup>Tech</sup>*.

The Bank made further progress in the area of Environmental, Social and Governance (ESG), with the adoption of a Board-approved ESG policy and formalising Board oversight on ESG by including it within the remit of the Risk Committee. Further, to understand the ESG considerations of stakeholders, the Bank undertook a survey to identify ESG issues believed to be material for the Bank by our stakeholders. The top five issues that emerged were compliance with regulations and other laws, digital innovation/transformation, data privacy and cybersecurity, corporate governance & business ethics, and transparency & disclosures. An approach to integrate ESG and climate change risks in the Bank's lending and risk management has also been developed. The Bank will remain cognizant of the structural shifts in a decarbonising world, and will aim to build mitigants while capitalising on the opportunities that would emerge within India's national goals and commitments.

The Bank endeavours to promote long-term sustainable growth in the economy through responsible corporate citizenship. The dedicated focus of ICICI Foundation on creating a positive social and environmental impact has led to several projects being undertaken across the country. The efforts made in the areas of healthcare and environmental sustainability, especially in rural and remote areas, have yielded positive impact.

The Board is committed to maintaining highest standards of corporate governance and will continue to review and strengthen these practices. During the year, the Board approved the Risk and Compliance Culture Policy, anchored on five key principles. The Board and its Committees conducted regular reviews to assess the Bank's response to opportunities and challenges and evaluating the impact on the business and loan portfolio. Ensuring organisational resilience and responsiveness

to the evolving technological developments and cybersecurity are priority areas of focus. The Board will continue to maintain integrity, fairness and transparency in our engagement with all our stakeholders.

Looking ahead, uncertainties have resurfaced as economies will have to tackle issues of inflation, monetary policy actions and tightening global liquidity conditions. A slowdown in global economic growth seems inevitable in the immediate period, with likely spill over to India. The Bank will focus on remaining strong and resilient while seeking to maintain sustainable, risk-calibrated and profitable growth in business.

We would like to thank all our stakeholders and look forward to your continued support.

With best wishes,

**Girish Chandra Chaturvedi**  
*Chairman*

# BOARD OF DIRECTORS

## BOARD MEMBERS



**Girish Chandra Chaturvedi**  
Non-Executive (part-time)  
Chairman



**Hari L. Mundra**  
Independent Director



**S. Madhavan**  
Independent Director



**Neelam Dhawan**  
Independent Director



**Radhakrishnan Nair**  
Independent Director



**B. Sriram**  
Independent Director



**Uday Chitale**  
Independent Director



**Vibha Paul Rishi**  
Independent Director



**Sandeep Bakhshi**  
Managing Director &  
CEO



**Anup Bagchi**  
Executive Director



**Rakesh Jha**  
Executive Director  
(Designate)\*



**Sandeep Batra**  
Executive Director

## KEY PERSONNEL

**Anindya Banerjee**  
Group Chief Financial Officer

**Ranganath Athreya**  
Company Secretary

## BOARD COMMITTEES

### Audit Committee

Uday Chitale, *Chairman*  
S. Madhavan  
Radhakrishnan Nair

### Board Governance, Remuneration & Nomination Committee

Neelam Dhawan, *Chairperson*  
Girish Chandra Chaturvedi  
B. Sriram

### Corporate Social Responsibility Committee

Girish Chandra Chaturvedi, *Chairman*  
Radhakrishnan Nair  
Uday Chitale  
Vibha Paul Rishi  
Anup Bagchi

### Credit Committee

Sandeep Bakhshi, *Chairman*  
Hari L. Mundra  
B. Sriram  
Anup Bagchi

### Customer Service Committee

Vibha Paul Rishi, *Chairperson*  
Hari L. Mundra  
Sandeep Bakhshi  
Anup Bagchi

### Fraud Monitoring Committee

Radhakrishnan Nair, *Chairman*  
S. Madhavan  
Neelam Dhawan  
Sandeep Bakhshi  
Anup Bagchi

### Information Technology Strategy Committee

B. Sriram, *Chairman*  
Neelam Dhawan  
Anup Bagchi  
Sandeep Batra

### Risk Committee

S. Madhavan, *Chairman*  
Girish Chandra Chaturvedi  
Sandeep Batra

### Stakeholders Relationship Committee

Hari L. Mundra, *Chairman*  
Uday Chitale  
Anup Bagchi

\* Will be inducted from date of RBI approval of his appointment.

# MESSAGE FROM THE WHOLETIME DIRECTORS



**Sandeep Bakhshi**  
Managing Director & CEO

In fiscal 2022, we continued to grow our core operating profit, within the guardrails of compliance and risk while strengthening our deposit franchise and expanding our technology and digital offerings. While the challenges posed by the Covid-19 pandemic tapered during the year, we focussed on maintaining a strong balance sheet with prudent provisioning and healthy capital adequacy. Our focus on 360° customer-centricity and internal collaboration enabled us to deliver customised solutions in a seamless manner.

The Indian economy presents an exciting landscape of opportunities. The extensive corporate ecosystems, global in-house centres generating high quality employment, increasing digital adoption of financial services and rising aspirations in metros, urban and rural areas provide ample opportunities to increase our market share across customer segments and products. In order to leverage these opportunities we have reorganised our business teams. Cities with large concentrated market opportunities have been organised under 'city business heads' covering the full spectrum of ecosystems. We have also focussed on strengthening the workforce by skilling and providing cross-functional opportunities.

Going forward, we will continue to operate within our strategic framework while focussing on micromarkets and ecosystems. The principles of 'Fair to Customer, Fair to Bank' and 'One Bank, One ROE' will guide our operations. We focus on building a culture where every employee in the Bank serves customers with humility and upholds the values of brand ICICI. We aim to be the trusted financial services provider of choice for our customers and deliver sustainable returns to our shareholders.



**Anup Bagchi**  
Executive Director

The Indian corporate sector showed great resilience in fiscal 2022 by overcoming the setback that it suffered during the peak pandemic period. The strong recovery in the economy is encouraging corporates to enhance capacity. There are fresh challenges in the form of inflation and geo-political uncertainties. However, armed with deleveraged balance sheets, the Indian companies are well equipped to weather volatility and capture growth opportunities. Progressive government-led initiatives to create *Atmanirbhar Bharat* add further fuel to the growth ambitions of the corporate sector. We, at ICICI Bank, stay committed to supporting our clients across all elements of balance sheets and cash flows in a 360° manner through our robust digital platforms, internet banking, Trade Online, structured trade finance, supply chain solutions and retail offerings for their human capital. ICICI Bank has been using the public digital infrastructure in our country to improve efficiency of our clients as well our own. In addition, our vast physical distribution network enables us to understand their needs and offer improved solutions to them.



**Rakesh Jha**  
Executive Director  
(Designate)

Over the years, we have focussed on enhancing customer experience through digital enablement and streamlining of processes. Our digital platforms and usage of analytics and behavioural sciences underpin our banking solutions. During fiscal 2022, we further sharpened our focus on customer-centricity with the objective of providing 360° offerings to customers. We continue to design our approach based on in-depth profiling of each micromarket and leveraging potential across ecosystems. We were delighted to introduce 'The Orange Book', a monthly digital magazine, to promote financial awareness and provide guidance on financial trends. 'iMobile Pay' witnessed significant adoption from non-ICICI Bank account holders during the year. While strengthening our digital offerings for SME and business banking customers, we introduced the new version of InstaBIZ offering a host of services that can now be experienced by non-ICICI Bank account holders too. Building upon our foundation of 'Fair to Customer, Fair to Bank', we continuously strive to provide our customers with a transparent and best-in-class banking experience.



**Sandeep Batra**  
Executive Director

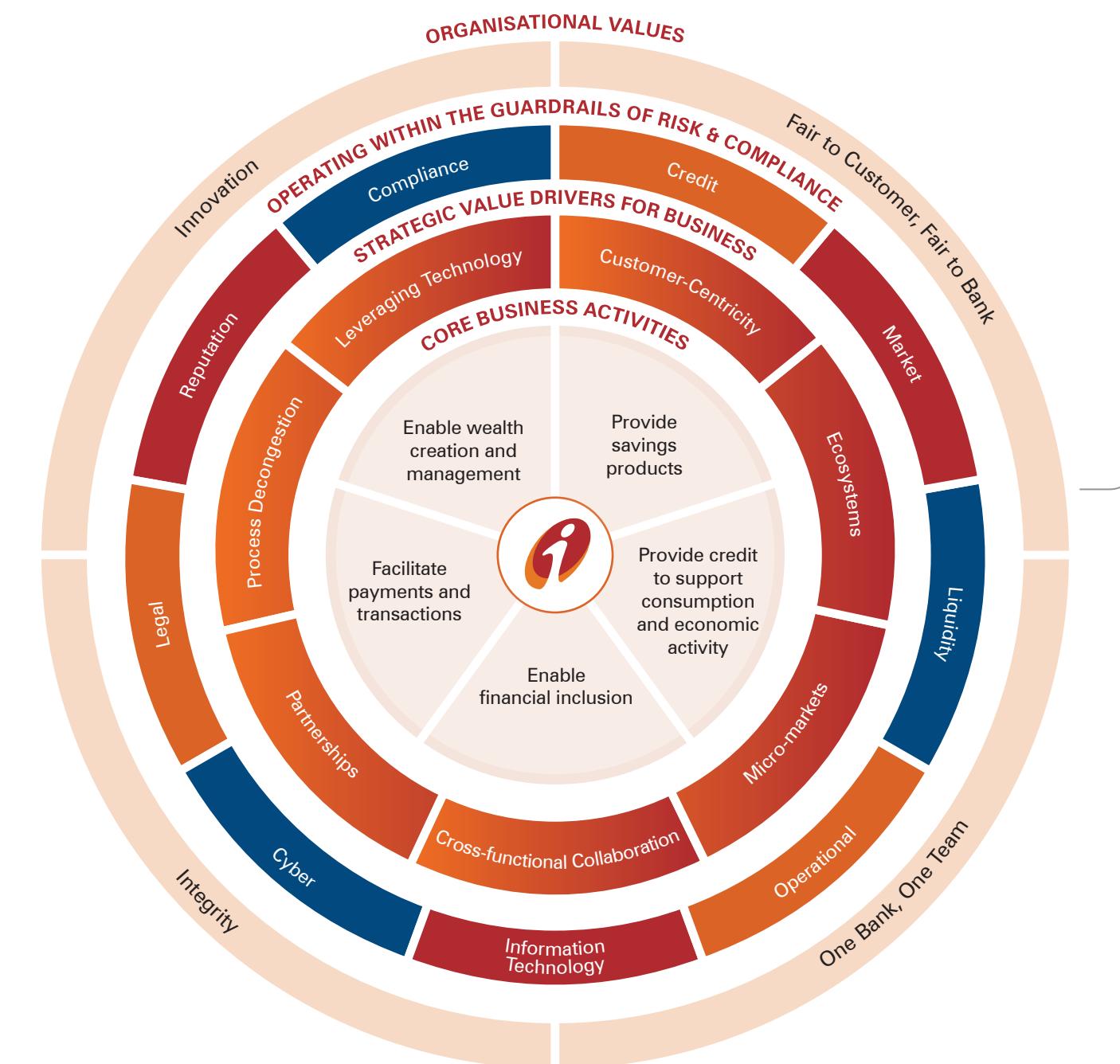
Fiscal 2022 was a year of resurgence from the unprecedented challenges brought forth by the Covid-19 pandemic. Our employees continued to show exceptional commitment to serving customers in this phase of transition to the new normal. As their well-being is of paramount importance to us, we launched a vaccination programme for our employees and their families. We continued to grow our core operating profit during the year within the guardrails of compliance and risk management through 360° customer-centric approach. We have further institutionalised our alignment of Environmental, Social and Governance (ESG) with our business by bringing out an ESG policy and integrating ESG oversight into our governance framework. We continue to strengthen our measures on cybersecurity, data protection and ensuring safe transactions for our customers. Our investment in technology is helping us to transform from a *Bank to Bank<sup>Tech</sup>*. We remain committed to building a sustainable and responsible banking business to create holistic value for all our stakeholders.

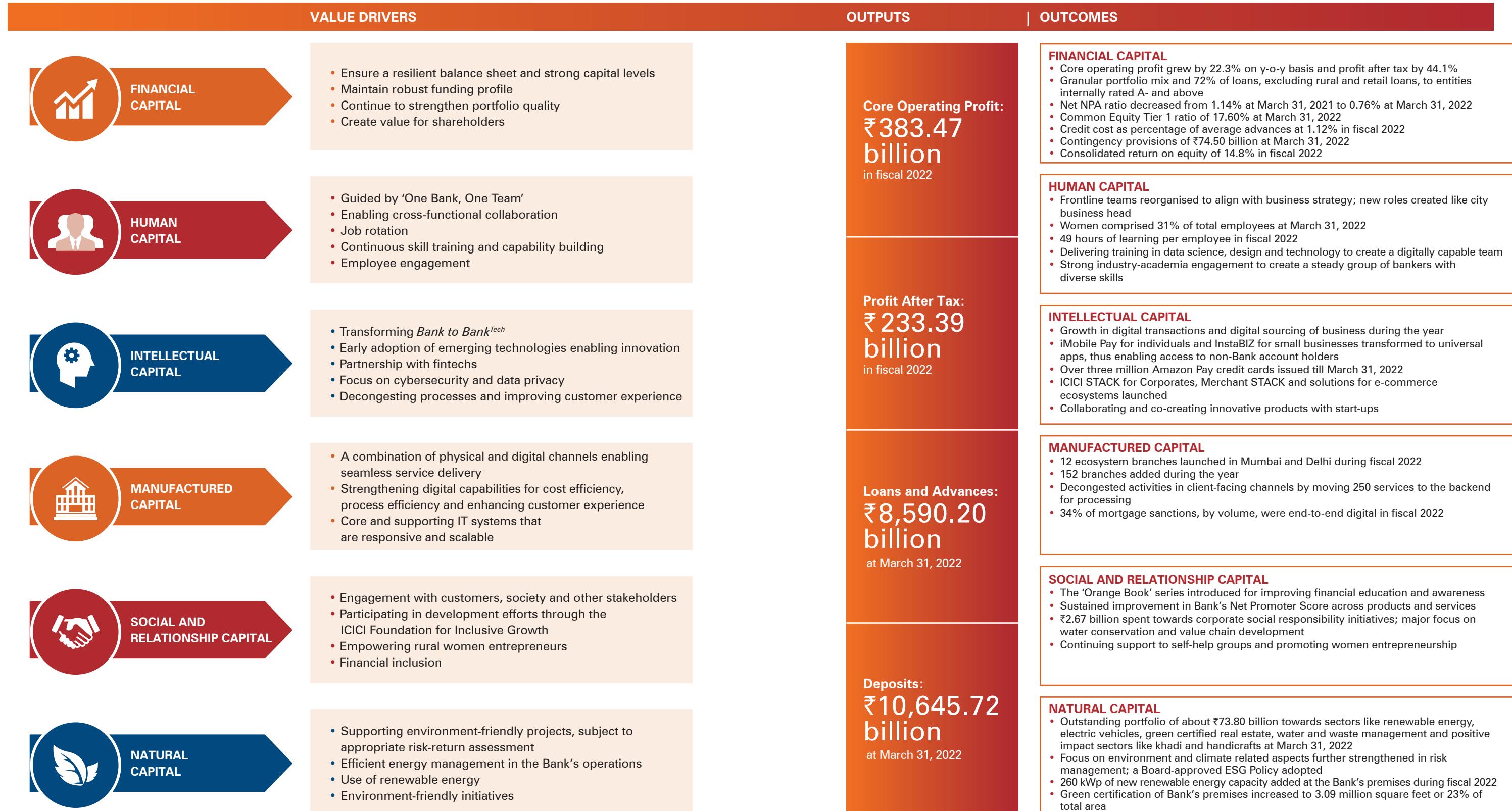
# BUSINESS MODEL



## BUSINESS MODEL

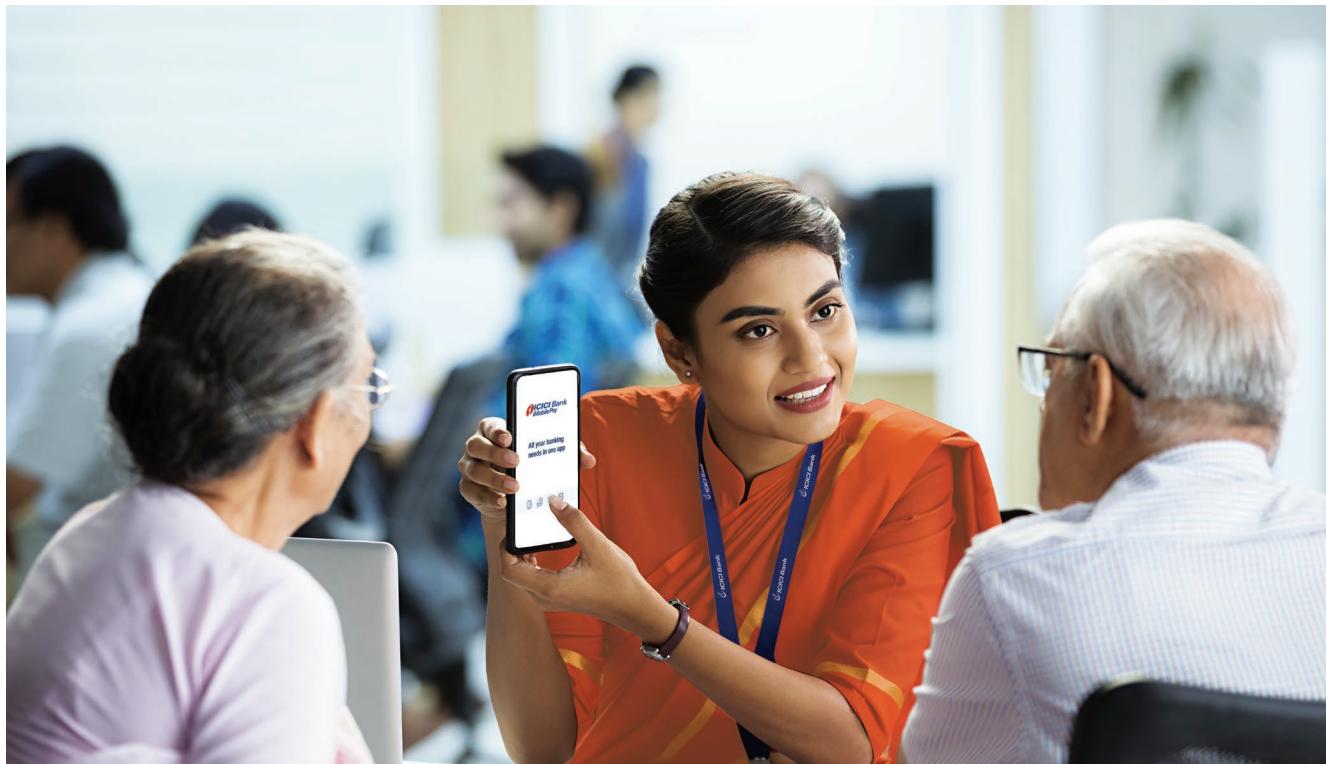
### MISSION



**BUSINESS MODEL**


# OUR BUSINESS STRATEGY

ICICI Bank's objective is to grow the core operating profit in a risk-calibrated manner, based on the principles of 'Fair to Customer, Fair to Bank' and 'One Bank, One ROE'.



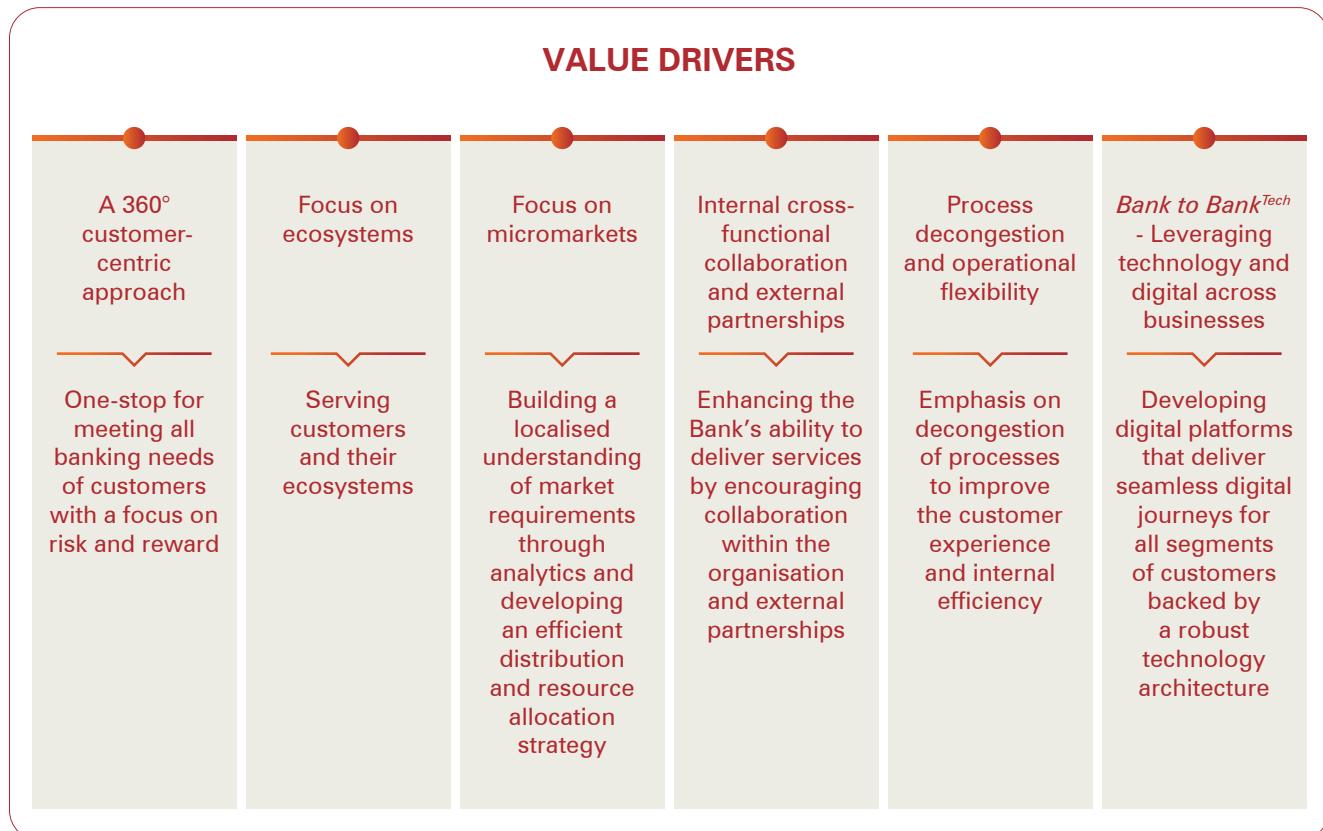
**iMobile Pay - ICICI Bank's comprehensive mobile banking application provides convenient and quick access to customers.**

The Bank's strategic focus in fiscal 2022 continued to be on growth in core operating profit within the guardrails of risk and compliance. The Bank's core operating profit grew by 22.3% during fiscal 2022 to ₹383.47 billion, through the focussed pursuit of target market segments. The domestic loan portfolio grew by 17.5% year-on-year to ₹8,177.36 billion. The Bank grew its business with a focus on granularity and saw healthy growth across retail, small and medium enterprise and business banking portfolios, and in current and savings account deposits on a daily average basis.

The Bank's strategy of growing the loan portfolio in a granular manner is underpinned by a focus on risk and reward, with return of capital and containment of provisions below a defined percentage of core operating profit being key imperatives. While there are no targets for loan mix or segment-wise loan growth, the aim is to continue to grow the deposit franchise, maintain a stable and healthy funding profile and competitive advantage in cost of funds.

## OUR BUSINESS STRATEGY

ICICI Bank aims to grow strategically by building platforms and offering seamless journeys to customers. Six value drivers form the crux of the Bank's strategy in delivering services to customers:



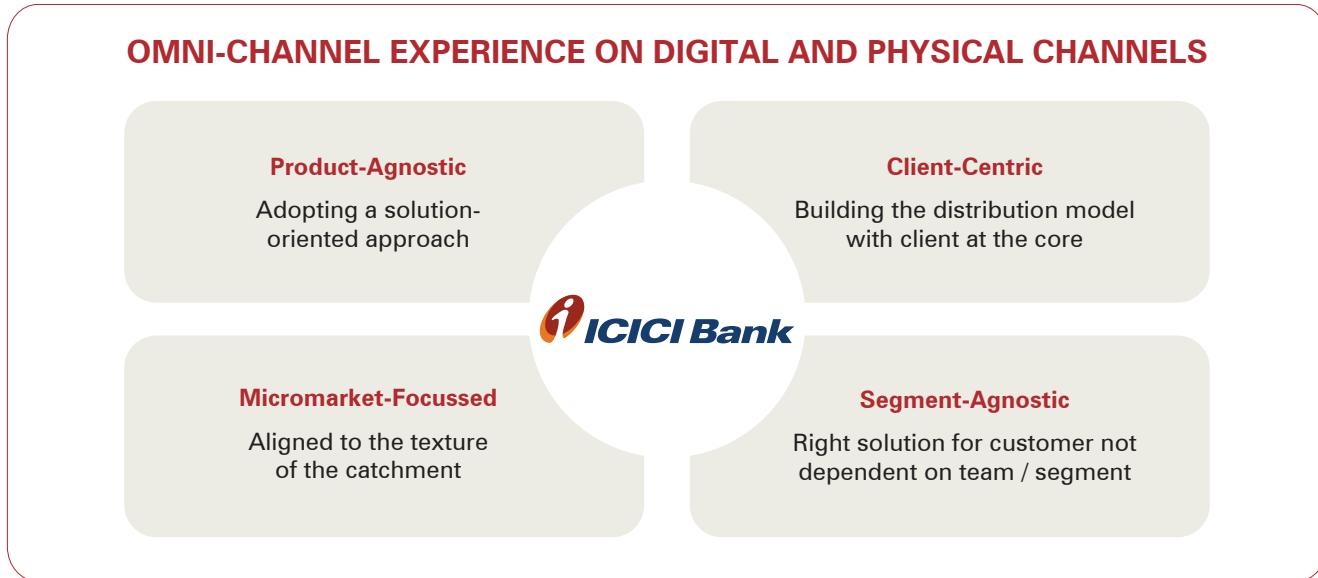
The Bank is investing in areas that are critical for delivering enhanced customer experiences, boosting productivity and improving operational efficiency. Enabled by technology, the Bank is focussing on growing its share across all businesses by attracting new customers and deepening wallet share among existing customers. The Do-it-Yourself (DIY) digital solutions and 'Insta' products combined with universalisation of mobile applications and 'Insta' products are accelerating the Bank's reach across customer segments.

Along with business growth, the Bank is also maintaining a strong risk and capital management strategy and seeking to ensure a balance of risks and rewards. The twin

principles of 'One Bank, One ROE', emphasising the need to maximise the Bank's share of the target opportunity across all products and services, and 'Fair to Customer, Fair to Bank' emphasising the need to deliver fair value to customers while creating value for shareholders, will continue to guide the Bank's operations. Building trust with all stakeholders is critical to the Bank's growth. The Bank is working to build a culture where every employee upholds these principles. The Bank aims to align the organisation structure to emerging opportunities and enabling cross-functional collaboration, encourage a culture of experimentation and build a service-oriented approach towards internal and external customers.

## OUR BUSINESS STRATEGY

### FOCUS ON CUSTOMER-360



A customer-centric approach is core to ICICI Bank's efforts in creating delightful experiences for customers. This has been enabled by adopting a solution-oriented approach to meeting all financial needs of a customer and designing solutions that are product and segment-agnostic. The approach is to take the entire bank to the customer and offer solutions for the customers and their ecosystems.

Using ICICI STACK, the Bank is offering solutions to customers on digital platforms and ensuring uninterrupted banking experience for all types of customers. The Bank has been creating intuitive customer journeys and offering personalised solutions to suit their life stage and business needs. Services offered include instant digital account opening, loan solutions, payment solutions, investments and insurance solutions.

### FOCUS ON ECOSYSTEMS

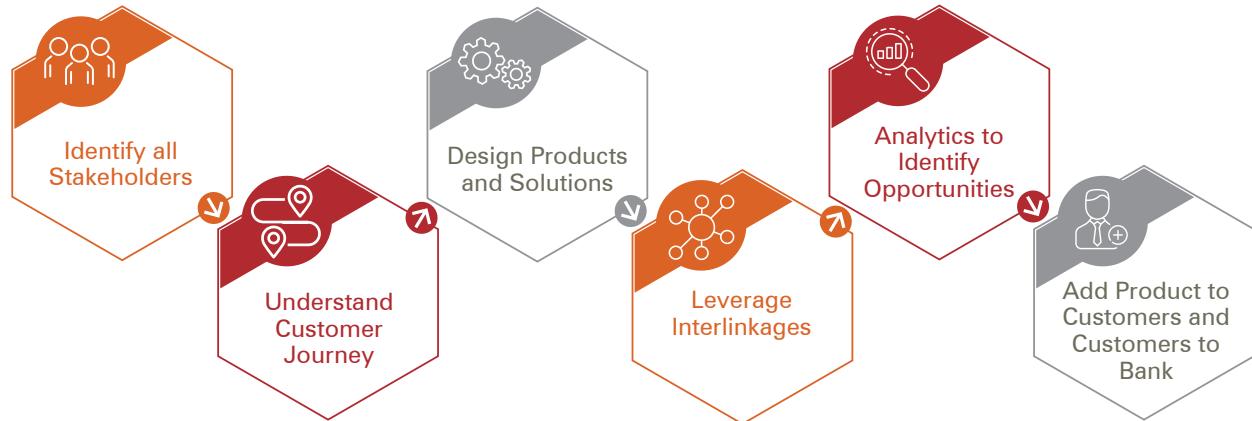
During the year, the Bank launched 'ICICI STACK for Corporates' offering comprehensive solutions to corporates and their ecosystems, like channel partners, dealers, vendors, employees and other stakeholders,

thus taking the full bank to the customer. The Corporate STACK offers customised digital banking services to companies in over 20 key industries. The four main pillars of 'ICICI STACK for Corporates' include digital banking solutions for companies; digital banking services for channel partners, dealers and vendors; digital banking services for employees; and curated services for promoters and senior management.

The Bank's strategy in the merchant ecosystem space involves onboarding merchants through acquiring platforms or by providing them payment gateways and then cross-selling other financial products and services seamlessly. During fiscal 2022, the Bank launched 'Merchant STACK' which offers an array of banking and value-added services to retailers, online businesses and large e-commerce firms. The main pillars of the 'Merchant STACK' include a zero-balance Super Merchant Current Account which offers various benefits such as digital account opening and instant overdraft facilities based on point-of-sale transactions. Merchants can also perform instant reconciliation by using the Connected Banking services, which integrates banking with the merchants' accounting system. The STACK also offers a digital store management feature for invoicing, inventory and collections management.

## OUR BUSINESS STRATEGY

### APPROACH TO ECOSYSTEM



The e-commerce ecosystem lends significant opportunities for the Bank to offer digital solutions to customers and merchants selling their goods through e-commerce websites. The Bank introduced 'cardless EMI' facility, which enables pre-approved customers of the Bank to convert their transactions into EMIs at the check-out section of the e-commerce website or app. In another initiative, the Bank partnered with Amazon India and Flipkart to offer instant overdraft facility to their registered sellers with end-to-end digital processing. Some key solutions offered to e-commerce entities and their sellers include overdraft facility, composite pay APIs enabling payments through multiple channels, working capital, foreign currency fixed deposit and easy payment solutions. For customers of e-commerce platforms, the solutions offered include wallet, prepaid and co-branded credit cards and instant credit through the Bank's PayLater solution. The value of transactions through composite pay APIs in fiscal 2022 was 4.6 times the value of transactions in fiscal 2021.

The major metro cities in India offer significant opportunities surrounding inter-connected ecosystems. During fiscal 2022, the Bank opened 12 exclusive branches for ecosystem banking in Delhi and Mumbai. These ecosystem branches are full service centres that house multi-functional teams with expertise required to meeting the needs of corporate customers and bringing the entire bouquet of services of the Bank to these corporates and their ecosystem.

### FOCUS ON MICROMARKETS

A key underpinning of the Bank's customer-centric and service-oriented approach has been to develop a granular perspective on markets through use of data analytics and market intelligence. The granular profiling of markets has helped the Bank in delivering value to customers in every segment. This research and knowledge through analytics helps the frontline teams to understand the markets in which they operate, and plan localised strategies with tailored propositions for customers. The insights from the micromarket analysis are used in conjunction with other factors for planning, resourcing, channel and product alignment, capability building and marketing and alliances.

The Bank has categorised certain branches under different affinities based on the nature of the micromarket catchments in which they operate. Branch layouts, branding elements, staffing and capability building in these branches are based on their market affinities. Micromarket insights have helped the Bank to identify optimal locations for opening new branches and for realigning its ATMs and distribution network based on customer needs and market opportunity. It has helped the Bank to launch focussed marketing campaigns targeted at specific customer segments and also to establish alliances with locally relevant partners who add value to our customers.

## OUR BUSINESS STRATEGY

The combined levers of micromarket assessment and digitisation have played a key role in driving growth and efficiency of branches. The Bank is now able to serve more customers at its existing branches and has enabled employees to perform more value-added activities. ICICI Bank's network at March 31, 2022:

**5,418**

Branches

**13,626**

ATMs

**2,983**

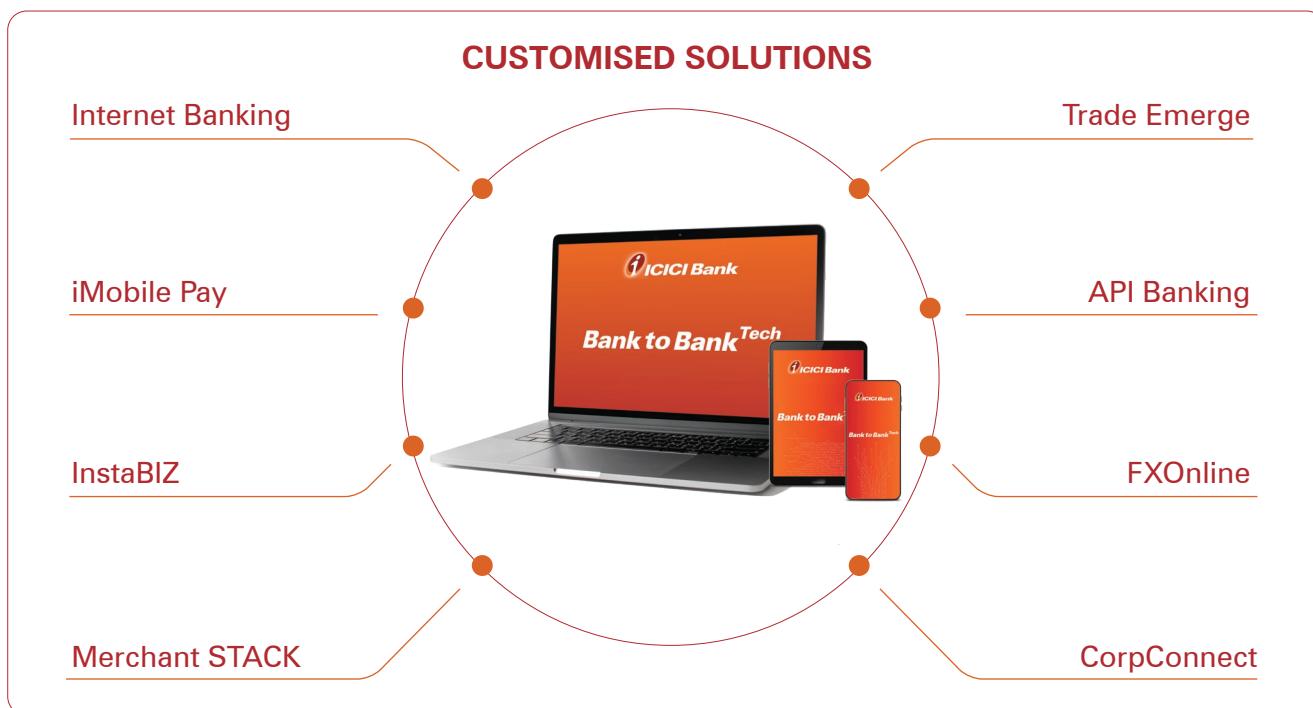
Cash Acceptance Machines

**1,102**

Insta Banking Kiosks

## DIGITAL PLATFORMS AND SOLUTIONS

As the Bank progressed on its journey of *Bank to Bank<sup>Tech</sup>*, several digital innovations with rich features and functionalities and seamless access to digital channels were launched during fiscal 2022. The Bank's digital platforms have transformed to provide best-in-class end-to-end seamless digital journeys, with the ability to offer personalised solutions, enable data-driven cross-sell and up-sell, onboard new customers, enable self-service and provide value-added features. The open architecture platforms have enabled the Bank to extend banking services even to non-ICICI Bank account holders. During fiscal 2022, the Bank's digital channels have seen a significant increase in traffic from customers and non-Bank account holders. Digital channels account for over 90% of financial and non-financial savings account transactions.



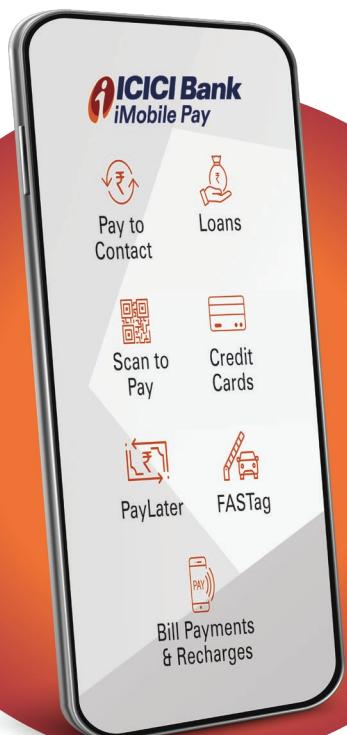
## OUR BUSINESS STRATEGY

### iMobile Pay: Universal App for Individuals

The Bank's open architecture based mobile application for individuals, iMobile Pay, provides seamless transaction features and end-to-end digital journeys for savings account, personal loan, home loan, car loan, payments, credit card, term life and health insurance and investments. The feature 'Pay to Contact' enables users to automatically see the UPI IDs of their phone contacts and easily transfer money to any payment app or digital wallet via UPI. The 'Scan to Pay' feature allows users to make bill payments by scanning the QR code. Other

features introduced on iMobile Pay include 'Tap-to-Pay' which enables customers to make card payments without the need to carry a physical card, linking non-ICICI Bank credit cards in the app for payments, outward remittances and smart checkout. These features have led to a significant increase in adoption of iMobile Pay. The Bank has recently introduced the outward remittances feature, 'Money2World', on the iMobile App for seamless cross-border transfer of funds. The Bank now offers end-to-end digital journeys for new-to-bank customers on iMobile Pay for products such as credit cards, personal loans, savings accounts and demat accounts.

### ONE BANK FOR ALL CUSTOMERS | SEAMLESS JOURNEYS



**6.3 million**  
activations of iMobile Pay  
by non-ICICI Bank account  
holders as of March 31, 2022.

## OUR BUSINESS STRATEGY

### Digital Payments and Partnerships

The Bank has continued to strengthen its position in the digital payments ecosystem by designing seamless journeys for customers, facilitating higher volumes of transactions and prompting recurrent digital transactions. The volume of UPI person-to-merchant transactions increased by 57.5% year-on-year in fiscal 2022 and the value of these transactions was 2.3 times the value in fiscal 2021.

The Bank has partnered with Amazon Pay and MakeMyTrip to offer co-branded credit cards. Over three

million Amazon Pay credit cards were issued till end-March 2022. The Bank aims to provide 360° solutions to the new-to-bank customers that have been acquired through Amazon Pay credit cards. During fiscal 2022, the Bank launched several co-branded credit cards to enable customers to earn rewards and benefits. The growth in credit card transactions was driven by higher activation rate through digital onboarding of customers, automated and effective portfolio management and diversification through commercial cards.



**The Bank has launched several co-branded credit cards with strong value propositions to customers in fiscal 2022.**

The value of credit card transactions in fiscal 2022 was

**2.1**  
times the value in fiscal 2021

The Bank's market share in credit card transactions by value increased to

**20.1%**  
in fiscal 2022 from  
**14.6%**  
in fiscal 2021

The Bank's market share in credit cards in force increased to

**17.6%**  
as at March 31, 2022 from  
**17.1%**  
as at March 31, 2021

A market leader in FASTag with market share of about

**33%**  
in fiscal 2022;  
collections through  
FASTag higher by  
**51.9%**  
year-on-year in  
fiscal 2022

## OUR BUSINESS STRATEGY

### iLens

During fiscal 2022, the Bank introduced iLens, an integrated, end-to-end digital lending solution for mortgages which covers all facets of the loan life cycle starting from sales till disbursement including property appraisal. It is a single interface for employees, third-party agencies and distribution channels with the objective of providing superior transacting experience and enhanced operational efficiency. It also offers seamless experience to new-to-bank and existing customers through instant sanction letters, option for disbursement initiation and real-time loan tracking.

The Bank also introduced digital processing of home loan applications for Non-Resident Indian (NRI) customers. For the NRI customers, the Bank has introduced 'Do-It-Yourself Home Loan' application, address change, re-KYC and mandate holder registration process through the iMobile Pay app.

### InstaBIZ: a Comprehensive Open-for-All Digital Platform for MSMEs

The Bank's comprehensive mobile banking app for businesses, InstaBIZ, offers a host of services. We have seen an increase in the engagement level of business banking customers on the InstaBIZ app.

In line with the philosophy of open architecture, the Bank recently made the InstaBIZ app interoperable. Various features of the app are now available to all merchants including those who do not have a current account with the Bank. Merchants, including those who do not have a current account with ICICI Bank, can instantly create digital collection solutions like UPI ID and QR code and start collecting money from their customers immediately. They can apply digitally for point of sale (POS) devices. Merchants can open a current account instantly and digitally on InstaBIZ. This end-to-end paperless process leverages the Bank's advanced APIs that auto fill the

### InstaBIZ - UNIVERSAL APP FOR SMALL BUSINESSES



#### Lending

InstaOD, Merchant OD and Online FD-OD



#### Service

Debit Card, Cheque Book / iTrack Services, Loan Details and Statement



#### Tax and Compliance

GST, TDS and Income Tax



#### Manage@Business

Raise Invoices and Collect



#### Transaction

Single & Bulk Fund Transfers and Utility Bill Payments



#### Trade and Forex

Inward and Outward Remittances through Trade One View



#### Merchant Services

Multiple Collection Modes, POS Machines and Digital Store Management



#### Networking

Online Business Networking Platform for Small and Medium Enterprises (SMEs) and Start-ups



over  
**One million** active customers

## OUR BUSINESS STRATEGY

account opening form and validate the identity of the merchant instantly. Through 'InstaOD Plus', customers of any bank can avail an overdraft (OD) up to ₹2.5 million instantly. Customers of ICICI Bank can activate the OD into their current account instantly, while customers of other banks can do so after opening of a current account with the Bank digitally by using Video KYC.

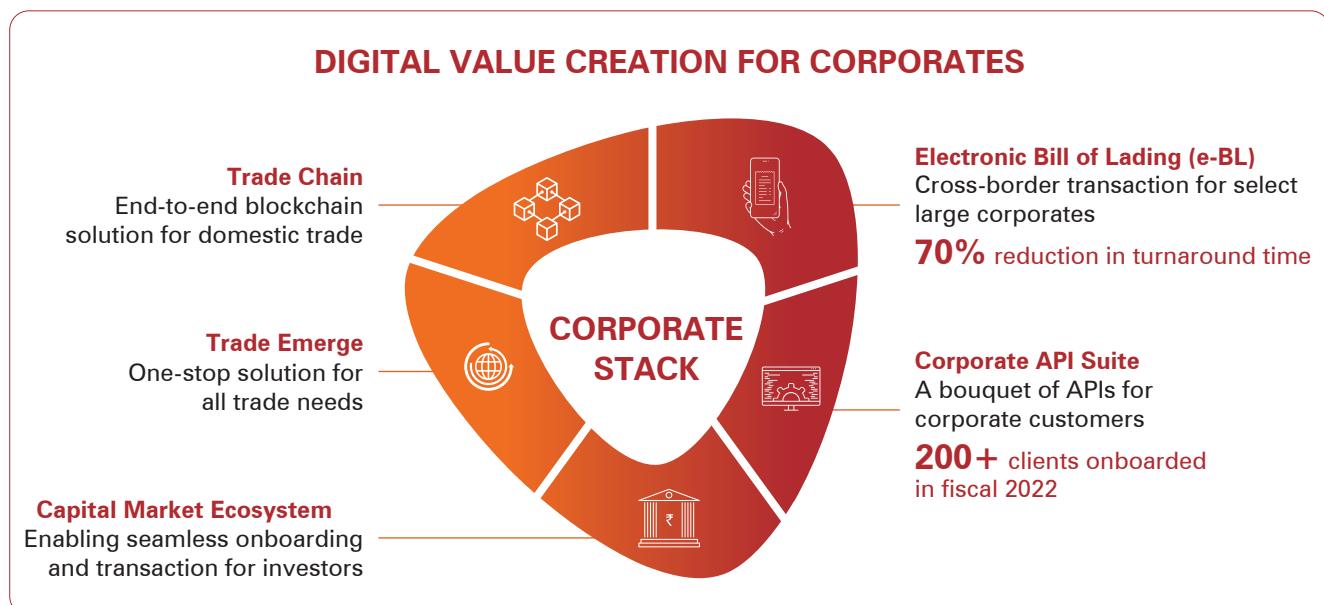
### Digital Platforms and Solutions for Corporate Customers

The Bank's digital offerings for large corporates and their ecosystems include digital platforms for domestic and international trade and industry-specific solutions across the value chain. Platforms offered to corporate customers as a part of STACK include the corporate internet banking platform, Trade online and FXOnline, among others. The Bank's Trade Online platform allows customers to perform most of their trade finance and foreign exchange transactions digitally. The value of transactions on the Trade Online platform grew by 76.2% year-on-year in fiscal 2022. During the year, ICICI Bank launched 'Trade Emerge', an online platform for cross-border trade. A first-of-its-kind initiative, it offers an array of banking and value-added services in one place, and eliminates the need for companies to coordinate with multiple touchpoints. Trade Emerge is a step towards developing banking as a platform, targeted at emerging businesses. With this, the

Bank aims to ensure a holistic approach to trade fulfilment, and offers a unique competitive advantage because of the end-to-end coverage of the trade journey. Trade Emerge has been integrated with the Bank's key flagship offerings, Corporate Internet Banking and InstaBIZ.

Recently, the Bank launched a revamped OneSCF, an integrated supply chain platform providing corporate customers, their vendors and dealers with a one-stop solution to efficiently manage their working capital requirements. The corporate clients can also avail seamless end-to-end supply chain financing by integrating with the Bank's platform through various modes for improving operational efficiency.

A facility to download 'Easy Balance Confirmation Certificate' through the Corporate Internet Banking platform was introduced, thus reducing the turnaround time for obtaining confirmations for financial reporting and regulatory purposes. To give a one-stop solution for all statutory requirements of the customer, the Bank has facilitated online payment of customs duty along with direct taxes, GST and various other tax payments. For addressing the challenges and risks associated with the transfer of physical documents, the Bank has partnered with leading electronic bill of lading service providers for facilitating digital transfer of trade documents over the platform. Electronic bill of lading imparts value to the customer by providing operational efficiency and



## OUR BUSINESS STRATEGY

improved cash flow management. These embedded solutions help the Bank to enhance customer satisfaction and improve wallet share.

The Bank's comprehensive array of solutions to meet the needs of customers and their ecosystems are supported by robust online channels, ecosystem branches and powerful APIs that aim to impart convenience and efficiency to our clients.

### Digital Solutions for Non-Resident Indians

The Bank has introduced digital conversion of three-in-one accounts for Non-Resident Indian (NRI) customers, and in certain approved geographies, is offering term life insurance digitally. The Bank also introduced mutual fund investment through iMobile Pay for NRI customers.

The Bank implemented the first global tie-up for the India corridor on SWIFT Global Payments Innovation (GPI) Instant for small value personal remittances. For inward remittances, the Bank continues to focus on partnerships with correspondent banks and exchange houses. The functionality for offering instant express facility in the US for new customers through Equifax has been made live.

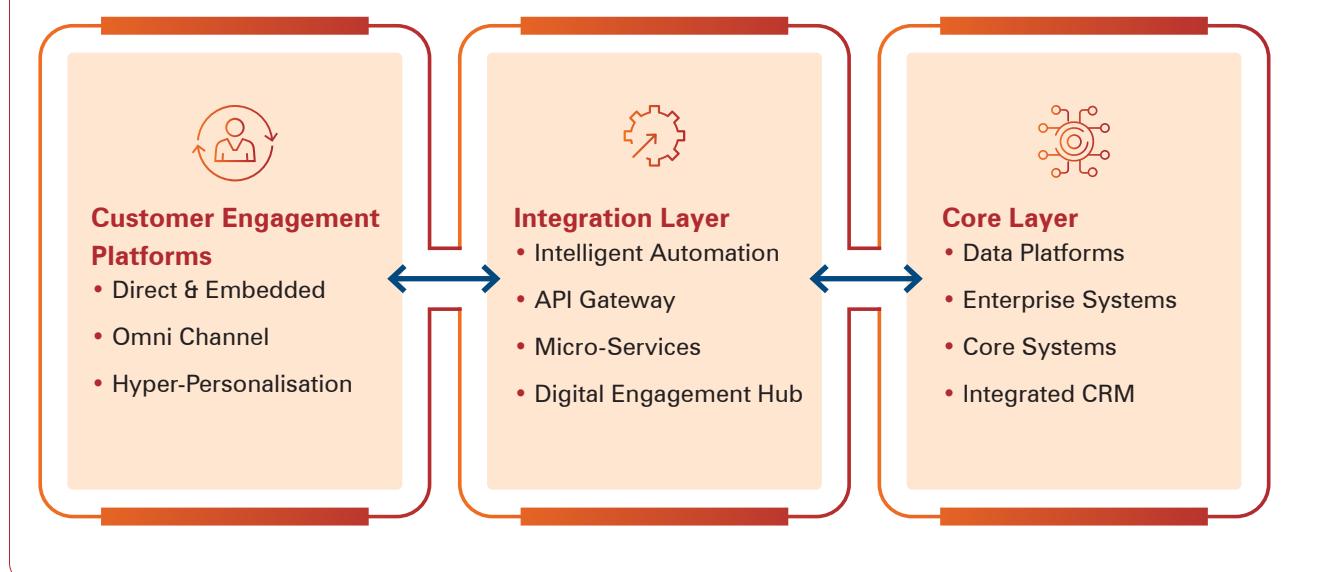
Under this facility, customers are eligible for transfers to India in a shorter duration based on their eligible Equifax score compared to the internal criteria that was applicable earlier. On Outward Remittances, 'Money2World' has been launched on iMobile App for seamless and ease in transferring funds.

### TRANSFORMING INTO BANK<sup>TECH</sup>

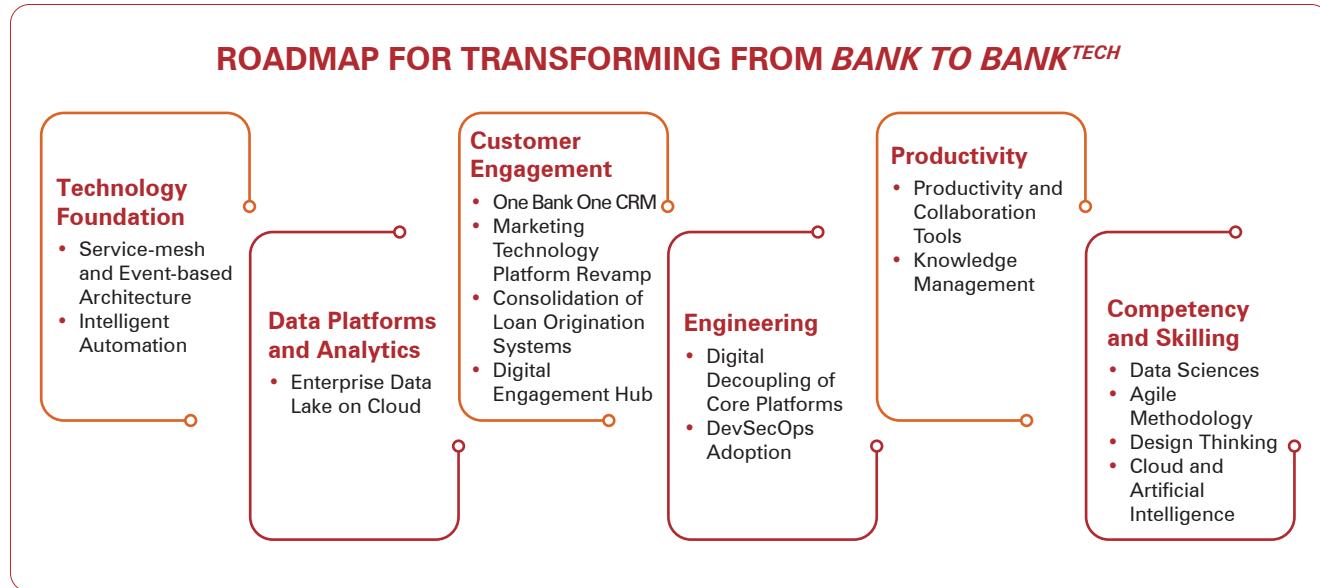
ICICI Bank's extensive range of digital products and services, the rapidly growing digital transactions and the web of interconnected platforms, applications and databases demand the creation of a secure, stable and resilient technology infrastructure. The Bank recognises the need for an effective technology architecture that facilitates faster transactions, is ubiquitous, enables decision-making and creates value proposition for every customer.

The key priorities that dominate the Bank's technology requirements include its technology platforms, embedded banking, cloud adoption and data platforms and analytics. The Bank has over 600 APIs for retail banking and over 85 for corporate banking, with approximately 100 million financial and non-financial transactions per day.

### THE BANK<sup>TECH</sup> ARCHITECTURE



## OUR BUSINESS STRATEGY



As a part of the Bank's technology strategy, it is creating an enterprise architecture framework across digital platforms, data and analytics, micro services based architecture, cloud computing, cognitive intelligence and other emerging technologies. This is based on the pillars of scalability, modularity, flexibility and agility, resilience and reliability, and creating delightful and digitally native customer experiences to enable sustainable profitable growth.

The fast emerging technology advancements like cloud computing and data sciences coupled with economics of ecosystems and customer preference are constantly redefining risks and opportunities in a dynamic manner. Re-imagined customer touchpoints and journeys have impacted and transformed customer experiences across segments. Business process optimisation, decongestion in decision-making and new modes of revenue through different economic models and partnerships are getting crystallised. Robotic Process Automation (RPA) has enabled efficiency and automation across various business and operational processes resulting in faster turnaround time besides enabling increased capacity for handling transaction volumes and customer requests.

The Bank has a dedicated data science and analytics team that works across business areas on projects relating to business analytics, decision strategies, forecasting models, machine learning, rule engines and performance monitoring. We maintain a comprehensive enterprise-wide data warehouse and employ statistical and modelling tools for leading-edge analytics.

## Over 600

APIs for retail banking

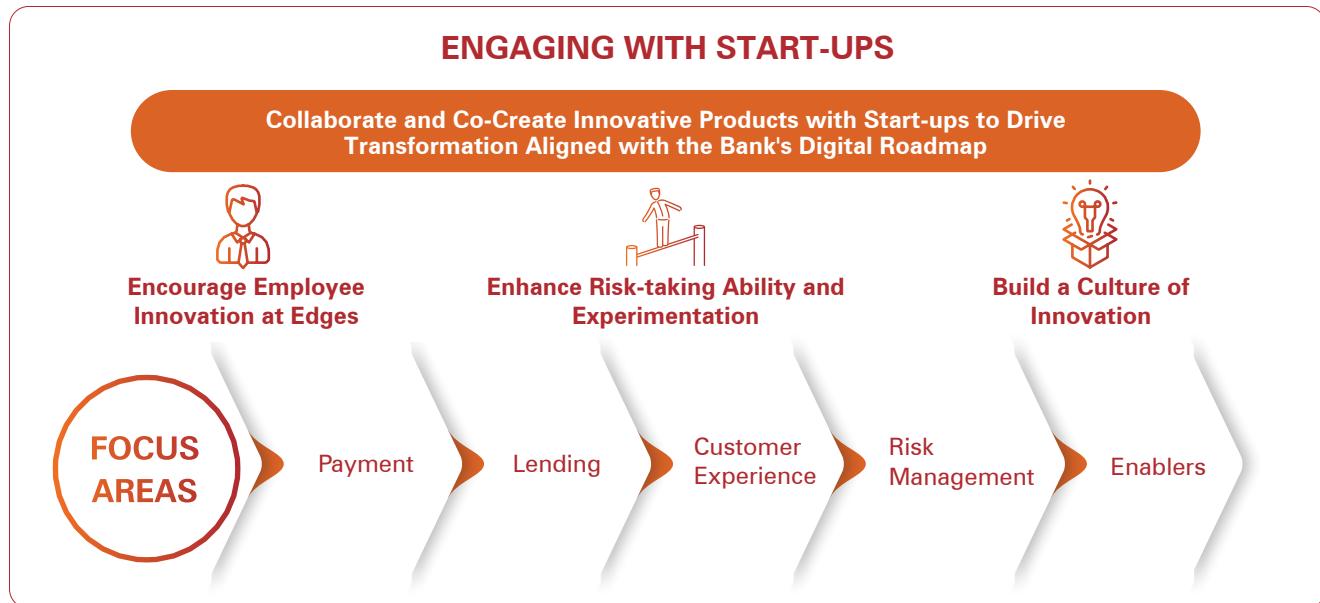
## Over 85

APIs for corporate banking

## Close to 100 million

financial and non-financial transactions per day

## OUR BUSINESS STRATEGY



In driving an innovation and start-up mindset, the Bank has set up an Innovation Centre to collaborate with and invest in fintech startups and co-develop products aligned with the Bank's digital roadmap. The engagements with the startups are focussed on payments, digital lending, customer experience, risk management and platforms. The Bank is also offering a host of APIs and Software Developer Kits (SDKs) which facilitate third-party apps to offer payment solutions for their retail customers.

Banking services are increasingly omnipresent and completely embedded into the customer journey, which makes scalability, extensibility, security and agility the cornerstones of development. At the same time, new forms of risks such as social frauds and cyber threats are also a reality. In this context, the Bank has adopted a technological approach that enables us to respond to the changing dynamics in an agile and responsive manner.

## BUILDING EFFICIENCIES AND FLEXIBILITY

With a view to effectively respond to customer requirements, ICICI Bank continues to streamline processes and creating innovative and value-adding

solutions. The Bank has empowered frontline teams to identify and leverage local opportunities. The drive on technology has enabled the Bank to not just deliver improved customer experiences but also enhance productivity and improve process efficiencies. A case in point is the decongestion of the customer onboarding process. The Bank has pursued the digitisation of Know-Your-Customer (KYC) processes, and has been one of the early adopters of video-KYC. The Bank has introduced video-KYC across products such as savings account, credit cards, personal loans, mortgage, commercial cards, education loan, travel card, current account and overdraft facility for proprietors and others. This has significantly reduced the time taken to onboard a customer. In addition, the Bank leverages the Central KYC Registry, which is a central repository for KYC information of all customers of financial institutions, for onboarding customers.

## ONE BANK, ONE ROE

The principle of 'One Bank, One ROE', emphasises the need to maximise the Bank's share of the target opportunity across all products and services. This requires speed, agility and adaptability to the evolving business environment and a key enabler in this regard is the Bank's human capital. ICICI Bank has focussed on strengthening the workforce by skilling and providing

## OUR BUSINESS STRATEGY

cross-functional opportunities. Job rotation enables employees to have a wider perspective of banking products and services, and go beyond their defined roles to spot opportunities for 360° customer experiences. In order to leverage opportunities in city-ecosystems, the Bank has reorganised business teams to enable active collaboration across teams. Cities with large concentrated market opportunities have been organised under 'city business heads' covering the full spectrum of ecosystems. This facilitates seamless working of relationship teams and channels in an integrated manner across all products and customer segments.

*For more details, refer to the Human Capital chapter on page 46.*

The principle of 'Fair to Customer, Fair to Bank' emphasising the need to deliver fair value to customers will also continue to guide the Bank's business.

*For more details, refer to the Fair to Customer, Fair to Bank chapter on page 30.*

## KEY AREAS OF BUSINESS

### Retail

The retail business continued to be a key driver of growth in fiscal 2022, as we pursued a strategy of building a diversified and granular loan portfolio. The Bank's retail portfolio grew by 19.7% year-on-year to ₹4,546.35 billion at March 31, 2022. Retail loans accounted for 52.9% of total loans, and including non-fund based outstanding, the share was 43.8% in the total portfolio. The Bank has undertaken several initiatives to offer a convenient and frictionless experience to customers by digitising the entire underwriting process, with instant loan approvals.

The Bank continued to maintain a robust funding profile with strong growth in the deposit base. Total deposits increased by 14.2% year-on-year to ₹10,645.72 billion at March 31, 2022. Savings account deposits, on a daily average basis, grew by 23.5% year-on-year in fiscal 2022. Current account deposits, on a daily average basis, grew by 31.0% year-on-year in fiscal 2022. Term deposits grew by 9.0% year-on-year to ₹5,461.35 billion at March 31, 2022. The growth in the deposit franchise was supported by ongoing efforts to strengthen the Bank's digital platforms and process simplification to provide a seamless banking experience to customers.



ICICI Bank's ecosystem branch at Bandra-Kurla Complex, Mumbai.

## OUR BUSINESS STRATEGY



**ICICI Bank offers financial solutions to farmers and other customers in the rural ecosystem.**

### Rural and Inclusive Banking

The Bank's product offerings in the rural markets include working capital loans for growing crops, financing of post-harvest activities, farm equipment loans, financing against warehouse receipts and loans against gold jewellery along with personal loans, affordable housing finance and auto and two-wheeler loans. The Bank also provides consumption loans for low-income customers. Financial solutions are offered to micro-finance institutions, self-help groups, co-operatives constituted by farmers and corporations and small and medium enterprises engaged in agriculture-linked businesses. The Bank's rural portfolio grew by 6.5% year-on-year to ₹768.30 billion at March 31, 2022.

The Bank has identified six main ecosystems in the rural market, which include farmers, dealers, self-employed persons, corporates, institutions and micro-entrepreneurs.

The farmer ecosystem includes participants like farmers, seed producers, agri-input dealers, warehouses, agri-equipment dealers, commodity traders and agri processors. Products offered include working capital loans through the Kisan Credit Card and gold loans, and term loans for farm equipment, dairy livestock purchase and farm development. The dealer ecosystem comprises dealers/distributors of farm equipment, white goods, and pharmaceutical manufacturers. The self-employed

ecosystem comprises rural entrepreneurs who are engaged in trading and manufacturing activities based out of commercial and industrial areas in the rural market dealing with both agri & non-agri related products. The rural ecosystem of corporates includes manufacturing and processing units, employees, dealers and suppliers. The institutional segment comprises schools, colleges, hospitals and government offices. The micro-lending space includes women from the lower-income strata of the population, non-government organisations and other institutions working at the grassroot level in the rural economy.

The Bank's reach in rural areas comprises a network of branches, ATMs, field staff and business correspondents providing last-mile access in remote areas. Of the Bank's network of 5,418 branches, 51% are in rural and semi-urban areas with 649 branches in villages that were previously unbanked. The Bank has 13,168 Business Correspondents providing last-mile access to 20,540 unbanked locations in remote regions. There were over 3,300 ATMs in the rural and semi-urban areas at March 31, 2022.

*For information on the Bank's financial inclusion and rural development initiatives, refer to chapter Social and Relationship Capital on page 52.*

### Small and Medium Enterprises and Business Banking

The Small and Medium Enterprises (SMEs) portfolio comprises exposures to companies with a turnover of up to ₹2.50 billion. The Bank's business banking portfolio comprises small business customers with an average loan ticket size of ₹10.0-15.0 million. The business banking portfolio grew by 43.2% to ₹534.37 billion and accounted for 6.2% of the overall portfolio at March 31, 2022. The Small and Medium Enterprises segment grew by 33.6% to ₹404.50 billion and accounted for 4.7% of the overall portfolio. The growth in the portfolio was driven by the Bank's digital offerings and platforms such as InstaBIZ and Merchant STACK and efforts towards process decongestion such as online electronic franking and digital signature-based document execution (Eazysign).

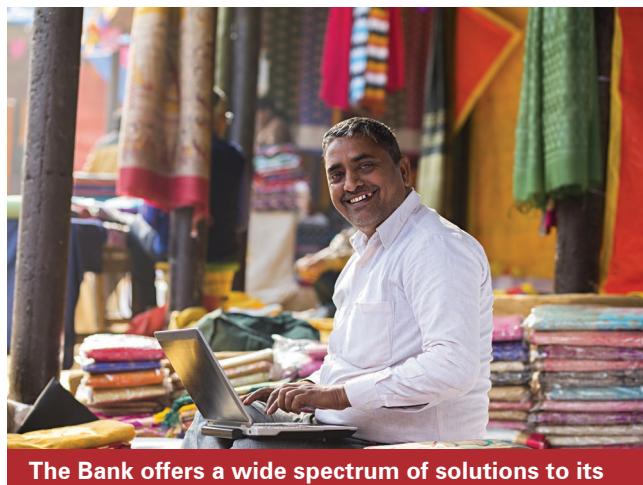
## OUR BUSINESS STRATEGY

The Bank's focus in these businesses is on parameterised and programme-based lending, which is granular and well-collateralised. The SME and business banking customers are offered a wide spectrum of solutions addressing their evolving business needs such as customised offerings, faster turnaround time, transaction convenience and cross-border trade and foreign exchange products. Providing digital solutions is at the core of the engagement, with the range of solutions spanning customer onboarding, payments and collections, lending and cross-border transactions.

Following the Covid-19 pandemic, the Bank provided financial assistance to clients based on various government schemes. Under the Emergency Credit Line Guarantee Scheme, the Bank had disbursed about ₹179 billion to customers till March 31, 2022.

The Bank continued to enhance the data analytics driven onboarding, credit assessment and monitoring of retail and SME customers and creation of propositions for their supply-chain financing needs.

The Bank follows strong risk management practices in managing the SME and business banking portfolio, with a view to enhancing the portfolio quality by reducing concentration risks and a focus towards granular and collateralised-lending based growth. The Bank's robust portfolio monitoring framework is able to proactively analyse and detect stressed cases which enables early



**The Bank offers a wide spectrum of solutions to its SME and business banking customers.**

action and ensures healthy portfolio quality. The Bank has further strengthened its underwriting process by integrating various digital tools like bank statement analyser, automatic fetching of bureau reports and enhanced business rule engine to generate probability of default scores for score-based analysis into one single ecosystem called 'Infinity'. A combination of qualitative and quantitative assessment tools are utilised to arrive at the final credit decision.

### Wholesale Banking

The Bank's wholesale banking customers include large private sector business houses and companies, financial institutions and banks, public sector undertakings and central and state government entities. In the last few years, the Bank has developed a strong franchise among Multi-National Corporations (MNCs) and new-age services companies, and also established a strong franchise in the financial sponsors space with special focus on private equity funds and their investee companies.

The Bank's approach has been to deepen its partnership and support to clients through their life cycle. Our product portfolio and delivery platforms are comprehensive and technologically advanced and include lending products for working capital and capital expenditure requirements and other products that the client may need across trade, treasury, bonds, commercial papers, channel financing, supply chain solutions and various other activities. The domestic corporate loan portfolio grew by 9.7% year-on-year to ₹1,937.34 billion at March 31, 2022 and accounted for 22.5% in the overall portfolio.

With a focus on the Bank's overall strategy of maximising the risk-calibrated core operating profit, value creation for clients is the main focus. Instead of being only capital providers, the Bank aims to become business partners to its clients. With the client at the centre, all the teams across the Bank are well-aligned to offer the entire Bank's offerings to wholesale clients and their ecosystems. This has not only made client servicing more effective, but also helped in deepening the Bank's relations in high-value retail accounts of promoters, directors and employees through a suite of retail products like salary, private and wealth banking, home loans, personal loans, vehicle loans, etc. This approach has also reduced client acquisition cost.

## OUR BUSINESS STRATEGY

Supply chain financing is an integral part and a focus area towards deepening our coverage of the corporate ecosystem. The supply chain solutions CorpConnect and DigitalLite enable corporates to seamlessly manage supply chain financing, payments, collection and reconciliation requirements of their dealers and vendors in a convenient and paperless process. These solutions also automatically assess the eligibility of the corporate's dealers and vendors for credit through business rule engine, Goods and Services Tax (GST) returns, intelligent algorithm with automated bureau checks and dedupe checks. The value of transactions through supply chain solutions in fiscal 2022 was 2.7 times the value of transactions in fiscal 2021.

The Bank has extensively leveraged analytics to monitor transactions and portfolio quality. While new credit is extended in a granular manner to well-established and higher-rated business groups, analytics is used for portfolio monitoring and identification of early warning signals in the existing portfolio. This has led to enhancement of the overall quality of the corporate portfolio. The Bank has also focussed on reducing concentration risks to make the portfolio more granular.

## International Business

ICICI Bank's international presence consists of branches in seven overseas locations and representative offices in nine locations outside India. The Bank has Offshore Banking Unit (OBU) in Mumbai and IFSC Banking Unit (IBU) in GIFT City, and wholly-owned subsidiaries in the United Kingdom (UK) and Canada. ICICI Bank UK also has a branch in Germany.

The Bank's international franchise focusses on four strategic pillars, namely the NRI ecosystem comprising deposits, remittances, investments and asset products; the MNC ecosystem comprising both foreign MNCs investing in India and Indian MNCs for their foreign currency and other India related requirements as well as Global In-house Centres (GIC), which are back-offices of MNCs created to serve the world; trade ecosystem, comprising primarily India-linked trade transactions which are self-liquidating in nature; and funds ecosystem, to capture fund flows into India through the Foreign Portfolio Investment (FPI) and Foreign Direct Investment (FDI) route.

The Bank continued to progress in its strategic objective of reducing the non-India linked exposures in a planned manner. The non-India linked corporate portfolio reduced by 48.2% year-on-year or by USD 0.6 billion during fiscal 2022.

## Government Banking

The Bank has been providing a range of banking services to Government of India ministries, state government departments and district and local bodies across the country. ICICI Bank offers its government customers a wide spectrum of solutions, including customised products and services for enhancing e-governance and financial management.

The Bank is assisting the government for collection of central taxes, state taxes and GST payments through authorised branches and digital channels. Our integrated banking platforms provide simple online tax payment options to customers. Statutory payments like EPFO and ESIC dues can be done online through the Bank's platforms.

The Bank has onboarded a number of Central and State Government departments for ensuring quick disbursement of funds/benefits to beneficiaries and implementing agencies through the Public Financial Management System (PFMS) of Government of India. The Bank is also assisting State-level nodal agencies and last-mile implementing agencies for adopting efficient release of Government of India scheme funds in 28 states.

# FAIR TO CUSTOMER, FAIR TO BANK

The Bank's philosophy of 'Fair to Customer, Fair to Bank' emphasises the need to deliver fair value to customers, including selling products and offer services which meet societal needs and are in the interest of customers.



**ICICI Bank is continuously seeking to create value across the customer life cycle through decongested delivery, zero or low-touch operations and enhanced customer engagement.**

The customer is at the core of all initiatives at the Bank, and this strategic approach has enabled unlocking of the potential value of the relationship with the customer. As we walk this path, the Bank is continuously seeking to create value across the customer life cycle through decongested delivery, zero or low-touch operations and enhanced customer engagement.

In fiscal 2022, the Bank further progressed on its transition from a culture of customer satisfaction to a

culture of customer delight and advocacy. The philosophy of 'Fair to Customer, Fair to Bank' was emphasised to drive mutually beneficial customer relationships. With the objective of pushing the boundaries of customer experience, end-to-end customer journeys across products, processes and channels were mapped and based on the insights gathered from Net Promoter Score (NPS), Voice of Customer and Root Cause Analysis, key customer service initiatives were implemented.

## FAIR TO CUSTOMER, FAIR TO BANK

Some key initiatives taken during fiscal 2022 were:

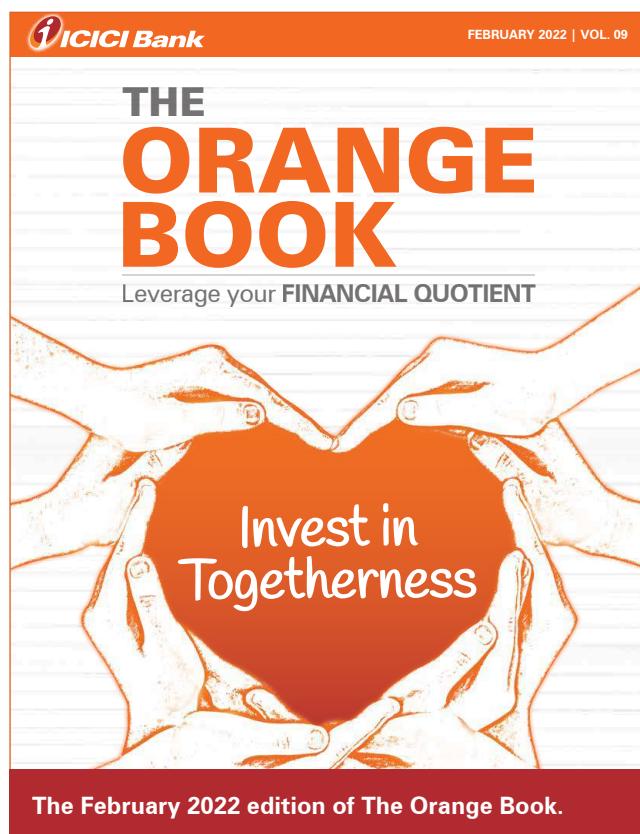
- Enhancing and decongesting the account opening experience.
  - The account opening process for retail products were streamlined such that the existing data and KYC documents with the Bank were considered for an existing customer wanting to avail a new retail product.
  - For current account opening, Smartform 2.0 (a single-page account opening form) was launched with minimal data entry, enabling quick turnaround time for current account opening and a seamless account opening experience.
  - An e-application form was launched for personal loans, which eliminates the need of physical application form collection and wet signature from the customer.
- Customer experience on the Bank's digital channels were enhanced.
  - Features on iMobile Pay were improved enabling deposits, investments in mutual funds and auto recharge of FASTag. UPI services were introduced for fund transfers for Non-Resident Indian (NRI) customers. The mobile app now also allows enhanced credit card controls, converting multiple credit card transactions into Equated Monthly Instalments (EMI) and reissuing a blocked credit card.
  - New features were introduced on the internet banking platform for retail customers like scan and pay for credit card bills, a revamped dashboard for NRI customers and digitisation of mortgage servicing for 11 key services such as account summary, part payment, rate conversion, and others.
  - Services introduced on the corporate internet banking platform included easy bill payments with multiple biller registrations, auto reversal for failed online NEFT transactions and removal of limit on count of NEFT transactions during cut-off and holiday period.
- Insta offerings were launched in the areas of onboarding of cash management services and trade.
- An initiative to decongest activities in the client-facing channels including sales, credit and branches was undertaken by moving about 250 services to the backend for processing. This led to significant easing for the front-end staff and enabling more value-added engagement with customers.
- Online Assist, an industry-first initiative, was implemented for reversal of credit card charges. This enables real-time decisioning on reversal of charges using data science and instantly posting the credit to the customer's account with zero human intervention.
- The availability of a service desk for customers using payment and collection services, Connected Banking, EazyPay POS and EazyPay UPI was extended to 12 hours on all days compared to the earlier nine hours and only on weekdays.
- A Multi-Channel Campaign Management (MCCM) framework, which is based on Machine Learning/ Deep Learning driven actions, was introduced. This feature enables personalised customer communication across four different life stages.
- Banking services were enabled on tablets through Branch on the Move (BOTM), which allows branch employees to address the customer's transaction requirements in a fast and seamless manner.



## FAIR TO CUSTOMER, FAIR TO BANK

ICICI Bank's value propositions for customers and the endeavour to create a positive customer experience have led to a sustained improvement in the Bank's Net Promoter Score (NPS) across products and services, a key metric for measuring customer advocacy. The Bank also ensures continuous engagement with its customers through multiple channels including through branch employees, surveys, social media and channels for raising queries and grievances.

While creating seamless and convenient banking experiences for customers, the Bank also recognises the customers' need to understand personal finance better through reliable information that is easily accessible. To address this need, the Bank launched a unique digital initiative 'The Orange Book' in fiscal 2022, a monthly e-magazine that educates customers about personal finance and helps them to take better financial decisions. The Orange Book with a monthly readership of about 1.2 million, covers an array of financial topics from investment planning, safe banking to tax savings, financial preparedness and much more. To improve the



accessibility of the book, which is currently available only in English, the Bank intends to launch it in regional languages across all digital channels.

The Bank's websites are designed to communicate the most suited products to the customers. With key interactive features such as Life Stage Solutions and Find the Right Product, the Bank endeavours to ease the decision-making process for our customers. Find the Right Product is a feature on the internet banking platform that helps customers to find relevant products based on their needs and displays personalised offers and engagement tools. There is also a section where customers can choose products based on their life stage needs.

## CUSTOMER SERVICE AND GRIEVANCE REDRESSAL

The Bank has developed an effective complaints handling mechanism for employees and customers. The mechanisms are defined through robust Board-approved policies, and is governed through Board oversight and reporting.

Customer experience is at the core of all engagement, and this includes ensuring that the products offered are based on an assessment of the customer's financial needs and right-selling.

The objectives of the Bank's grievance redressal mechanism include fair treatment of customers, timely resolution of complaints, and educating customers about their rights and enable them to take informed decisions. In this regard, the key principles governing grievance redressal include fairness, transparency, accessibility, escalation, customer education and reviews at multiple levels. The Bank provides multiple channels for customers to complain including the branch, call centre and digital channels.

The Bank has a well-defined framework to monitor key customer service metrics. The Customer Service Committee of the Board and the Standing Committee on Customer Service meet on a regular basis. These forums deliberate on issues faced by the customers and the initiatives taken by the Bank for enhancing customer service.

## FAIR TO CUSTOMER, FAIR TO BANK

ICICI Bank complies with the 'Customer Rights Policy' which enshrines the basic rights of our customers. These rights include Right to Fair Treatment; Right to Transparency, Fair and Honest Dealing; Right to Suitability; Right to Privacy; Right to Grievance Redress and Compensation. These policies can be accessed on the Bank's website.

The Bank's grievance redressal mechanism is well-defined and comprehensive, with clear turnaround times for providing resolution to customers. All complaints received by the Bank are recorded in a Customer Relationship Management (CRM) system and tracked for end-to-end resolution. The Bank also has an escalation matrix built in the CRM system to ensure that customer requirements are appropriately addressed within stipulated timelines. Further, the Bank has appointed senior retired bankers as the Internal Ombudsmen of the Bank. The Customer Service Committee of the Board, the Standing Committee on Customer Service and the Branch Level Customer Service Committees monitor customer service at different levels.

During fiscal 2022, the number of complaints received from customers declined significantly.

*For details on customer complaints, refer to page 238.*

## DATA PROTECTION AND PRIVACY

ICICI Bank is committed to protecting the privacy of individuals whose personal data it holds, and processing such personal data in a way that is consistent with applicable laws. It is important for employees and businesses to protect customer data and follow the applicable privacy laws in India and overseas locations to ensure safety and security of data. We believe that the data privacy framework should be in line with the evolving regulatory changes and digital transformation.

The Bank has a global presence in several overseas jurisdictions including Hong Kong, Singapore, United States, United Kingdom, Canada, China, Dubai International Financial Centre and Bahrain. We are committed to ensuring compliance with applicable laws across these jurisdictions. We have an integrated and centralised strategy for achieving data privacy compliance

across all jurisdictions. A set of principles have been defined with respect to handling customer data. There is a mechanism in place for reporting any form of personal data incident which is accessible to all employees in the Bank. The Personal Data Incident Handling Forum (PDIHF) comprises of the Data Protection Officer (DPO) and senior members from the Information Security Group, Operational Risk Management Group, Fraud Management Group, Human Resources, Compliance and the Legal Team. Any kind of personal data related incidents reported through the service request undergoes a detailed investigation and report of same is presented to PDIHF on a monthly basis.

The Bank periodically updates its Personal Data Protection Standard to cover the personal data protection regulatory requirements for the Bank and its overseas offices to reflect the changes in data protection laws and regulations. The Personal Data Protection Standard of the Bank was reviewed by an international law firm and strengthened last in fiscal 2021.

Privacy regulations require the personal data of customers to be protected throughout its entire life cycle. Accordingly, the Bank has undertaken several measures such as categorising all personal data and sensitive personal data as 'Confidential Information', keeping record of all its processing activities, entering into non-disclosure and confidentiality agreements with employees and third-parties who are privy to personal data of the customers and providing customers the option to exercise various rights which they enjoy under applicable data protection regulations and incident handling procedures.

There are e-learning modules specifically on personal data and its protection to build awareness among our employees.

The Bank's Data Protection Officer (DPO) oversees all privacy related developments as a data processor for international banking business and as a data controller for NRI and remittance businesses. Various data privacy awareness initiatives and periodic trainings are conducted by the Data Privacy team. A Privacy Steering Committee meets every quarter, and oversees various privacy related initiatives. Further, the Bank's Code of Business Conduct and Ethics covers guidelines on customer privacy and confidentiality of data.

# VALUES AND CULTURE

The Bank places strong emphasis on ethics and integrity, and expects all employees to act in accordance with the highest professional and ethical standards upholding the principles of integrity and compliance at all times.

ICICI Bank recognises the importance of establishing effective frameworks and supporting processes that encourage employees to exhibit the desired ethos of the Bank. We aim to create an environment that encourages a culture of innovative thinking, strong compliance and governance, and ensuring ethical conduct while adhering to the principle of 'Fair to Customer, Fair to Bank'.

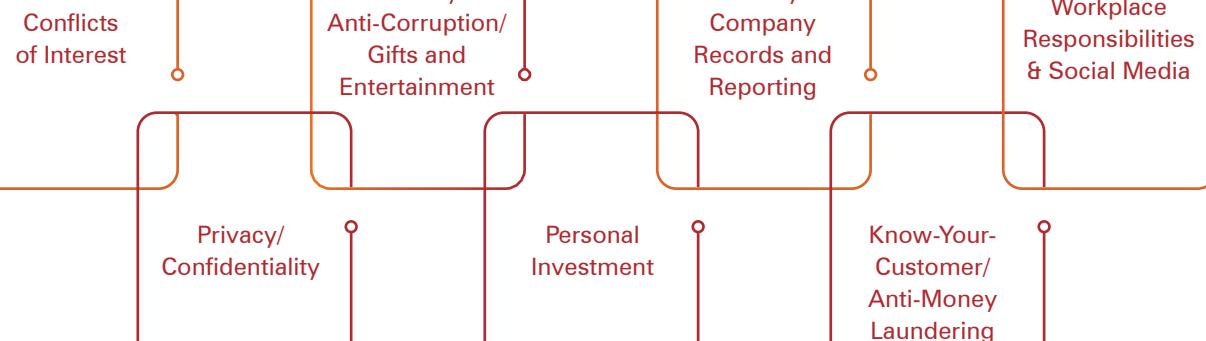
The Bank is committed to act professionally, fairly and with integrity in all its dealings. The ICICI Group Code of Business Conduct and Ethics provides the values, principles and standards that should drive decisions and actions of the employees of the Bank. The Code is also the Bank's commitment to its stakeholders of adhering to the highest ethical standards. All new employees are required to complete mandatory training modules pertaining to Code of Conduct, Information Security, Anti-Money

Laundering and other compliance-related areas that are critical and sensitive.

The Bank has a zero tolerance approach to bribery and corruption. The Bank has a well-defined Anti-Bribery and Anti-Corruption Policy articulating the obligations of our employees in these matters. The Bank's third-party vendors are also required to adhere to the Bank's Anti-Bribery and Anti-Corruption Policy, including providing an annual self-declaration confirming their compliance. Periodic risk assessment of the policy is conducted, at least once in three years.

The Bank continuously focusses on the effectiveness of financial controls and assesses compliance with all regulatory requirements. All the key policies of the Bank are regularly reviewed and enhanced to ensure relevance,

## KEY STANDARDS OF THE GROUP CODE OF BUSINESS CONDUCT AND ETHICS



## VALUES AND CULTURE

adherence to regulations and adoption of best practices on an ongoing basis. The Board-approved Group Compliance Policy lays down the compliance framework with emphasis on ensuring that products, customer offerings and activities conform to rules and regulations and adheres to the ethos of 'Fair to Customer, Fair to Bank'.

ICICI Bank aims to endorse a strong risk and compliance culture. In line with this philosophy, the Board approved the Risk and Compliance Culture Policy in fiscal 2022. The policy provides the guiding principles and aspects for effective implementation of these principles.

The effective implementation of the policy includes a governance framework with roles and responsibilities of the Board, MD & CEO and Executive Directors and the Risk and Compliance Culture Council. All employees are encouraged to align with the guiding principles while conducting their activities.

The Bank undertakes periodic training sessions and sends information mailers, as part of knowledge-enhancement and awareness, to employees on a frequent basis. The Bank is committed to constantly reviewing its governance practices and frameworks, with a focus on staying updated and responsive to the dynamic and evolving landscape, and acting in the best interest of all stakeholders.

The Bank has identified five guiding principles for risk and compliance culture across the organisation:

- **Fair to Customer, Fair to Bank:** Guiding principles of product suitability, transparency in customer dealings, fair pricing
- **One Bank, One Team:** Enabling cross-functional collaboration and taking the entire bank to the customer
- **Return of Capital is Paramount:** Prioritise conservation of capital, and not compromise for short-term gains
- **Agile Risk Management:** Dynamic identification and management of risks and encourage constructive challenge
- **Compliance with Conscience:** Conduct business within the boundaries of law and regulations



# RISK GOVERNANCE FRAMEWORK

As a financial intermediary, ICICI Bank is exposed to various risks, primarily credit risk, market risk, liquidity risk, operational risk, technology risk, cyber risk, compliance risk, legal risk and reputation risk. The Bank is committed to managing material risks and participating in opportunities as part of the strategic approach of risk-calibrated growth in core operating profit.

The Board of Directors of the Bank has oversight of all risks in the Bank with specific Committees of the Board constituted to facilitate focussed oversight. There is adequate representation of Independent Directors on each of these Committees. The Board has framed the specific mandate for each of these Committees. The proceedings and the decision taken by these Committees are reported to the Board. The policies approved by the Board of Directors or Committees of the Board from time to time constitute the governing framework within which business activities are undertaken.

The roles of specific Committees of the Board constituted to facilitate focussed oversight of various risks are:

- **Credit Committee:** Review of developments in key industrial sectors, major credit portfolios and approval of credit proposals as per the authorisation approved by the Board.
- **Audit Committee:** Provides direction to the audit function and monitors the quality of internal and statutory audit; responsibilities include examining the financial statements and auditors' report and overseeing the financial reporting process to ensure fairness, sufficiency and credibility of financial statements.

- **Information Technology Strategy Committee:** Approve strategy for IT and related policy documents, ensure that the 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 and critical IT systems performance and the review of special IT initiatives.
- **Risk Committee:** Review 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 Committee also include setting limits on any industry or country, review of the Enterprise Risk Management Framework, Risk Appetite Framework, Stress Testing Framework, Internal Capital Adequacy Assessment Process and Framework for Capital Allocation; review 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.

## RISK GOVERNANCE FRAMEWORK

The Bank also has a group, namely, Financial Crime Prevention and Reputation Risk Management Group, overseeing/handling the fraud prevention, detection, investigation, monitoring, reporting and awareness creation functions.

The Bank has put in place an Enterprise Risk Management (ERM) and Risk Appetite Framework (RAF) that articulates the risk appetite and drills down the same into a limit framework for various risk categories under which various business lines operate. In addition to the ERM and RAF, portfolio reviews are carried out and presented to the Credit and Risk Committees as per the approved calendar of reviews. As a part of the reviews, the prevalent trends across various economic indicators and their impact on the Bank's portfolio are presented to the Risk Committee. Industry analysis and reviews are also carried out and presented to the Credit Committee.

The Internal Capital Adequacy Assessment Process (ICAAP) encompasses capital planning for a four-year time horizon, assessment of material risks and the relationship between risk and capital. The capital management framework is complemented by the risk management framework, which covers the policies, processes, methodologies and frameworks established for the management of material risks. Stress testing, which is a key aspect of the ICAAP and the risk management framework, provides an insight on the impact of extreme but plausible scenarios on the Bank's risk profile and capital position.

The independent groups for monitoring risks in the Bank are:

- Risk Management Group
- Compliance Group
- Corporate Legal Group
- Financial Crime Prevention and Reputation Risk Management Group

The Risk Management Group is further organised into the Credit Risk Management Group, Market Risk Management Group, Operational Risk Management Group and Information Security Group. The Group is headed by the Chief Risk Officer and reports to the Risk Committee of the Board of Directors.

The Compliance Group, headed by the Group Chief Compliance Officer, oversees regulatory compliance of the Bank, both at the policy and procedures level and at the level of implementation by the respective groups. The Group has unrestricted access to information within the Bank to assess the compliance to the regulatory guidelines.

The Internal Audit Group, being the third line of defence, provides independent assurance that the aforesaid independent groups monitoring the risks in the Bank, are operating in line with policies, regulations and internal standards defined for management of the various risks in the Bank.

The Compliance Group and the Internal Audit Group report to the Audit Committee of the Board of Directors. The Risk Management, Compliance and Internal Audit Groups have administrative reporting to the Executive Director, responsible for Corporate Centre.

### INDEPENDENT MONITORING OF RISKS IN THE BANK, DRIVEN BY:

No Business Targets

Independent Relationship Reporting

Unbiased Inputs

## RISK GOVERNANCE FRAMEWORK

### CYBERSECURITY GOVERNANCE

ICICI Bank believes in providing services to its customers in the safest and secure manner keeping in mind that data protection for its customers is as important as providing quality banking services across the spectrum. The CIA triad of Confidentiality, Integrity, and Availability is at the heart of building a comprehensive information security framework. The Bank also lays emphasis on customer elements like protection from phishing, adaptive authentication, awareness initiatives, and provide easy to use protection and risk configuration ability in the hands of customers. The Bank also undertakes campaigns to create awareness among customers on security aspects while banking through digital channels.

The key elements of the security strategy at ICICI Bank are:

- A multi-layered 'Defence-in-Depth' strategy providing multiple lines of defence.

- Strong governance processes with segregation of duties and stringent control framework.
- Skilled dedicated teams focussing on information security and financial crime prevention.
- A zero-trust architecture and network segmentation.
- Global best-in-class security systems.
- 24x7 monitoring and surveillance of systems by agile teams (IT Command Centre, next-generation Security Operations Centre (SOC), Network Operations Centre).
- Stringent security and gating controls at the time of inducting new applications or servers.
- In-house Ethical Hacking (Red Teams) to continuously test IT systems for security flaws.



**The Bank undertook campaigns to create awareness among customers on security aspects.**

## RISK GOVERNANCE FRAMEWORK

- Incident Response Plan and Crisis Management Plan (including simulation of attack scenarios).
- A fully-equipped Disaster Recovery setup in place at remote location (periodic Business Continuity / Disaster Recovery drills).
- Periodic security assessments by reputed external agencies.
- Implementation and central monitoring of terminal security solution at ATMs.
- Tightened controls to prevent misuse of access rights of separated consultants, transferred employees, separated employees.

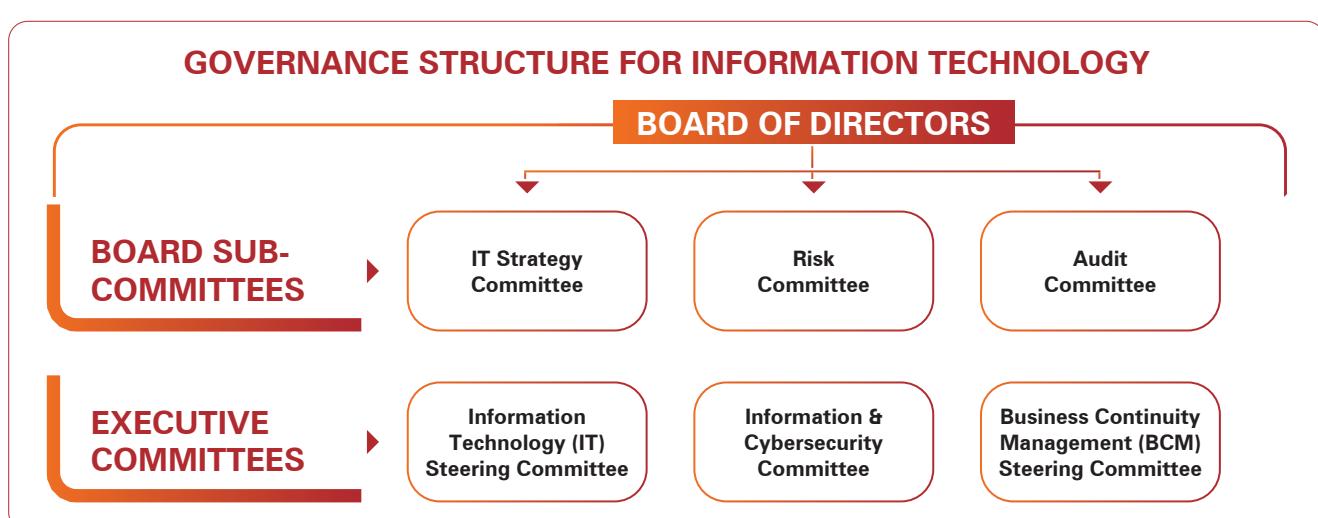
Cyber risks form an integral part of the Bank's enterprise risk management framework. The Bank is committed to work towards aligning itself with the changing threat landscape and has a dedicated team for cyber/information risk management. There is robust oversight by the Board, with regular updates from the Information Security Group (ISG) of the Bank. A monthly risk-based detailed dashboard capturing the various key performance indicators and key risk indicators associated with Security Operations Centre operations and offenses summary for the month is prepared which is reviewed by the CISO and the Chief Risk Officer of the Bank.

ICICI Bank has an information/cybersecurity governance framework consisting of leadership, organisational

structures and processes that help us in mitigation of growing cybersecurity threats. Our cybersecurity governance encompasses management oversight at various levels with the ultimate responsibility assumed by the Board of Directors.

The Executive Committees have diverse cross-functional members and well-defined terms of reference. Proceedings of these Committees are reported to the IT Strategy Committee. Additionally, the Bank has multiple dashboards to review system stability, continuity and availability and network uptime. The Bank also has a well-defined Information Security Policy, Cyber Security Policy and Information Security Standards and Procedures. These policies have been designed by drawing from various standards and regulations including the Reserve Bank of India's Cyber Security Framework, NCIIPC Guidelines for protection, FFIEC Cybersecurity assessment tool, the SEBI Cyber Security and Cyber Resilience Framework for Stock Brokers/ Depository Participants and the IRDAI Guidelines on Information and Cyber Security for Insurers. The Bank has also incorporated industry best practices such as the National Institute of Standards and Technology (NIST) and the regulatory requirements of various jurisdictions in which the Bank operates. Further, periodic internal and external audits are undertaken and inputs from these assessments are incorporated from time to time. The Bank's data centre is ISO:27001\* certified.

*\*ISO:27001 is an international standard for information security management.*



## RISK GOVERNANCE FRAMEWORK

### THE BANK'S CONTROLS FOR IT INFRASTRUCTURE

#### Preventive Control

- Application Security Life Cycle (ASLC), Vulnerability Assessment and Penetration Testing (VAPT), Antivirus, Vendor Risk
- Assessment, Firewall, Intrusion Detection System (IDS)
- Access Management
- Distributed Denial of Service (DDoS) Mitigation

#### Detective Control

- Security Operation Centre (SOC) Monitoring
- Web Application Firewall
- Network Operation Centre (NOC) Monitoring
- RED Teaming Exercises

#### Responsive Control

- Incident Response Plan
- Cyber Crisis Management Plan (CCMP)
- Forensic Agreements with Partners

Considering the criticality and vitality of data protection and security, the Bank has deployed Data Leakage/Loss Prevention (DLP) system with data protection rules for sensitive data exposure from the Bank's endpoints, emails and web gateways. The Bank has also deployed Digital Rights Management system to define access rights (Read/Write) with pre-defined validity and ensuring the recipients use the data only for its intended purpose.

The Bank has made arrangements for all key activities to be performed in a work-from-home environment, through secure Virtual Private Network (VPN) and Virtual Desktop Interface (VDI) and access provided through Two-Factor Authentication. The Bank also performs endpoint security posture testing while connecting to the Bank's network. A proxy agent is present on all endpoints to ensure that all computers are connected to the internet securely as per rules laid down by the Bank. Further, Data Leakage/Loss Prevention (DLP) has been implemented and all endpoints hardened as per the Bank's policy.

### Participation in External Cyberattack Simulations

ICICI Bank conducts and participates in several cybersecurity attack simulation drills such as spear phishing drills on employees, Distributed Denial of Service

(DDoS) attack drills for Internet Service Providers (ISPs), social engineering-based attacks on data centre staff to gain physical access etc. The Bank participates in cyber drills organised by the Institute for Development and Research in Banking Technology (IDRBT) annually. The Bank conducts an external 'Breach Assessment Exercise' or a 'Red Teaming Simulation' on its infrastructure with a clear and precise focus on the crown jewels of the Bank. There is an ongoing reinforcement of vigilance and awareness through ethical hacking exercises conducted on employees. Business continuity and recovery drills are conducted to assess the Bank's ability and readiness to combat disasters, to ensure continuity of critical business processes at an acceptable level and limit the impact of the disaster on people, processes and infrastructure.

The Bank conducts comprehensive security awareness programmes to enhance the level of cybersecurity awareness among its customers and employees. The Bank is using multiple channels to reach customers, such as social media, internet banking website, ATM, SMS, emails and posters in branches, among others. The Bank also regularly issues email advisories and conducts quiz on themes like Phishing Attacks, Malwares, System & Asset Security, Display Name Spoofing, Access, Protect Digital Identity, etc. for employees. The increased awareness among employees has also increased the overall cyber resilience of the Bank.

## RISK GOVERNANCE FRAMEWORK

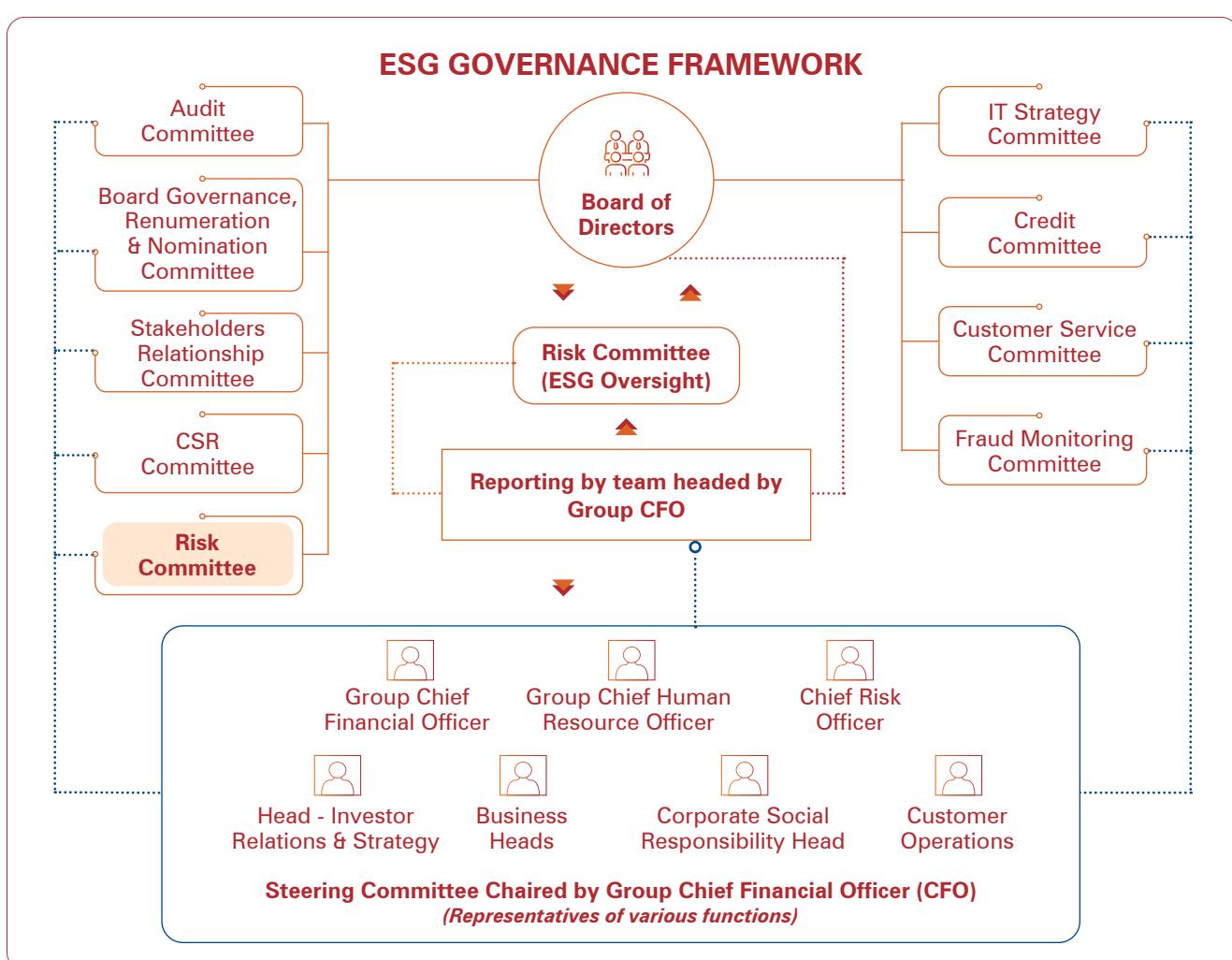
In view of rapid digitation and growing cyber threats, it has become imperative to respond quickly and effectively when security incidents occur. As part of incident response, the Bank has a dedicated Cyber Security Incident Response Team (CSIRT). The incident response process consists of distinct phases such as preparation, prevention, detection and escalation, containment, investigation, eradication, recovery, and post-incident analysis. Further, the Bank periodically conducts mock drills to assess the efficacy of the Incident Response Plan and continuously make improvements.

There were no material incidents of security breaches or data loss during fiscal 2022.

## ESG GOVERNANCE

Long-term sustainable growth of the Bank's business is a critical strategic objective. This is backed by our commitment to adopt sustainable business practices that ensure the long-term success of the organisation and have a positive impact on the environment and society.

ICICI Bank's commitment towards ESG was strengthened with the adoption of the Board-approved Environmental, Social and Governance Policy and assigned responsibility for ESG oversight to the Board Risk Committee of the Bank, in April 2022.



## RISK GOVERNANCE FRAMEWORK

### RESPONDING TO CLIMATE CHANGE RISKS

ICICI Bank's Board has acknowledged the need to address the impact of climate change risks. The Bank is committed to creating a positive impact through its businesses and addressing the challenges to the environment.

The Bank has a Social and Environmental Management Framework (SEMF) for screening new project finance proposals. The framework stipulates environmental and social due diligence for projects above specific thresholds. It has an exclusion list of industries not permitted for financing.

The Bank is in the process of incorporating ESG and climate risk aspects as part of the credit evaluation process. This would include assessing the ESG profile of borrowers, their ESG-related risks depending on the sector in which they operate and related maturity in terms of policies and processes deployed to address these risks.

While a common framework for adopting climate risk assessment at banks is still evolving, the Bank's approach to analysing climate risks includes developing a framework on climate risk assessment and evolve methods to test the resilience of the lending portfolio to transition and physical risks. The Bank has formulated a Climate Risk Management Framework that comprises assessment of impact of climate change on the Bank's own operations, managing the Bank's loan book and integration of material climate risks into the existing risk management framework. The Bank will be aligned to national goals and targets in the nation's collective transition to a low-carbon economy.

In its own operations, the Bank is committed to minimising its environmental impact in its operations and facilities. The Bank is working towards setting a time-bound quantitative target for reduction in emissions/reduction in emissions intensity/carbon neutrality.

# MANAGING RISKS IMPACTING OUR BUSINESS

ICICI Bank aims to continuously evaluate the various risks impacting its business, and develop strategies to monitor and manage these risks, while meeting the objective of risk-calibrated growth and long-term sustainability.

The complex and evolving risk environment demands continuous strengthening of the Bank's risk management approach. The Bank continuously reviews and enhances the methods for identification and assessment of risks, and sets appropriate metrics and controls, and mitigants for managing significant risks. The Bank has recently initiated steps to embed climate risk assessment

and climate risk management as part of the Bank's risk management framework. As a first step, a dedicated team within the Risk Management Group has been set up to develop a framework to assess the physical and transition risks of companies in the Bank's portfolio, and manage these risks as part of the credit evaluation process.

## ECONOMIC RISK

### KEY RISKS IN FISCAL 2022

Fiscal 2022 was a challenging year as incidences of increase of Covid-19 infection continued during the year. While the economic outlook improved, uncertainties continued as geo-political events, particularly the Russia-Ukraine crisis and rise in global crude oil and commodity prices impacted domestic economic parameters.

### OUR RESPONSE

The Bank has been closely monitoring developments in the global and Indian economy, including country risk and sector-specific risks. The Bank does not have any direct exposure to Russia, and is continuously evaluating the likely second-order impact of the crisis.

## CREDIT RISK

### KEY RISKS IN FISCAL 2022

The continuing Covid-19 pandemic and economic developments made credit risk a key focus for the Bank during the year.

### OUR RESPONSE

The Bank ensured effective risk management across business segments, strengthened by ongoing reviews for early identification and stress testing. The Bank's net non-performing assets decreased from 1.14% at March 31, 2021 to 0.76% at March 31, 2022. Credit cost as a percentage of average advances reduced from 1.75% in fiscal 2021 to 1.12% in fiscal 2022.

The Bank maintained strong capital and liquidity positions, which were significantly above regulatory requirements.

## MANAGING RISKS IMPACTING OUR BUSINESS

### MARKET AND LIQUIDITY RISK

#### KEY RISKS IN FISCAL 2022

Movements in interest rates, foreign exchange rates, credit spreads and equity prices remained largely stable during fiscal 2022. However, tightening monetary policy and exchange rate movements are expected to pose challenges going forward and could impact our net interest margin, the value of the trading portfolio, income from treasury operations and the quality of the loan portfolio. Further, deposits are an important source of funding, which are primarily short-term in nature, and banks face the risk of asset-liability mismatches if not rolled over by depositors.

#### OUR RESPONSE

The Investment Policy, Asset Liability Management Policy and Derivatives Policy, approved by the Board of Directors, govern the treasury activities and the associated risks and contain the limits structure. The Asset Liability Management Committee which includes the MD & CEO, Wholetime Directors and senior executives periodically reviews the Bank's business profile and its impact on asset liability management. Periodic monitoring is done by the Market Risk Management Group which recommends changes in policies, processes and methodologies. Building a strong liability franchise is a core strategic focus for the Bank.

### CYBER RISK

#### KEY RISKS IN FISCAL 2022

There has been an increase in ransomware risk globally in recent years. In a digital economy, the Bank also leverages partnerships with third parties and these could also be sources of information security risk.

#### OUR RESPONSE

The Bank has been investing on building resilience and responding effectively to cyberattacks. The Bank has laid significant focus on data privacy and data loss prevention mechanisms and continued to make progress in fiscal 2022. There were no material incidents of security breaches or data loss during fiscal 2022.

### TECHNOLOGY RISK

#### KEY RISKS IN FISCAL 2022

The growing customer dependence on digital transactions and increasing volumes of such transactions requires banks, including us, to focus on the availability and scalability of our systems. Misalignment between business and IT strategies is also a formidable risk.

#### OUR RESPONSE

The Bank's focus on technology and the transformation journey of *Bank to Bank<sup>Tech</sup>* has enabled it to respond to the changing technological dynamics in an agile and responsive manner. The Information Technology Strategy Committee, which is a Board-level Committee, ensures that information technology strategy is aligned with the business strategy and with appropriate policies and control frameworks. The Bank's IT systems remained stable and service delivery was largely uninterrupted during fiscal 2022.

## MANAGING RISKS IMPACTING OUR BUSINESS

### EMPLOYEE RISK

#### KEY RISKS IN FISCAL 2022

The ability to attract, motivate and retain talented professionals and the availability of skilled management is critical for the successful implementation of the Bank's strategy and competing effectively. Employee well-being remained a key focus during fiscal 2022.

#### OUR RESPONSE

The Bank's human capital strategy is based on key value propositions of fair compensation policy, learning and growth, empowerment and care. Skilling and awareness efforts continued during fiscal 2022 with particular focus on digital upskilling and data analytics. The Bank conducted vaccination drives for employees and their immediate family during the year.

### COMPLIANCE RISK

#### KEY RISKS IN FISCAL 2022

The Bank's compliance with regulatory requirements and changes is a key priority for the Bank. Failure to comply with applicable regulations could lead to inquiries or investigations by regulatory and enforcement authorities either against the Bank, or employees, its representatives, agents and third-party service providers.

#### OUR RESPONSE

The Bank is committed to ensuring compliance with regulations and laws, and proactively monitors these developments. The Bank has put in place well-articulated policies and controls to ensure compliance. The Bank seeks to have a strong compliance culture driven by the organisation's leadership. This would help in building stakeholder confidence and trust, and also ensure timely action to mitigate associated reputational risks.

# HUMAN CAPITAL

One of the shifts in ICICI Bank's operating model in recent times has been the adoption of 'One Bank, One Team' as a guiding factor. The strategic focus on risk-calibrated growth in core operating profit is based on comprehensive assessment of opportunities in the market, and strengthening the teams' competencies for capturing market share, serving customers and growing profitably within the guardrails of risk and compliance.

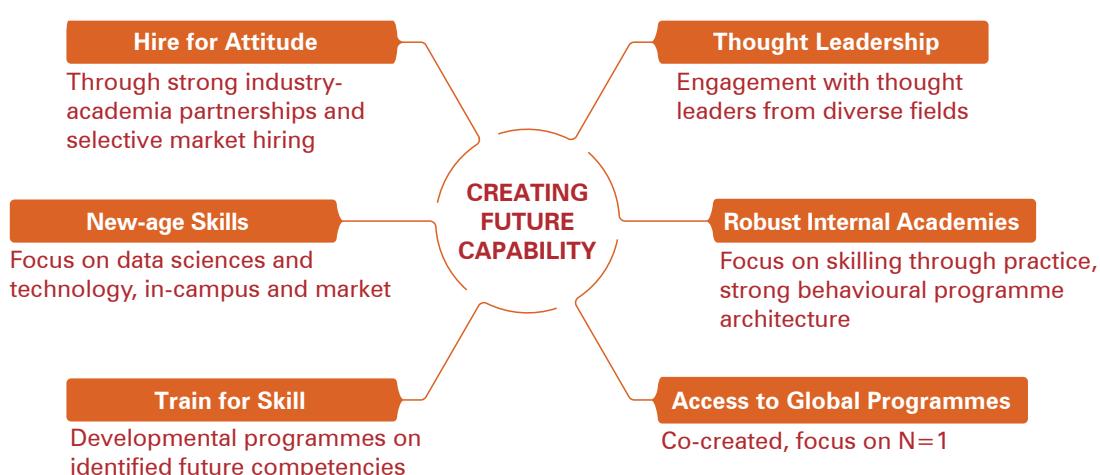
The Bank's human capital strategy is underpinned by key value propositions of learning and growth, empowerment, fair compensation policy, and care.

## LEARNING AND GROWTH

The Bank's focus on ecosystem banking requires employees to have cross-functional skills and capabilities. The Bank has invested in training its employees and enhancing their ability to comprehensively serve customers. This has enabled teams to be agile in responding to requirements of customers, and work together to create innovative and experiential products for customers.

## Job Rotation and Going Beyond Defined Roles

At ICICI Bank, every employee can contribute to creating a compelling customer experience. The Bank's 'customer-oriented' approach provides an opportunity to every employee to adopt new roles and not restrict themselves to specific areas. The Bank is skilling its workforce by giving cross-functional opportunities so that employees are fully equipped to cater to the 360° banking requirements of the customers. Across levels, it is imperative for employees to have a wider perspective and knowledge of all banking products.



## HUMAN CAPITAL

### CAPABILITY BUILDING ACADEMIES

Retail Academy  
Wholesale Banking Academy  
Operations Academy  
Risk Academy

Digital Academy  
Transaction Banking Academy  
Credit Academy  
Audit Academy

Small & Medium Enterprises Group Academy  
Behavioural Academy  
Debt Service Management Group Academy

The Bank believes in building talent by identifying individuals with potential and attitude for growth, and providing them with opportunities to acquire necessary knowledge and skills. This focus is across levels, from those beginning their journey with ICICI Bank to various levels up to the senior management.

One of the ways to be future-ready is to invest in skills and capabilities, which are essential to be relevant in the market over the long term. The Bank has a defined architecture across functional, leadership development, digital and industry-academia programmes to equip employees with the required skill sets.

In order to periodically review and align the learning content and structures, ICICI Bank has structured

academic councils, consisting of business leaders. This council meets on quarterly basis to review alignment of skilling content with evolving business needs. The inputs and feedback discussed in the session are implemented in the respective programmes as a part of the content update.

To meet the demands for a skilled workforce, the Bank has adopted a strategy to backward integrate at the ecosystem level to create a pool of industry-ready workforce. One of the key aspects of the industry-academia programmes is the expertise it builds in the banking, financial and digital services sector, and in ICICI Bank. The objective is to orient future employees to the culture of ICICI Bank and to impart functional knowledge in banking and related subjects.

### INDUSTRY-ACADEMIA INITIATIVES

**ICICI Bank Probationary Officers Programme**  
12 months programme designed to develop a pool of first-level managers with banking knowledge and required skill sets

**ASCEND Programme**  
One month programme for graduates from top-tier institutes

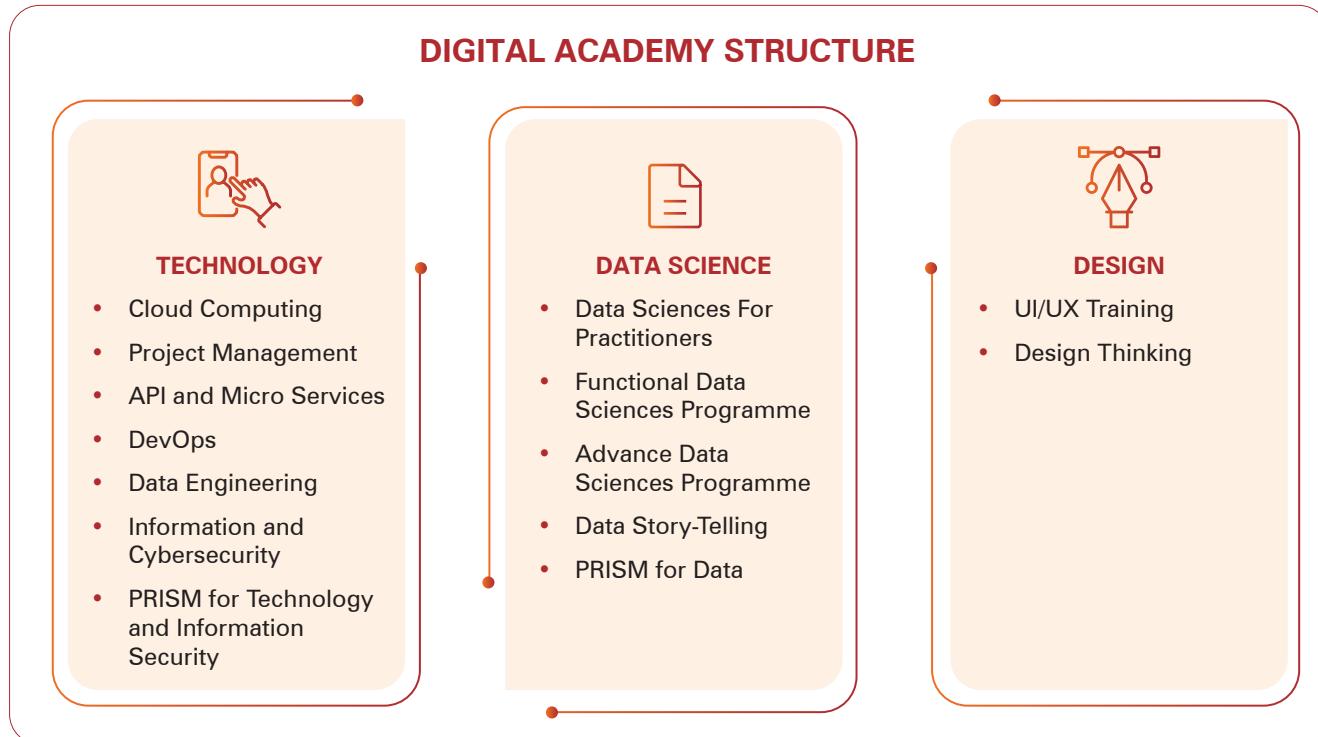
**Post Graduate Programme in Relationship Management**  
21 days programme designed to develop a cadre of banking professionals adept in sales and relationship management

**ICICI Young Leaders Programme (YLP) - Post Graduate Diploma in Business Management**  
12 months career acceleration programme for employees

**ICICI Business Leadership Programme - Post Graduate Certificate in Securities Markets**  
12 months programme designed to develop professionals for securities markets

## HUMAN CAPITAL

### Building a Digitally Capable Workforce



In line with the vision of moving towards a scalable, future-ready and data-driven organisation, the Bank has geared up for transformational change with the implementation of advanced technologies in streamlining its systems and processes. To meet this objective, ICICI Bank has curated a learning plan to cover technology, data, information security and design skills ensuring right combination of functional, technical, process-based, professional and cultural anchors.

During fiscal 2022, the Bank started the PRISM programme that aims to train and develop young talented engineers who wish to pursue careers in the technology and data sciences function of the Bank. PRISM has been designed to develop a pool of managers with the required skills to be a part of the transformation from *Bank to Bank<sup>Tech</sup>*. The programme has an extensive focus on hands-on exercises through virtual labs, projects and assessments.

### EMPOWERMENT

The current business environment demands speed, agility and adaptability by an organisation. The Bank's focus is to create a responsive workforce, encouraged by empowering the teams to take cues from the local environment and identify local opportunities for risk-calibrated growth. The Bank encourages its employees to experiment and innovate to create service and solutions for customers within the guardrails of risk and compliance. The Bank has created a role-based leadership structure to encourage micro-experiments with the objective of taking successful models to the larger markets. The corporate office functions as service centre and the job of the central team is to serve the employees. The Bank believes in investing in its employees to take up challenging assignments and responsibilities early in the career.

## HUMAN CAPITAL

### Diversity and Inclusion

ICICI Bank has always encouraged diversity in its workforce and gender sensitivity is inherent to its human capital strategy. The Bank's philosophy of meritocracy and equal opportunity in its people decisions led to a large number of leadership positions being held by women over the last two decades. Conscious of the life stage needs and safety of women employees, a range of benefits and policies have been curated. The Bank has a liberal leave policy for women employees, which was established much ahead of its time.



### CARE

#### Response to Covid

Banking being an essential service during the Covid-19 pandemic, the Bank had to ensure continuity in its services to customers while ensuring the safety and well-being of all employees. Covid-19 related protocols of social distancing and sanitisation were followed across every location. The Bank put mechanisms in place to ensure that emotional, medical and physical support were provided to the employees on a real-time basis.

During the pandemic, ensuring safety and employee protection from the Covid-19 virus was a prime focus. The Bank undertook efforts for immunising its employees, their family members and other staff in its vendor ecosystem. The Bank launched a focussed programme to vaccinate its employees and their dependent family members. Planned vaccination drives were conducted in workplace and vaccination centres in association with hospital partners. Additionally, in hub locations, local tie-ups for in-hospital vaccination drive were also established. Employees availed vaccination at their own expense, reimbursement was provided for employees and their dependents. The planned drives included not just ICICI Bank employees and dependents, but also all other service partners.



Vaccination drive conducted by ICICI Bank for its employees.

## HUMAN CAPITAL

### Quick Response Team

ICICI Bank has a Quick Response Team (QRT) to assist employees if they are in any distress. Each QRT is a GPS-enabled vehicle, equipped with a stretcher and other equipment, and a team trained to deal with medical and personal safety related emergencies.

### Employee Connect and Engagement

Employee self-services, managing leaves, managing financials, taxes, transfers and reimbursements and other benefits are addressed through the usage of technology. Areas that require high human touch including employee engagement and counselling and discussion around career development, are addressed through personal discussion.

The Bank is an equal opportunity employer and seeks to ensure that the workplace is free of any kind of harassment or inappropriate behaviour. Comprehensive policies and procedures have been laid down to create an environment where there is respect and dignity in every engagement. Sexual harassment cases are handled as per the guidelines set under the Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. The Bank has created awareness about the Act through mandatory e-learning at the time of induction. The Bank also regularly communicates with employees regarding the mechanism for raising complaints and the need for right conduct by all employees. The Bank has a mechanism for dealing with complaints of harassment. The policy ensures that all such complaints are handled promptly and effectively with utmost sensitivity and confidentiality, and are resolved within defined timelines. For other workplace issues, the Bank has a robust mechanism to resolve them and the Call@I-Care provides employees with a platform to raise such concerns.

### EMPLOYEE ENGAGEMENT

#### Communication Meetings

The Bank's leadership regularly conducts communication meetings to articulate cultural anchors and business direction. Branch visits are an important part of the communication agenda

#### Coffee & Conversations

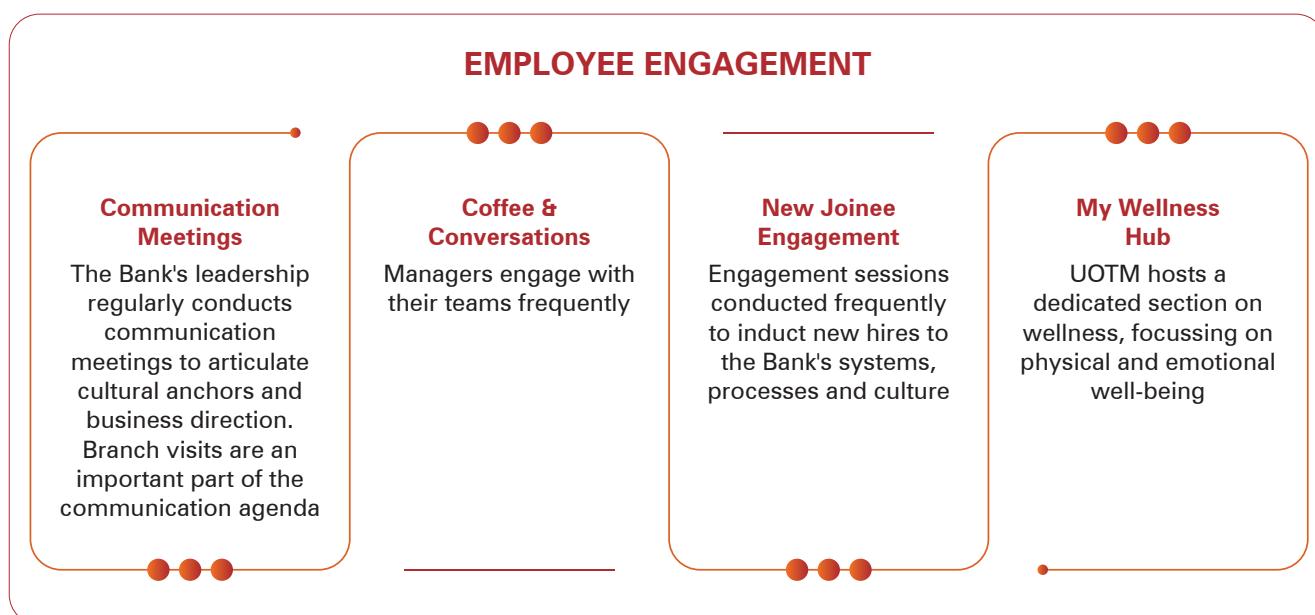
Managers engage with their teams frequently

#### New Joinee Engagement

Engagement sessions conducted frequently to induct new hires to the Bank's systems, processes and culture

#### My Wellness Hub

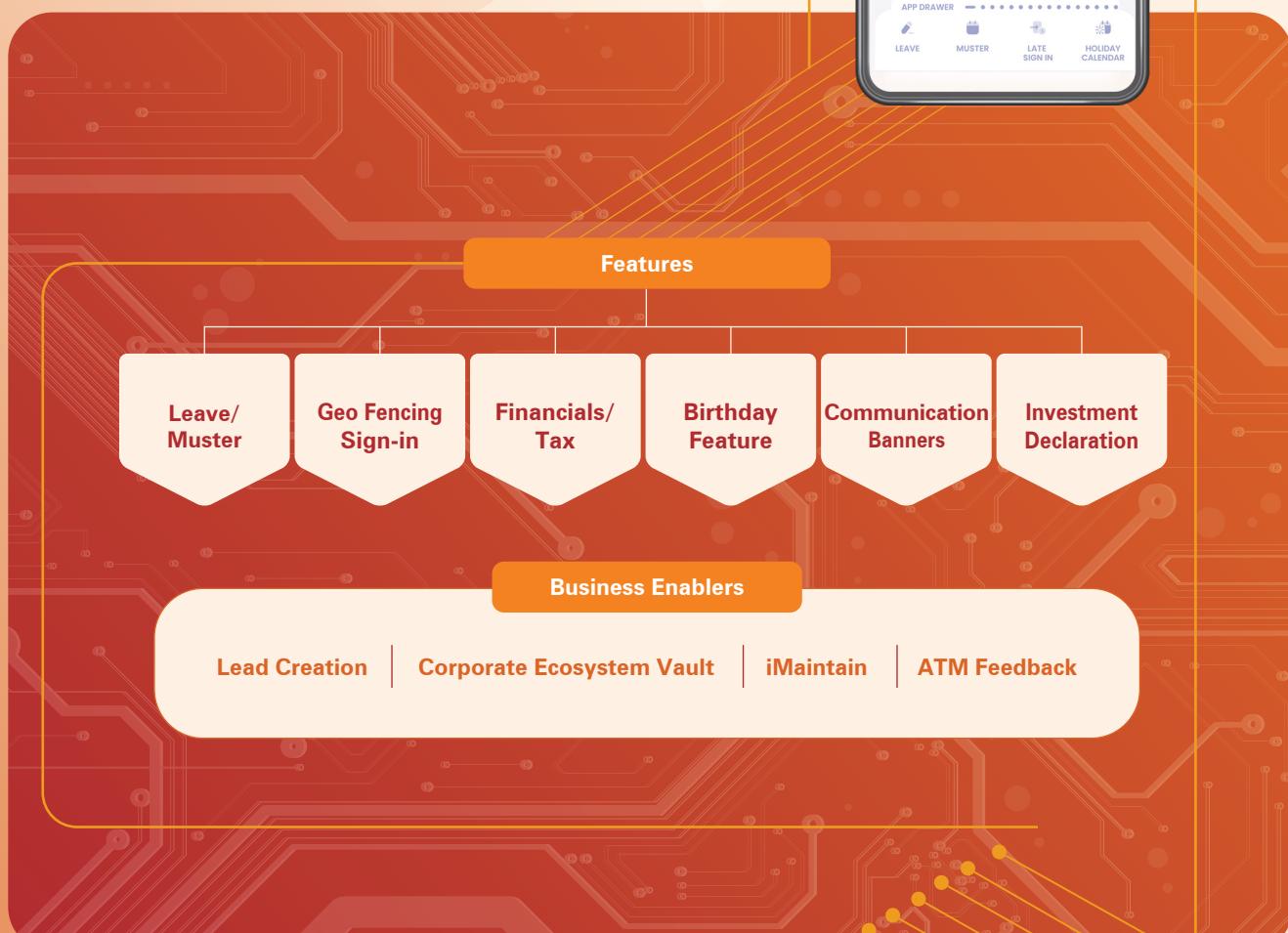
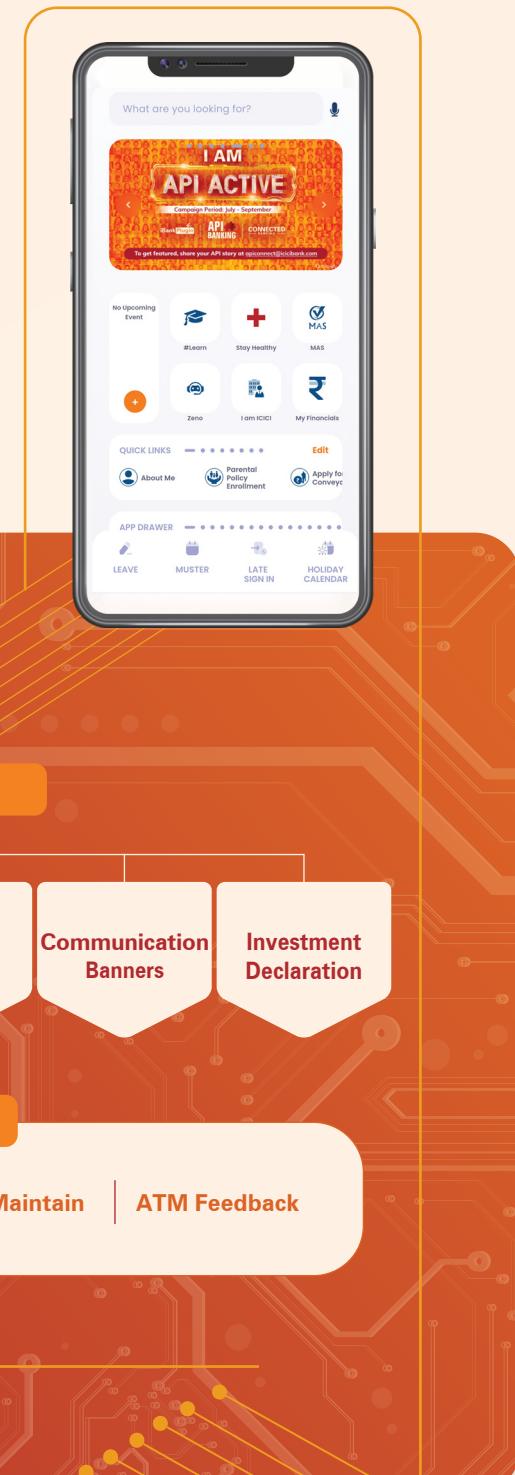
UOTM hosts a dedicated section on wellness, focussing on physical and emotional well-being



## HUMAN CAPITAL

### Digital@HR

The Universe on the Move (UOTM) platform has evolved into a comprehensive business tool that is a companion across the entire employee life cycle. Through API-based integration, UOTM offers a host of services to employees and at the same time ensures security and accessibility. Artificial Intelligence (AI) and Machine Learning (ML) technology is used to provide customised user experience. The services are deeply integrated with core platforms such as Human Resource Management System and Sales CRM (Customer Relationship Management). UOTM allows tracking and reporting of specific tabs/icons/videos for analytics and product enhancements.



# SOCIAL AND RELATIONSHIP CAPITAL

ICICI Bank is cognizant of its role towards ensuring a stable financial system and fostering value creation for all stakeholders.

An important factor in the Bank's value creation for its stakeholders is to have a meaningful engagement and be responsive to their perspectives. The Bank continuously endeavours to understand the concerns and opinions expressed by stakeholders and respond to them promptly. The Bank holds regular interactions with investors, employees, customers, regulators and engages with communities and banking associations to remain informed.

## MATERIALITY ASSESSMENT

To deepen our commitment towards building a responsible and sustainable business, ICICI Bank appointed an external agency to conduct its first materiality assessment exercise to identify key topics that stakeholders believe were relevant for the Bank.

The approach for assessing material issues involved the following steps:

- Identifying the universe of relevant ESG topics that could have a potential impact on the Bank's sustainability. The sustainability topics were evaluated for consideration at a strategic level and organised into four broad themes: Governance, workplace, environmental management and community engagement.
- A survey in the form of a questionnaire was executed to capture the perspectives of our key external stakeholders including customers, investors, vendors/suppliers, rating agencies, media, and communities. Similarly, internal stakeholders were members from the management and employees. The survey and questionnaire were designed in a way to bring out the key issues, risks and opportunities from the stakeholders' point of view, which was then mapped to assess the materiality issues for our business.
- The Bank used online surveys to collect data and information from stakeholders to prioritise the list of identified ESG topics.

The Bank has identified the following top 13 material issues:

- 01 **Compliance with regulations and other laws**
- 02 **Digital innovation/transformation**
- 03 **Data privacy and cybersecurity**
- 04 **Corporate governance and business ethics**
- 05 **Transparency and disclosures**
- 06 **Improving customer experience and satisfaction**
- 07 **Customer fairness and right-selling**
- 08 **Financial performance**
- 09 **Stability of risk management and risk outcomes**
- 10 **Leadership development and succession planning**
- 11 **Exposure of the Bank to climate-related risks in its loan portfolio**
- 12 **Carbon emissions and resource efficiency in the Bank's own operations**
- 13 **Promoting environment positive projects**

## SOCIAL AND RELATIONSHIP CAPITAL

### STAKEHOLDER ENGAGEMENT

STAKEHOLDER	MODE OF ENGAGEMENT	AREAS OF IMPORTANCE	BANK'S RESPONSE
<b>Customers</b>	<ul style="list-style-type: none"> <li>• Interaction with employees</li> <li>• Structured surveys for seeking feedback (Net Promoter Score, Customer Satisfaction Surveys)</li> <li>• Customer meets organised at branches</li> <li>• Customer communication through print, digital and social media</li> <li>• Multiple channels available for raising queries and grievances</li> </ul>	<ul style="list-style-type: none"> <li>• Convenience</li> <li>• Responsive, skilled and considerate staff</li> <li>• Availability of relevant products and services</li> <li>• Quick resolution of queries, requests raised and grievance redressal</li> </ul>	<ul style="list-style-type: none"> <li>• Being fair to the customer and to the Bank is a core element of the Bank's approach</li> <li>• Ensure right-selling of products</li> <li>• Dedicated customer service team focussed on improving process efficiency, reducing customer effort and leveraging technology to enhance customer experience and response time</li> <li>• Continuous upskilling and knowledge building of staff</li> <li>• Policy of zero tolerance to unethical conduct by employees</li> </ul>
<b>Shareholders/ Investors</b>	<ul style="list-style-type: none"> <li>• Annual General Meeting</li> <li>• Emails and periodic meetings</li> <li>• Conference calls</li> <li>• Investor conferences</li> <li>• Analyst day</li> </ul>	<ul style="list-style-type: none"> <li>• Shareholder value creation</li> <li>• Medium and long-term strategy</li> <li>• Governance and ethical practices</li> <li>• Compliance</li> <li>• Transparency</li> <li>• Disclosure of non-financial metrics pertaining to sustainability</li> </ul>	<ul style="list-style-type: none"> <li>• Continued interaction with investors during the year and also held digital interactive sessions</li> <li>• Communicating on strategic objectives during the quarterly results call with investors and increased disclosures</li> <li>• Non-financial disclosures included in the Annual Report</li> <li>• Board-approved Environmental, Social and Governance (ESG) Policy with oversight on ESG with the Board Risk Committee; policy disclosed on the Bank's website</li> </ul>

## SOCIAL AND RELATIONSHIP CAPITAL

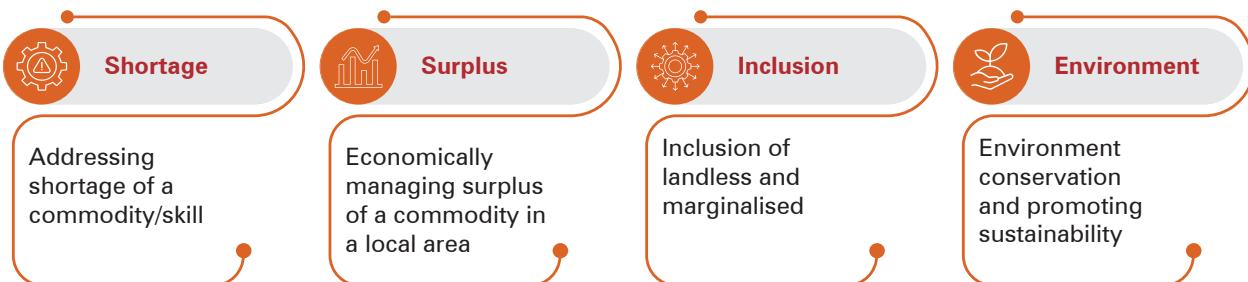
STAKEHOLDER	MODE OF ENGAGEMENT	AREAS OF IMPORTANCE	BANK'S RESPONSE
<b>Employees</b>	<ul style="list-style-type: none"> <li>Continuous engagement across employee segments and business</li> <li>Periodic communication meetings anchored by senior leaders</li> <li>iCare, an online portal for employees to raise queries</li> <li>Universe on the Move – a one-stop digital platform for employees</li> <li>Branch visits by senior leaders</li> </ul>	<ul style="list-style-type: none"> <li>Philosophy of 'Fair to Customer, Fair to Bank' and 'One Bank, One Team'</li> <li>Risk and compliance culture</li> <li>Enabling work culture with opportunities for growth and learning</li> <li>Culture of experimentation</li> <li>Meritocracy</li> <li>Responsive grievance handling process</li> </ul>	<ul style="list-style-type: none"> <li>Job rotation and going beyond defined roles</li> <li>Responsibilities given to young professionals</li> <li>Focussed leadership and career mobility</li> <li>Covid vaccination drive for employees and their dependent family members</li> <li>Support to employees through other networks like Quick Response Team (QRT) in case of medical emergencies</li> <li>Care for employees through leave policies catering to their different needs including life stage needs</li> <li>Digital, functional and behavioural learning opportunities for employees</li> </ul>
<b>Regulators</b>	<ul style="list-style-type: none"> <li>Periodic meetings with regulatory bodies</li> <li>Participation in policy forums</li> <li>Other forms of communication like emails, letters etc.</li> <li>Supervisory meeting</li> </ul>	<ul style="list-style-type: none"> <li>Fair treatment of customers and grievance redressal</li> <li>Anti-money laundering and fraud risk</li> <li>Operational risk including IT and cybersecurity risk</li> </ul>	<ul style="list-style-type: none"> <li>Strengthening risk and compliance culture among all employees</li> <li>A dedicated team for communicating with regulators and responding in a time-bound manner</li> <li>Well-defined processes and leveraging technology in responding to regulators</li> <li>The Bank continuously engages with the regulator and provides inputs on regulatory policies</li> </ul>
<b>Society</b>	<ul style="list-style-type: none"> <li>ICICI Foundation for Inclusive Growth (ICICI Foundation)</li> <li>Rural development initiatives</li> <li>Supporting government initiatives</li> </ul>	<ul style="list-style-type: none"> <li>Contributing to social development</li> <li>Financial literacy and improving access to financial services especially in rural areas</li> </ul>	<ul style="list-style-type: none"> <li>Met the CSR requirement for fiscal 2022 under the Companies Act, 2013</li> <li>Focus on livelihoods, health infrastructure, social and environmental projects through the ICICI Foundation</li> <li>Industry-academia partnerships for developing skills for the banking sector</li> </ul>

Note: The listing of areas of importance are not as per the order of importance to the stakeholder

## SOCIAL AND RELATIONSHIP CAPITAL

### SOCIAL INITIATIVES OF ICICI BANK

#### STRATEGIC PILLARS THAT GUIDE ACTIVITIES OF ICICI FOUNDATION



With a purpose-driven approach, the Bank has been playing a role in creating meaningful social impact. The Bank has been undertaking social investments largely through the ICICI Foundation for Inclusive Growth (ICICI Foundation). In fiscal 2022, the Bank spent about ₹2.67 billion towards CSR activities.

of implementing the project in rural schools was also to educate school children about rainwater harvesting. The idea is to instil habits from a young age to use water sustainably and mindfully. ICICI Foundation has also carried out watershed projects in regions like Marathwada and Bundelkhand, that are drought prone regions.

#### Activities of ICICI Foundation

A large part of the efforts of ICICI Foundation are focussed in the rural areas. Over the years, ICICI Foundation has recognised the need to discern locally relevant requirements at the grassroot level and design activities or projects for maximum impact. These projects could range from addressing issues of resource shortages, value chain development for agricultural products, imparting skill training in smart agricultural practices, and others.

**Some key activities of ICICI Foundation in fiscal 2022 were as follows:**

##### Water

Availability of water has been identified as a critical gap as water shortage is a significant challenge in many parts of the country. ICICI Foundation undertook several projects to address water challenges. During fiscal 2022, rainwater harvesting projects were implemented across 1,700 rural government schools. Apart from replenishing groundwater in these areas, the objective



**Rainwater harvesting project installation at a government school in Shivali village, Latur district, Maharashtra.**

## SOCIAL AND RELATIONSHIP CAPITAL

### Healthcare

Following the Covid-19 pandemic, an important area that drew attention of the Bank and ICICI Foundation was to fortify the health infrastructure of the country. During fiscal 2022, varied efforts were made in this direction. To specifically address the requirements for Covid-19 healthcare, several health equipment like oxygen plant, ambulances, ventilators, hospital beds, and others were provided. ICICI Foundation also supported efforts to build a complete facility for Covid-19 treatment in three states. Going beyond supporting Covid-19 healthcare, ICICI Foundation also supplied medical equipment like dialysis machines and equipment for cancer care that were recognised as areas requiring significant support.

### Value Chain Development

As part of value chain development, the principal focus of ICICI Foundation was towards strengthening the agriculture and animal husbandry sectors. This involved setting up food processing units at several locations for processing the surplus production to

improve the shelf life of the local produce. Naming few projects in this area included the food processing unit at Udaipur in Rajasthan, oilseed value chain at Keonjhar in Odisha, value-added milk products at Beed in Maharashtra, and jackfruit value chain at Kerala. In the area of animal husbandry, ICICI Foundation has undertaken projects in livestock value chains.

### Environmental Sustainability

Apart from rainwater harvesting and watershed projects, ICICI Foundation has worked on promoting use of renewable energy sources. This involved projects like setting up solar power capacity at government schools, rejuvenation of water bodies, waste management and hygiene. ICICI Foundation has also undertaken pilots for ensuring food security under adverse weather conditions in Ladakh. Trench Greenhouse has enabled vegetable cultivation in Ladakh throughout the year. In addition, ICICI Foundation has extensively engaged in tree plantation, and has planted over one million trees till March 31, 2022.



**Women beneficiaries at the jackfruit processing unit in Kuzhur village, Thrissur district, Kerala.**

## SOCIAL AND RELATIONSHIP CAPITAL

### Skill Training for Livelihood

ICICI Foundation conducts three flagship programmes for skill training. The ICICI Academy for Skills operates 28 skill training centres in 21 states/union territory. These Academies are providing industry-relevant, job-oriented training on a pro bono basis in technical and non-technical skills. Under the Rural Livelihood programme, ICICI Foundation has worked in over 2,500 villages to impart relevant skills to enable livelihood creation while ensuring sustainable village ecosystems. ICICI Foundation manages two Rural Self Employment Training Institutes (RSETIs) at Udaipur and Jodhpur with 20 satellite centres in Rajasthan. These centres provide skills based on the local market requirements.

The cumulative number of people trained through these three initiatives crossed 750,000 individuals at March 31, 2022. The activities of ICICI Foundation spans across all states in the country.



**Beneficiaries of custard apple plantation drive by ICICI RSETI, Udaipur.**

### Rural Development

There are specific segments of the rural economy that require a more supportive and sensitive response to their financial requirements, and the Bank has taken initiatives to address the needs of such segments. The Self-Help Groups (SHGs) programme is an initiative that has contributed to entrepreneurship among women in the rural areas. A

comprehensive suite of banking products, including zero-balance savings account and term loans, for meeting the business requirements of the women of these SHGs is provided. Services are offered at their doorstep, thus saving their time and money on visits to the branch. ICICI Bank is also organising financial literacy camps and has set up dedicated service desks at select branches to guide SHGs on banking procedures. There has been a gradual rise in entrepreneurial ventures by women in the areas where the Bank has been providing services to SHGs. In addition to direct efforts in reaching out to SHGs, the Bank has tied up with about 546 non-government organisations called Self-Help Promoting Institutions (SHPIs).

The Bank has provided loans to over nine million women beneficiaries through over 692,000 SHGs till March 31, 2022. Of these, 3.8 million women were 'first time borrowers', who had not taken a loan from any formal financial institution. In addition to direct customers, the Bank reaches out to about 1.3 million customers through microfinance institutions.

The Bank also provides lending to Joint Liability Groups (JLGs), which are semi-formal groups from the weaker sections of society. Compared to SHGs, these groups are smaller. Lending to these groups is done through tie-ups with microfinance companies. The Bank also offers credit-related services to microfinance companies that are providing financial services to the rural population.

At March 31, 2022, the Bank had over 21.1 million Basic Savings Bank Deposit Accounts (BSBDA), of which around 4.4 million accounts were opened under the Pradhan Mantri Jan Dhan Yojana. The Bank encourages and enables these account holders to transact digitally.

# ENVIRONMENTAL SUSTAINABILITY

ICICI Bank has made significant strides in fiscal 2022 towards further embedding environmental priorities in its business and own operations.



**ICICI Service Centre in Bandra-Kurla Complex, Mumbai, has been awarded a 'Platinum' rating by Indian Green Building Council (IGBC).**

Environmental, Social and Governance (ESG) matters are becoming increasingly relevant for companies across various sectors. For banks, ESG priorities, *inter alia*, range from identification and promotion of sustainable assets, recognising ESG risks and opportunities, developing sustainable financing strategies, and incorporating ESG and climate change issues in risk management and governance.

The Bank has been making efforts in these areas through various initiatives. In fiscal 2022, a consulting

firm was appointed to review the ESG practices at the Bank, and recommend steps to strengthen the same. The Bank established a Board-approved Environmental, Social and Governance (ESG) Policy, which outlines the key priorities and integration of ESG across various functions. The environmental focus of the Bank at present is broadly towards promoting capacity creation in sustainable sectors, evaluation of ESG and climate risks and incorporating it as part of the credit assessment process and ensuring environmental sensitivity in the Bank's own operations.

## ENVIRONMENTAL SUSTAINABILITY

### RESPONSIBLE FINANCING

ICICI Bank is committed to supporting the nation's transition to a low-carbon economy and contribute towards sustainable growth. The Bank has emphasised financial inclusion and has developed digital products and strategies to improve access to finance for segments like Micro, Small and Medium Enterprises and the unbanked rural areas. Lending to sustainable sectors, like renewable energy, is another focus area subject to appropriate assessment of risks and returns. At March 31, 2022, the Bank's outstanding portfolio to sectors like renewable energy, electric vehicles, green certified real estate, waste management and positive impact sectors like small-scale khadi and handicrafts was about ₹73.80 billion.

Consideration of ESG in the Bank's lending decisions and risk management framework are important factors and the Bank has started evaluating various approaches in this regard. A beginning was made in April 2020 with the introduction of the social and environmental management framework that integrates analysis of environmental and social risks into the overall credit appraisal process. The key elements of the assessment include an exclusion list, seeking a declaration from borrowers of compliance with applicable national environmental guidelines/approvals for qualifying proposals subject to threshold criteria defined in the framework, and due diligence by a Lender's Independent Engineer (LIE) for large-ticket project loans identified as per the criteria defined in the framework.

ICICI Bank has recently taken a step further in the process of incorporating ESG and climate risk aspects as part of the credit evaluation process. Borrower ESG scores from external agencies are considered during the evaluation of a proposal. Further, the Bank has developed sector-specific checklists on ESG and assessment of climate-related physical and transition risks that a borrower in the sector could be exposed to. A response would be sought from the top borrowers of the Bank on these identified areas that would help in profiling the borrowers, based on their ESG-related risks and maturity in terms of policies and processes deployed to address these risks. The data gathered would then be evaluated to understand the ESG profile of the Bank's borrowers, likely concentration risks and determining the next steps.

Climate change and its impact on the economy and financial systems is a tangible risk and requires close

monitoring. The Bank will align its efforts with the nation's commitments and efforts towards transitioning to a low-carbon economy. As the understanding on climate risk is still evolving, the Bank has formulated an approach to address risks emanating from climate change, as part of a Climate Risk Management Framework. The scope of the framework comprises assessment of impact of climate change on the Bank's own operations, climate risk management of the Bank's loan book and integration of material climate risks into the existing risk management framework. The framework will be periodically reviewed for aligning with regulatory guidance on climate risks.

Developing proficiency in understanding ESG-related risks and opportunities and evaluation of ESG/climate related risks has been part of the training imparted to a core team within the risk management group during fiscal 2022.

### ENVIRONMENT SENSITIVITY IN THE BANK'S OPERATIONS

ICICI Bank continued to make progress in rationalising the use of natural resources and developing strategies for improving energy efficiency and adoption of green practices.

Few key activities undertaken during the year were:

- An additional 0.80 million square feet of Bank's premises were certified under the Indian Green Building Council (IGBC) green building rating. The total area with IGBC certification increased from 2.28 million square feet in fiscal 2021 to 3.09 million square feet in fiscal 2022.
- An additional 260 kWp of solar power capacity was added during fiscal 2022, taking the cumulative renewable energy installed capacity to 3,174 kWp. The Bank also reviewed and enhanced the supply of renewable power under the power purchase agreements. Around 7% of energy consumption in fiscal 2022 were from renewable sources.
- The Bank developed a digital integrated maintenance portal to manage breakdown and preventive maintenance requirements of critical equipment at branches and offices.

## ENVIRONMENTAL SUSTAINABILITY

**23%**  
of total area green certified

**24 ° Celsius**  
temperature policy as per ASHRAE<sup>1</sup> guidelines across branches and offices

Energy consumption of  
**127 million units**  
or 0.89 units per square feet per month, which is equivalent to a 4-Star as per BEE Energy Efficiency benchmark

**276**  
new branches were equipped with energy and water efficient equipment

## Rainwater Harvesting

implemented at various locations, including two of our large offices

<sup>1</sup> ASHRAE standards and guidelines include uniform methods of testing for rating purposes, describe recommended practices in designing and installing equipment and provide other information to guide the industry.



A rooftop solar plant installed at ICICI Bank's regional office on Bund Garden Road in Pune.

## GHG EMISSIONS

The Bank appointed TUV India Private Limited to conduct an independent limited assurance of the Bank's Scope 1<sup>2</sup> and Scope 2<sup>3</sup> emissions in fiscal 2022.

In absolute terms, the Bank's GHG emissions increased by 3.6% in fiscal 2022. However, the year-on-year carbon emission per Full Time Equivalent (FTE) employee declined from 1.38 tCO<sub>2</sub>e<sup>4</sup> in fiscal 2021 to 1.36 tCO<sub>2</sub>e in fiscal 2022. The Bank did not purchase carbon credits and related instruments during the year.

ICICI Bank's GHG emissions in its own operations in fiscal 2022 were:

Emission Category	Value (tCO <sub>2</sub> e)
Owned cars (Scope 1)	4.72
High speed diesel consumption in DGs (Scope 1)	5,523.63
Refrigerant emissions (Scope 1)	20,407.62
Fire extinguishers (Scope 1)	176.58
Electricity purchased (Scope 2)	116,379.39

In '000 tCO <sub>2</sub> e	Fiscal 2020	Fiscal 2021	Fiscal 2022
Scope 1	21	23	<b>26</b>
Scope 2	128	114	<b>116</b>
<b>Total</b>	<b>149</b>	<b>137</b>	<b>142</b>
Emissions Intensity (in tCO <sub>2</sub> e per FTE)	1.51	1.38	<b>1.36</b>

<sup>2</sup> Greenhouse Gas (GHG) Scope 1 - Direct GHG emissions that occur from sources owned or controlled by an organisation. For instance, fuel-led emissions from boilers, furnaces, vehicles, etc.

<sup>3</sup> Greenhouse Gas (GHG) Scope 2 - Scope 2 emissions are indirect GHG emissions associated with the purchase of electricity, steam, heat, or cooling. While these emissions may physically occur at the facility where they are generated, they are accounted for in an organisation's GHG inventory as they are generated for use by the organisation.

<sup>4</sup>tCO<sub>2</sub>e - Tonnes of carbon dioxide equivalent.