

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Twenty-Sixth Annual Report of ICICI Bank Limited (ICICI Bank/the Bank) along with the audited financial statements for the year ended March 31, 2020.

FINANCIAL HIGHLIGHTS

The financial performance for fiscal 2020 is summarised in the following table:

₹ in billion, except percentages	Fiscal 2019	Fiscal 2020	% change
Net interest income and other income	415.27	497.16	19.7%
Operating expenses	180.89	216.14	19.5%
Core operating profit	220.72	268.08	21.5%
Treasury income	13.66	12.93	(5.3)%
Operating profit	234.38	281.01	19.9%
Provisions & contingencies (excluding tax)	196.61	140.53	(28.5)%
Profit before tax	37.77	140.48	271.9%
Profit after tax	33.63	79.31	135.8%

₹ in billion, except percentages	Fiscal 2019	Fiscal 2020	% change
Consolidated profit before tax and minority interest	74.08	185.89	150.9%
Consolidated profit after tax and minority interest	42.54	95.66	124.9%

APPROPRIATIONS

The profit after tax of the Bank for fiscal 2020 is ₹ 79.31 billion after provisions and contingencies of ₹ 140.53 billion, provision for taxes of ₹ 61.17 billion and all expenses. The accumulated profit is ₹ 258.10 billion, taking into account the balance of ₹ 178.80 billion brought forward from the previous year. Your Bank has a consistent dividend payment history. Your Bank's dividend policy is based on the profitability and key financial metrics, capital position and requirements and the regulations pertaining to the payment of dividend. The Reserve Bank of India (RBI) through its circular 'Declaration of dividends by banks (Revised)' dated April 17, 2020, has directed that banks shall not make any further dividend payouts from the profits pertaining to fiscal 2020 until further instructions. This is with the intent that the banks conserve capital to retain their capacity to support the economy and absorb losses in an environment of heightened uncertainty caused by Covid-19. Accordingly, the Board of Directors has not recommended any dividend for fiscal 2020 and has appropriated the disposable profit as follows:

₹ in billion	Fiscal 2019	Fiscal 2020
To Statutory Reserve, making in all ₹ 257.21 billion	8.41	19.83
To Special Reserve created and maintained in terms of Section 36(1) (viii) of the Income Tax Act, 1961, making in all ₹ 102.94 billion	5.25	7.90
To Capital Reserve, making in all ₹ 132.50 billion	0.28	3.96
To Capital Redemption Reserve, making in all ₹ 3.50 billion ¹ (amount appropriated from surplus profit available for previous years)	3.50	-
To Investment Fluctuation Reserve, making in all ₹ 19.38 billion ²	12.69	6.69
To Revenue and other reserves, making in all ₹ 40.97 billion ³	0.01	- ⁴
Dividend paid during the year		
• On equity shares, during fiscal 2020 @ ₹ 1.00 per share of face value ₹ 2.00 each (during fiscal 2019 @ ₹ 1.50 per share)	9.65	6.45
• On preference shares, during fiscal 2019 @ ₹ 100.00 per share	35,000	-
Leaving balance to be carried forward to the next year	178.79	213.28

¹ Redeemable Non-Cumulative Preference Shares (350 RNCPS) of ₹ 10.0 million each were redeemed at par on April 20, 2018. Accordingly, an equivalent amount was transferred to Capital Redemption Reserve from surplus profit available for previous years.

² Represents an amount transferred to Investment Fluctuation Reserve (IFR) from disposable profit. As per the RBI guidelines, an amount not less than the lower of net profit on sale of available-for-sale (AFS) and held-to-maturity (HFT) category investments during the year or net profit for the year less mandatory appropriations is required to be transferred to IFR, until the amount of IFR is at least 2% of the HFT and AFS portfolio.

³ Includes transfer to Reserve Fund in accordance with regulations applicable to the Sri Lanka branch.

⁴ Insignificant amount.

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

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

SHARE CAPITAL

During the year under review, the Bank allotted 26,525,550 equity shares of ₹ 2.00 each pursuant to exercise of stock options under the Employee Stock Option Scheme. For details refer to Schedule 1 of the financial statements.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Pursuant to Section 186(11) of the Companies Act, 2013, the provisions of Section 186 of the Companies Act, 2013, except sub-section (1), do not apply to a loan made, guarantee given or security provided by a banking company in the ordinary course of business. The particulars of investments made by the Bank are disclosed in Schedule 8 of the financial statements as per the applicable provisions of the Banking Regulation Act, 1949.

SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES

There is no change in the subsidiaries and associates of the Bank during fiscal 2020. The Bank does not have any joint venture company. The particulars of subsidiary and associate companies as on March 31, 2020 have been included in Form No. MGT-9 which is annexed to this Report.

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

The performance of subsidiaries and associates and their contribution to the overall performance of the Bank as on March 31, 2020 is given in "Consolidated Financial Statements of ICICI Bank Limited – Schedule 18 - Note 12 – Additional information to consolidated accounts" of this Annual Report. A summary of key financials of the Bank's subsidiaries is also given in "Statement Pursuant to Section 129 of Companies Act, 2013" of this Annual Report.

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

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

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

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

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UPDATE ON COVID-19

Since the first quarter of Calendar Year 2020, the Covid-19 pandemic has impacted most countries, including India. This resulted in countries announcing lockdown and quarantine measures that sharply stalled economic activity. Several countries took unprecedented fiscal and monetary actions to help alleviate the impact of the crisis. The Government of India initiated a nation-wide lockdown from March 25, 2020 for three weeks which was extended to May 31, 2020. Government of India has announced various measures to support the economy during this period. The Reserve Bank of India (RBI) has also announced several measures to ease the financial system stress, including enhancing system liquidity, reducing interest rates, moratorium on loan repayments for borrowers, asset classification standstill benefit to overdue accounts where a moratorium has been granted and relaxation in liquidity coverage requirement, among others.

Banking was categorised as an essential service to enable customers to meet their requirements to the extent possible in the physical space as well as through digital channels. In these challenging times, the Bank's employees have shown strong resilience and the ability to adapt to changing circumstances. The health and well-being of employees and customers and business continuity is of utmost importance to the Bank. The Bank formed a quick response team to take steps to protect the health of the employees and provide essential services to the customers. About 97% of the branches were functional with reduced working hours during the lockdown. The branches were staffed based on the customer footfalls and employees were rostered. Excluding the employees working at the branches and some of the team members from Operations and IT, the majority of the employees were working from home during the lockdown period and continue to do so. The Bank continues to do a thorough risk assessment for augmenting IT security controls and curb any gaps and potential threats in the current working arrangement. ATMs across the country remain operational at all times with an average uptime of about 98%. The Bank also deployed mobile ATM vans for the benefit of the general public residing in and around the containment zones.

Even in this challenging time, the Bank is seeing opportunities to grow and strengthen its franchise and it is using these opportunities to further accelerate the digital journey of the Bank and its customers. In March 2020, the Bank launched a comprehensive digital banking platform called ICICI STACK which offers nearly 500 services to ensure uninterrupted banking experience to retail, business

banking, SME and corporate customers. Many of these services are first-in-the industry and are available instantly on the Bank's mobile banking platforms such as iMobile and InstaBIZ or the internet banking platform. These include digital account opening, instant loans, payment solutions, investments and health and term insurance. Small business customers can also use the APIs from the recently launched API Banking Portal to integrate various payment and product solutions. The Bank is seeing increased utilisation of its digital channels and platforms by its customers and has ensured that the IT infrastructure is able to handle any unexpected surge in digital transactions. The Bank continues to monitor the situation in the country and would take necessary steps to ensure safety of its people and continuity of its business operations.

In its effort to support the nation in its fight against the Covid-19 outbreak, the ICICI Group has committed a sum of ₹ 1.00 billion, including ₹ 800.0 million to the PM Cares Fund. ICICI Bank and ICICI Foundation have worked actively to assist various agencies including hospitals, the police, paramilitary forces, municipalities and government bodies in their tireless efforts to safeguard the citizens of the country.

The Indian economy would be impacted by this pandemic with contraction in industrial and services output across small and large businesses. The banking system is expected to be impacted by lower lending opportunities and revenues in the short to medium term and an increase in credit costs. The impact of the Covid-19 pandemic on Bank's results remains uncertain and dependent on the spread of Covid-19, further steps taken by the government and the central bank to mitigate the economic impact, steps taken by the Bank and the time it takes for economic activities to resume at normal levels. The Bank's capital and liquidity position are strong and would continue to be the focus area for the Bank.

MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE BANK

There are no material changes and commitments, affecting the financial position of the Bank which have occurred between the end of the financial year of the Bank to which the financial statements relate and the date of this Report. For the impact of Covid-19 on the performance of the Bank and the Group, refer "note no. 57 of schedule 18 – Notes forming part of the accounts" of financial statements of the Bank and "note no. 18 of schedule 18 – Notes forming part of the accounts" of consolidated financial statements of the Bank.

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DIRECTORS AND OTHER KEY MANAGERIAL PERSONNEL

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

The Members at the last Annual General Meeting (AGM) held on August 9, 2019 approved the appointments of Hari L. Mundra, Rama Bijapurkar, B. Sriram and S. Madhavan as Independent Directors.

Further, the Members at the last AGM approved the appointment of Sandeep Bakhshi as a Managing Director & Chief Executive Officer (MD & CEO) of the Bank for a period effective from October 15, 2018 upto October 3, 2023.

Pursuant to completion of their primary tenure under the Companies Act, 2013, Dileep Choksi and V. K. Sharma, Independent Directors ceased to be Directors on the Board of the Bank effective April 1, 2019. Vijay Chandok ceased to be a Director of the Bank at the end of day on May 6, 2019 and assumed office as Managing Director & CEO of ICICI Securities Limited with effect from May 7, 2019. The Board acknowledges the valuable contribution and guidance provided by the Directors.

The Board of Directors and the Members approved the appointment of Sandeep Batra as a Wholetime Director (designated as Executive Director) subject to the approval of Reserve Bank of India (RBI). However, in November 2019, the Bank received a communication from RBI not acceding to the request for appointment of Sandeep Batra and to resubmit the proposal for approval after one year from the conclusion of settlement proceedings initiated by Sandeep Batra with regard to SEBI order passed in September 2019.

The Board of Directors on May 9, 2020 based on the recommendations of the Board Governance, Remuneration & Nomination Committee approved the following:

- (a) Re-appointment of Vishakha Mulye as a Wholetime Director (designated as Executive Director) for a period of five years effective from January 19, 2021, subject to the approval of Members and RBI.
- (b) Re-appointment of Girish Chandra Chaturvedi as an Independent Director of the Bank for a period of three years effective from July 1, 2021, subject to the approval of Members.
- (c) Re-appointment of Girish Chandra Chaturvedi as Non-Executive (part-time) Chairman of the Bank for a period of three years effective from July 1, 2021, subject to the approval of Members and RBI.

The resolutions for the above re-appointments are being proposed in the Notice of the forthcoming AGM through item nos. 5 to 7.

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

Declaration of Independence

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149 of the Companies Act, 2013 as amended (the Act) and Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (SEBI Listing Regulations) which have been relied on by the Bank and were placed at the Board Meeting held on May 9, 2020. In the opinion of the Board, the Independent Directors fulfil the conditions specified in the Act and the SEBI Listing Regulations and are independent of the Management.

Retirement by rotation

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

AUDITORS

Statutory Auditors

At the Annual General Meeting (AGM) held on August 9, 2019, the Members approved the appointment of M/s Walker Chandiook & Co LLP, Chartered Accountants, as statutory auditors to hold office from the conclusion of the Twenty-Fifth AGM till the conclusion of the Twenty-Sixth AGM. As per the Reserve Bank of India guidelines, the statutory auditors of the banking companies are allowed to continue for a period of four years, subject to fulfilling the prescribed eligibility norms. Accordingly, M/s Walker Chandiook & Co LLP, Chartered Accountants, would be eligible for re-appointment at the conclusion of the forthcoming AGM. As recommended by the Audit Committee, the Board has proposed the re-appointment of M/s Walker Chandiook & Co LLP, Chartered Accountants, as statutory auditors for the year ending March 31, 2021 (fiscal 2021). M/s Walker Chandiook & Co LLP, Chartered Accountants, will hold office from the conclusion of the forthcoming AGM till the conclusion of the Twenty-Seventh AGM, subject to the approval of Members of the Bank and other regulatory approvals as may be necessary or required. The re-appointment of the statutory auditors is proposed to the Members in the Notice of the forthcoming AGM through item no. 3.

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

Secretarial Auditors

The Board appointed M/s. Parikh Parekh & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Bank for fiscal 2020. The Secretarial Audit Report is annexed herewith as Annexure A. There are no qualifications, reservation or adverse remark or disclaimer made by the auditor in the report save and except disclaimer made by them in discharge of their professional obligation.

Pursuant to Securities and Exchange Board of India Circular dated February 8, 2019, the Annual Secretarial Compliance Report for fiscal 2020 will be available on websites of the stock exchanges i.e. BSE Limited (www.bseindia.com) and National Stock Exchange of India Limited (www.nseindia.com).

Maintenance of Cost Records

Being a Banking Company, the Bank is required to maintain cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013.

Reporting of Frauds by Auditors

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

PERSONNEL

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

INTERNAL CONTROL AND ITS ADEQUACY

The Bank has adequate internal controls and processes in place with respect to its financial statements which provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements. These controls and processes are driven

through various policies, procedures and certifications. The processes and controls are reviewed periodically. The Bank has a mechanism of testing the controls at regular intervals for their design and operating effectiveness to ascertain the reliability and authenticity of financial information.

DISCLOSURE UNDER FOREIGN EXCHANGE MANAGEMENT ACT, 1999

The Bank has obtained a certificate from its statutory auditors that it is in compliance with the Foreign Exchange Management Act, 1999 provisions with respect to investments made in its consolidated subsidiaries and associates during fiscal 2020.

RELATED PARTY TRANSACTIONS

The Bank has a Board approved Group Arm's Length Policy which requires transactions with the group companies to be at arm's length. All the Related Party Transactions between the Bank and its related parties, entered during the year ended March 31, 2020, were on arm's length basis and were in the ordinary course of business. There were no related party transactions to be reported under section 188(1) of the Companies Act 2013, in form AOC-2, pursuant to Rule 8(2) of the Companies (Accounts) Rules, 2014.

All related party transactions as required under Accounting Standard AS-18 are reported in note no. 48 of schedule 18 – Notes to Accounts of standalone financial statements and note no. 2 of schedule 18 – Notes to Accounts of consolidated financial statements of the Bank.

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

ANNUAL RETURN

The extract of Annual Return in Form No. MGT-9 is annexed herewith as Annexure B. The Annual Return in Form No. MGT-7 will be hosted on the website of the Bank at (<https://www.icicibank.com/aboutus/annual.html>).

BUSINESS RESPONSIBILITY REPORTING

The Business Responsibility Report as stipulated under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 will be hosted on the website of the Bank at <https://www.icicibank.com/aboutus/annual.html>. Any Member interested in obtaining a copy of the same may write to the Company Secretary of the Bank.

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INTEGRATED REPORTING

The Bank adopted the principles of the International Integrated Reporting Framework as developed by the International Integrated Reporting Council (IIRC) since FY2019 in its Annual Report. For accessing the Integrated Report for FY2020, please refer to the Annual Report 2019-2020 hosted on the website of the Bank at (<https://www.icicibank.com/aboutus/annual.html>).

RISK MANAGEMENT FRAMEWORK

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

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

Committee also reviews major credit portfolios, non-performing loans, accounts under watch, overdues and incremental sanctions.

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

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

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

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

The Internal Audit Group acts as an independent entity and is responsible to evaluate and provide objective assurance on the effectiveness of internal controls, risk management and governance processes within the Bank and suggest improvements. The Internal Audit Group maintains appropriately qualified personnel to fulfill its responsibilities.

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The Internal Audit and Compliance groups are responsible to the Audit Committee of the Board.

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

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

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

- a. number of complaints filed during the financial year: 52
- b. number of complaints disposed off during the financial year: 52
- c. number of complaints pending¹ at end of the financial year: Nil

¹ All complaints received during FY2020 have been closed within the applicable turnaround time (90 days).

CORPORATE GOVERNANCE

The corporate governance framework at ICICI Bank is based on an effective independent Board, the separation of the Board's supervisory role from the executive management and the constitution of Board Committees to oversee critical areas. At March 31, 2020, Independent Directors constituted a majority on most of the Committees and most of the Committees were chaired by Independent Directors.

I. Philosophy of Corporate Governance

ICICI Bank's corporate governance philosophy encompasses regulatory and legal requirements, which aims at a high level of business ethics, effective supervision and enhancement of value for all stakeholders.

Whistle-Blower Policy

The Bank has formulated a Whistle-Blower Policy, which is periodically reviewed. The policy comprehensively provides an opportunity for any

employee or director of the Bank to raise any issue concerning breaches of law, accounting policies or any act resulting in financial or reputation loss and misuse of office or suspected or actual fraud. The policy provides for a mechanism to report such concerns to the Audit Committee through specified channels. The policy has been periodically communicated to the employees and also posted on the Bank's intranet. The Whistle-Blower Policy complies with the requirements of Vigil mechanism as stipulated under Section 177 of the Companies Act, 2013 and other applicable laws, rules and regulations. The details of establishment of the Whistle-Blower Policy/Vigil mechanism have been disclosed on the website of the Bank.

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

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

Group Code of Business Conduct and Ethics

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

Material Subsidiaries

In accordance with the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Bank has formulated a Policy for determining Material Subsidiaries and the same has been hosted on the website of the Bank at (<https://www.icicibank.com/aboutus/other-policies.page>). ICICI Prudential Life Insurance Company Limited is a material listed

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subsidiary of the Bank. The Bank does not have any unlisted material subsidiary.

Familiarisation Programme for Independent Directors

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

CEO/CFO Certification

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

Fees to statutory auditor

Nature of service	Amount in ₹ ¹
Audit	77,226,573
Certification and other audit related services	8,910,000
Total	86,136,573

¹ Excludes taxes and out of pocket expenses.

Details of utilisation of funds

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

Recommendations of mandatory committees

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

Skills/expertise/competence of the Board of Directors

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

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

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

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Credit Rating as on March 31, 2020

Foreign currency denominated instrument ratings

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

Rupee denominated instrument ratings

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

Moody's: Moody's Investors Services

S&P: S&P Global Ratings

JCRA: Japan Credit Rating Agency, Limited

CARE: CARE Ratings Limited, India

ICRA: ICRA Limited, India

CRISIL: CRISIL Limited, India

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

Dividend Distribution Policy

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

Certificate from a Company Secretary in practice

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

Board of Directors

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

The Board of the Bank at March 31, 2020 consisted of twelve Directors, out of which eight were Independent Directors, one was a Government Nominee Director and three were Executive Directors.

There were eight meetings of the Board during the year – May 6, June 28, July 27, September 19 and October 26 in 2019 and January 25, March 6 and March 12 in 2020.

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

DIRECTORS' REPORT

The names of the Directors, their attendance at Board Meetings during the year, attendance at the last AGM and details of other directorships and board committee memberships held by them at March 31, 2020 are set out in the following table:

Name of Director	Board Meetings attended during the year	Attendance at last AGM (August 9, 2019)	Number of directorships		Names of the other listed entities where a person is a director and category of directorship	Number of other committee memberships ¹
			of other Indian public limited companies	of other Indian companies		
Independent Directors						
Girish Chandra Chaturvedi, Chairman ² (DIN: 00110996)	8/8	Present	3	-	1) Infrastructure Leasing and Financial Services Limited (NED) 2) IL & FS Energy Development Company Limited (Chairman, NED)	3(2)
Hari L. Mundra (DIN: 00287029)	7/8	Absent ⁵	2	-	1) Allcargo Logistics Limited (ID)	3(1)
Neelam Dhawan ³ (DIN: 00871445)	8/8	Present	-	-	-	-
Radhakrishnan Nair (DIN: 07225354)	8/8	Present	9	2	1) ICICI Prudential Life Insurance Company Limited (ID) 2) Geojit Financial Services Limited (ID) 3) ICICI Securities Primary Dealership Limited (ID)	3(1)
Rama Bijapurkar (DIN: 00001835)	8/8	Present	4	1	1) Nestle India Limited (ID) 2) Mahindra & Mahindra Financial Services Limited (ID) 3) Emami Limited (ID) 4) VST Industries Limited (ID)	5(3)
B. Sriram (DIN: 02993708)	8/8	Present	2	-	1) Unitech Limited (Government Nominee Director)	1(0)
S. Madhavan ² (w.e.f. April 14, 2019) (DIN:06451889)	8/8	Present	5	4	1) UFO Moviez India Limited (ID) 2) Glaxosmithkline Consumer Healthcare Limited (ID) 3) Transport Corporation of India limited (ID) 4) HCL Technologies Limited (ID)	6(4)

DIRECTORS' REPORT

Name of Director	Board Meetings attended during the year	Attendance at last AGM (August 9, 2019)	Number of directorships		Names of the other listed entities where a person is a director and category of directorship	Number of other committee memberships ¹
			of other Indian public limited companies	of other Indian companies		
Uday Chitale (DIN: 00043268)	8/8	Present	3	1	1) ICICI Lombard General Insurance Company Limited (ID) 2) India Infradebt Limited (ID)	3(1)
Government Nominee Director						
Lalit Kumar Chandel ⁴ (DIN: 00182667)	3/8	Absent ⁵	1	-	1) The Oriental Insurance Company Limited (Government Nominee Director)	1(1)
Executive Directors						
Anup Bagchi (DIN: 00105962)	8/8	Present	5	-	1) ICICI Prudential Life Insurance Company Limited (NED) 2) ICICI Securities Limited (NED) 3) ICICI Home Finance Company Limited (Chairman, NED)	-
Sandeep Bakhshi, Managing Director & CEO (DIN: 00109206)	8/8	Present	-	-	-	-
Vishakha Mulye (DIN: 00203578)	8/8	Present	1	-	1) ICICI Lombard General Insurance Company Limited (NED)	-
Vijay Chandok (upto May 6, 2019) (DIN: 01545262)	1/1	N.A.	N.A.	N.A.	N.A.	N.A.

Independent Director (ID)

Non- Executive Director (NED)

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

2 Participated in one Meeting through video-conference.

3 Participated in three Meetings through video-conference.

4 Participated in two Meetings through video-conference.

5 Unable to attend due to personal commitments.

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

DIRECTORS' REPORT

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

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

The terms of reference of the Board Committees as mentioned above, their composition and attendance of the respective Members at the various Committee Meetings held during fiscal 2020 are set out below:

II. Audit Committee

Terms of Reference

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

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

Composition

There were twelve Meetings of the Committee during the year – April 26, May 6, June 12, July 16, July 25, July 27, October 24, October 26 and November 25 in 2019 and January 23, January 25 and March 19 in 2020. The details of the composition of the Committee and attendance at its Meetings held during the year are set out in the following table:

Name of Member	Number of meetings attended
Uday Chitale, <i>Chairman</i>	12/12
S. Madhavan ¹ (<i>w.e.f. April 14, 2019</i>)	12/12
Radhakrishnan Nair ²	12/12

¹ Participated in three Meetings through video-conference.

² Participated in one Meeting through video-conference.

DIRECTORS' REPORT

III. Board Governance, Remuneration & Nomination Committee

Terms of Reference

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

Composition

There were five Meetings of the Committee during the year – May 6, July 27, September 19, and October 26 in 2019 and January 24 in 2020. The details of the composition of the Committee and attendance at its Meetings held during the year are set out in the following table:

Name of Member	Number of meetings attended
Neelam Dhawan ¹ , <i>Chairperson</i>	5/5
G. C. Chaturvedi	5/5
Rama Bijapurkar	5/5
B. Sriram	5/5

¹ Participated in one Meeting through video-conference.

Policy/Criteria for Directors' Appointment

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

The Committee also evaluates the prospective candidate for the position of a Director from the perspective of the criteria for independence prescribed under the Companies Act, 2013 as well as the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. For a non-executive Director to be classified as independent he/she must satisfy the criteria of independence as prescribed and sign a declaration of independence. The Committee reviews the same and determine the independence of a Director.

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

Remuneration policy

The Compensation Policy of the Bank is in line with the RBI circulars and is in compliance with the requirements for the Remuneration Policy as prescribed under the Companies Act, 2013. The Policy is divided into the segments, Part A, Part B and Part C where Part A covers the requirements for wholetime Directors & employees pursuant to RBI guidelines, Part B relates to compensation to non-executive Directors (except part-time non-executive Chairman) and Part C relates to compensation to part-time non-executive Chairman. The Compensation/Remuneration Policy is available on the website of the

DIRECTORS' REPORT

Bank under the link (<https://www.icicibank.com/aboutus/other-policies.page?#toptitle>). Further details with respect to the Compensation Policy are provided under the section titled "Compensation Policy and Practices".

The remuneration payable to non-executive/ Independent Directors is governed by the provisions of the Banking Regulation Act, 1949, RBI guidelines issued from time to time and the provisions of the Companies Act, 2013 and related rules to the extent these are not inconsistent with the provisions of the Banking Regulation Act, 1949/ RBI guidelines. The remuneration for the non-executive/ Independent Directors (other than Government Nominee Director) would be sitting fee for attending each Meeting of the Committee/Board as approved by the Board. The Members at their Meeting held on July 11, 2016 approved the payment of profit related commission upto ₹ 1,000,000 per annum to each non-executive Director of the Bank (other than part-time Chairman and the Government Nominee Director).

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

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

Performance evaluation of the Board, Committees and Directors

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

The evaluations for the Directors, the Board, Chairperson of the Board and the Committees is carried out through circulation of four different questionnaires, for the Directors, for the Board, for the Chairperson of the Board and the Committees respectively. The performance of the Board is assessed on select parameters related to roles, responsibilities and obligations of the Board, relevance of Board discussions, attention to strategic issues, performance on key areas, providing feedback to executive management and assessing the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The evaluation criteria for the Directors is based on their participation, contribution and offering guidance to and understanding of the areas which were relevant to them in their capacity as members of the Board. The evaluation criteria for the Chairperson of the Board besides the general criteria adopted for assessment of all Directors, focuses incrementally on leadership abilities, effective management of meetings and preservation of interest of stakeholders. The evaluation of the Committees is based on assessment of the clarity with which the mandate of the Committee is defined, effective discharge of terms and reference of the Committees and assessment of effectiveness of contribution of the Committee's deliberation/recommendations to the functioning/decisions of the Board. The Bank has taken effective steps with regards to the action points arising out of performance evaluation process for fiscal 2019. The overall performance evaluation process for fiscal 2020 was completed to the satisfaction of the Board. The Board of Directors also identified specific action points arising out of the overall evaluation which would be executed as directed by the Board.

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

Details of Remuneration paid to Executive Directors

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

DIRECTORS' REPORT

The following table sets out the details of remuneration (including perquisites and retiral benefits) paid to whole-time Directors in fiscal 2020:

	Sandeep Bakhshi	Vishakha Mulye	Anup Bagchi	Vijay Chandok ¹
	2019-20	2019-20	2019-20	2019-20
Basic	28,572,000	24,467,040	24,467,040	2,433,550
Performance bonus paid in fiscal 2020 ²	0	15,942,029	14,617,507	14,617,507
Allowances and perquisites ³	28,786,322	26,827,847	21,925,082	5,864,032
Contribution to provident fund	3,428,640	2,936,047	2,936,040	292,026
Contribution to superannuation fund	0	150,000	0	0
Contribution to gratuity fund	2,380,048	2,038,104	2,038,104	202,715
Stock options⁴				
Fiscal 2019	610,500	610,500	610,500	610,500
Fiscal 2018	NA	646,000	646,000	646,000

1 Vijay Chandok was with the Bank till May 6, 2019 and thereafter moved to a Group Company. The above information pertains to the period spent at the Bank.

2 Represents amounts paid during the year as per RBI approvals. An amount of ₹ 3,450,467/- was paid to N. S. Kannan during the year, for the period spent in the Bank in fiscal 2019.

3 Allowances and perquisites exclude stock options exercised during fiscal 2020 which do not constitute remuneration paid to the whole-time Directors for fiscal 2020.

4 Represents options granted during the year as per RBI approvals pertaining to Fiscal 2019 and Fiscal 2018. 646,000 options were granted to N. S. Kannan pertaining to fiscal 2018 as per RBI approvals.

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

The Bank does not pay any severance fees to its Managing Director & CEO or to its whole-time Directors. The tenure of the office of Managing Director & CEO and the whole-time

Directors of the Bank is five years, subject to approval of RBI and the Members. The notice period for each of them, as specified in their respective terms of appointments is two months in addition to gardening leave.

During fiscal 2020, Sandeep Bakhshi received ₹ 8,534,434 (gross amount) as performance bonus from ICICI Prudential Life Insurance Company Limited, subsidiary of the Bank being the deferred variable pay for the years FY2016, FY2017 and FY2018.

Details of Remuneration paid to non-executive Directors

The Board of Directors has approved the payment of ₹ 100,000 as sitting fee for each Meeting of the Board and Audit Committee and ₹ 50,000 as sitting fee for each Meeting of the Committee attended other than the Audit Committee. The Board at its Meeting held on October 26, 2019 approved revision in sitting fee payable to non-executive Directors (other than Government Nominee Director) from ₹ 50,000 to ₹ 100,000 for attending each Meeting of Credit Committee and Risk Committee effective October 27, 2019.

DIRECTORS' REPORT

Information on the total sitting fees and commission paid to each non-executive Director during fiscal 2020 is set out in the following table:

Name of Director	Amount (₹)	
	Sitting Fees	Commission ¹
G.C. Chaturvedi	1,600,000	-
Uday Chitale	2,450,000	1,000,000
Neelam Dhawan	1,550,000	1,000,000
Dileep C. Choksi ²	-	1,000,000
V. K. Sharma ²	-	1,000,000
Tushaar Shah ³	-	87,671
Rama Bijapurkar ⁴	1,300,000	210,959
B. Sriram ⁴	2,350,000	210,959
S. Madhavan ⁵	2,650,000	-
Radhakrishnan Nair ⁶	3,000,000	915,068
Hari L. Mundra ⁷	2,600,000	430,137

¹ Commission pertaining to fiscal 2019 paid in fiscal 2020

² Director upto March 31, 2019

³ Director upto May 2, 2018

⁴ Director with effect from January 14, 2019

⁵ Director with effect from April 14, 2019

⁶ Director with effect from May 2, 2018

⁷ Director with effect from October 26, 2018

The sitting fees of ₹ 1,00,000 each paid in fiscal 2020 to Uday Chitale and Radhakrishnan Nair for attending the Audit Committee Meeting held on February 22, 2019 is not included in the above table.

As per the RBI approval, a gross amount of ₹ 3,500,000 was paid as remuneration for fiscal 2020 to G. C. Chaturvedi.

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

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

As on March 31, 2020, Rama Bijapurkar, Lalit Kumar Chandel and S. Madhavan held 2,600, 10 and 2,600 equity shares of ₹ 2.00 each respectively.

Remuneration disclosures as required under RBI guidelines

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

COMPENSATION POLICY AND PRACTICES

(A) Qualitative Disclosures

a) Information relating to the bodies that oversee remuneration.

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

The Board Governance, Remuneration and Nomination Committee (BGRNC/ Committee) is the body which oversees the remuneration aspects. The functions of the Committee include recommending appointments of Directors to the Board, identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommending to the Board their appointment and removal, formulate a criteria for the evaluation of the performance of the whole time/ independent Directors and the Board and to extend or continue the term of appointment of independent Director on the basis of the report of performance evaluation of independent Directors, recommending to the Board a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees, recommending to the Board the remuneration (including performance bonus and perquisites) to wholetime Directors (WTDs) and senior management, commission and fee payable to non- executive Directors subject to applicable regulations, approving the policy for and quantum of bonus payable to members of the staff including senior management and key managerial personnel, formulating the criteria for determining qualifications, positive attributes and independence of a Director, framing policy on Board diversity, framing guidelines for the Employee Stock Option Scheme (ESOS) and decide on the grant of the Bank's stock options to employees and WTDs of the Bank and its subsidiary companies.

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

The Bank employed the services of a reputed consulting firm for market benchmarking in the area of compensation, including executive compensation.

DIRECTORS' REPORT

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

The Compensation Policy of the Bank, as last amended by the BGRNC and Board at their meetings held on October 26, 2019, covers all employees of the Bank, including those in overseas branches of the Bank. In addition to the Bank's Compensation Policy guidelines, the overseas branches also adhere to relevant local regulations.

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

All employees of the Bank are governed by the Compensation Policy. The total number of permanent employees of the Bank at March 31, 2020 was 97,354.

b) Information relating to the design and structure of remuneration processes.

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

The Bank has under the guidance of the Board and the BGRNC, followed compensation practices intended to drive meritocracy within the framework of prudent risk management. This approach has been incorporated in the Compensation Policy, the key elements of which are given below.

- o Effective governance of compensation: The BGRNC has oversight over compensation. The Committee defines Key Performance Indicators (KPIs) for WTDs and equivalent positions and the organisational performance norms for bonus based on the financial and strategic plan approved by the Board. The KPIs include both quantitative and qualitative aspects. The BGRNC assesses organisational performance and based on its assessment, it makes recommendations to the Board regarding compensation for WTDs, senior management and equivalent positions and bonus for employees, including senior management and key management personnel.
- o Alignment of compensation philosophy with prudent risk taking: The Bank seeks to

achieve a prudent mix of fixed and variable pay, with a higher proportion of variable pay at senior levels and no guaranteed bonuses. Compensation is sought to be aligned to both financial and non-financial indicators of performance including aspects like risk management and customer service. In addition, the Bank has an employee stock option scheme aimed at aligning compensation to long term performance through stock option grants that vest over a period of time. Compensation of staff in financial and risk control functions is independent of the business areas they oversee and depends on their performance assessment.

- ***Whether the remuneration committee reviewed the firm's remuneration policy during the past year, and if so, an overview of any changes that were made***

During the year ended March 31, 2020, the Bank's Compensation Policy was reviewed by the BGRNC and the Board at their meetings held on May 6, 2019 and was later amended at their meetings held on July 27, 2019 and October 26, 2019.

- ***Discussion of how the Bank ensures that risk and compliance employees are remunerated independently of the businesses they oversee***

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

c) Description of the ways in which current and future risks are taken into account in the remuneration processes.

- ***Overview of the key risks that the Bank takes into account when implementing remuneration measures***

The Board approves the risk framework for the Bank and the business activities of the Bank are undertaken within this framework to achieve the financial plan. The risk framework includes the Bank's risk appetite, limits framework and policies and procedures governing various types of risk. KPIs of WTDs & equivalent positions, as well as employees, incorporate relevant risk

DIRECTORS' REPORT

management related aspects. For example, in addition to performance targets in areas such as risk calibrated core operating profit (profit before provisions and tax excluding treasury income), performance indicators include aspects such as asset quality. The BGRNC takes into consideration all the above aspects while assessing organisational and individual performance and making compensation-related recommendations to the Board.

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

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

- **Discussion of the ways in which these measures affect remuneration**

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

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

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

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

- **Overview of main performance metrics for Bank, top level business lines and individuals**

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

- **Discussion of how amounts of individual remuneration are linked to the Bank-wide and individual performance**

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

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

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

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

- ***Discussion of the Bank's policy on deferral and vesting of variable remuneration and, if the fraction of variable remuneration that is***

DIRECTORS' REPORT

deferred differs across employees or groups of employees, a description of the factors that determine the fraction and their relative importance

The quantum of bonus for an employee does not exceed a certain percentage (as stipulated in the compensation policy) of the total fixed pay in a year. Within this percentage, if the quantum of bonus exceeds a predefined threshold percentage of the total fixed pay, a part of the bonus is deferred and paid over a period. These thresholds for deferrals are same across employees.

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

The deferred portion of variable pay is subject to malus, under which the Bank would prevent vesting of all or part of the variable pay in the event of an enquiry determining gross negligence, breach of integrity or in the event of a reasonable evidence of deterioration in financial performance. In such cases, variable pay already paid out may also be subjected to clawback arrangements, as applicable.

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

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

The Bank pays performance linked retention pay (PLRP) to its front-line staff and junior management and performance bonus to its middle and senior management. PLRP aims to reward front line and junior managers, mainly on the basis of skill maturity attained through experience and continuity in role which is a key differentiator for customer service. The Bank also pays variable pay to sales officers and relationship managers in wealth management roles while ensuring that such pay-outs are in accordance with applicable regulatory requirements.

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

(B) Quantitative disclosures

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

₹ in million, except numbers

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Number of meetings held by the BGRNC during the financial year	5	12
Remuneration paid to its members during the financial year (sitting fees)	1	1.9
Number of employees who received a variable remuneration award during the financial year ¹	5	-
Number and total amount of sign-on awards made during the financial year	-	-
Number and total amount of guaranteed bonuses awarded during the financial year	-	-
Details of severance pay, in addition to accrued benefits	-	-
Breakdown of amount of remuneration awards for the financial year		
Fixed ²	214.8	274.7
Variable ^{1&3}	57.3	-
- Deferred	-	-
- Non-deferred	57.3	-
Share-linked instruments ³	5,475,500	-
Total amount of deferred remuneration paid out during the year	-	-
Total amount of outstanding deferred remuneration		
Cash	N.A.	N.A.
Shares (nos.)	-	-
Shares-linked instruments	4,690,430	6,260,597
Other forms	-	-

DIRECTORS' REPORT

₹ in million, except numbers

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Total amount of outstanding deferred remuneration and retained remuneration exposed to ex-post explicit and/or implicit adjustments	-	-
Total amount of reductions during the year due to ex-post explicit adjustments ⁴	-	-
Total amount of reductions during the year due to ex-post implicit adjustments	-	-

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

² Fixed pay includes basic salary, supplementary allowances, superannuation, contribution to provident fund and gratuity fund by the Bank. The amounts mentioned in the above table corresponds to the period of employment of WTDs in the Bank during FY2020.

³ For the years ended March 31, 2020 and March 31, 2019, variable and share-linked instruments represent amounts paid/options awarded during the year, as per RBI approvals. 2,584,000 options pertain to fiscal 2018 and 2,891,500 options pertain to fiscal 2019.

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

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

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

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

Sandeep Bakhshi, Managing Director & CEO	111:1
Vishakha Mulye, Executive Director	97:1
Anup Bagchi, Executive Director	97:1

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

The percentage increase done with effect from April 1, 2019 in the remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary is provided below:

Sandeep Bakhshi, Managing Director & CEO	0%
Vishakha Mulye, Executive Director	5%
Anup Bagchi, Executive Director	15%
Rakesh Jha, Chief Financial Officer	12%
Ranganath Athreya, Company Secretary	5.5%

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

The percentage increase in the median remuneration of employees in the financial year was around 9%.

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

The number of employees, as mentioned in the section on 'Management's Discussion & Analysis' is 99,319. Out of this, the employees on permanent rolls of the Company is 97,354 including employees in overseas locations.

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

The average percentage increase made in the salaries of total employees other than the Key Managerial Personnel for FY2020 was around 9%, while the average increase in the remuneration of the Key Managerial Personnel was in the range of 0% to 15%.

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

Yes

Note:

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

DIRECTORS' REPORT

IV. Corporate Social Responsibility Committee

Terms of Reference

The functions of the Committee include review of corporate social responsibility (CSR) initiatives undertaken by the ICICI Group and the ICICI Foundation for Inclusive Growth, formulation and recommendation to the Board of a CSR Policy indicating the activities to be undertaken by the Company and recommendation of the amount of expenditure to be incurred on such activities, reviewing and recommending the annual CSR plan to the Board, making recommendations to the Board with respect to the CSR initiatives, policies and practices of the ICICI Group, monitoring the CSR activities, implementation and compliance with the CSR Policy and reviewing and implementing, if required, any other matter related to CSR initiatives as recommended/suggested by RBI or any other body.

Composition

There were three Meetings of the Committee during the year – April 25, 2019, August 16, 2019 and January 10, 2020. The details of the composition of the Committee and attendance at its Meetings held during the year are set out in the following table:

Name of Member	Number of meetings attended
Radhakrishnan Nair ¹ , <i>Chairman</i>	3/3
Anup Bagchi	3/3
Rama Bijapurkar (w.e.f. June 30, 2019)	1/2
Uday Chitale ¹ (w.e.f. June 30, 2019)	2/2

¹ Participated in one Meeting through video-conference.

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

ICICI Bank has a long-standing commitment towards socio-economic development. The Bank's CSR activities are focused in the areas of skill development for sustainable livelihoods, rural development and related activities including financial inclusion and financial literacy, and other activities as may be required towards fulfilling the CSR objectives. The activities are largely implemented either directly or through the ICICI Foundation for Inclusive Growth. The CSR policy has been hosted on the website of the Bank at (<https://www.icicibank.com/managed-assets/docs/about-us/ICICI-Bank-CSR-Policy.pdf>.)

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

V. Credit Committee

Terms of Reference

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

Composition

There were twenty-four Meetings of the Committee during the year – April 2, April 8, April 12, April 25, May 17, June 11, June 19, June 28, July 26, August 19, September 4, September 13, September 20, September 27, October 11, October 25, November 21, December 13, December 23 in 2019 and January 13, February 14, March 5, March 13 and March 23 in 2020. The details of the composition of the Committee and attendance at its Meetings held during the year are set out in the following table:

Name of Member	Number of meetings attended
Sandeep Bakhshi ¹ , <i>Chairman</i>	24/24
Hari L. Mundra ¹	23/24
Radhakrishnan Nair ¹ (upto June 29, 2019)	8/8
Vishakha Mulye ¹	22/24
G. C. Chaturvedi ¹ (w.e.f. June 30, 2019 and upto September 30, 2019)	6/6
B. Sriram ¹ (w.e.f. October 1, 2019)	10/10

¹ participated in one Meeting through video-conference.

VI. Customer Service Committee

Terms of Reference

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

Composition

There were four Meetings of the Committee during the year – May 29, 2019, August 16, 2019, November 15, 2019 and February 19, 2020. The details of the composition of the Committee and attendance at

DIRECTORS' REPORT

its Meetings held during the year are set out in the following table:

Name of Member	Number of meetings attended
Rama Bijapurkar, <i>Chairperson</i>	4/4
Uday Chitale (upto June 29, 2019)	1/1
Neelam Dhawan (upto June 29, 2019)	1/1
Hari L. Mundra (w.e.f. June 30, 2019)	3/3
Sandeep Bakhshi	4/4
Anup Bagchi	4/4

VII. Fraud Monitoring Committee

Terms of Reference

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

Composition

There were four Meetings of the Committee during the year – April 25, 2019, July 26, 2019, October 16, 2019 and January 24, 2020. The details of the composition of the Committee and attendance at its Meetings held during the year are set out in the following table:

Name of Member	Number of meetings attended
S. Madhavan, <i>Chairman</i> (Chairman w.e.f. June 30, 2019)	3/3
Neelam Dhawan ¹	4/4
Uday Chitale (upto June 29, 2019)	1/1
Radhakrishnan Nair (w.e.f. June 30, 2019)	3/3
Anup Bagchi	4/4
Sandeep Bakhshi	4/4

¹ Participated in one Meeting through video-conference.

Uday Chitale chaired the Meeting held on April 25, 2019.

VIII. Information Technology Strategy Committee

Terms of Reference

The functions of the Committee are to approve strategy for Information Technology (IT) and policy documents, ensure that IT strategy is aligned with business strategy, review IT risks, ensure proper balance of IT investments for sustaining the Bank's growth, oversee the aggregate funding of IT at Bank-level, ascertain if the management has resources to ensure the proper management of IT risks, review contribution of IT to business and oversee the activities of Digital Council.

Composition

There were four Meetings of the Committee during the year – May 29, 2019, August 13, 2019, November 6, 2019 and February 19, 2020. The details of the composition of the Committee and attendance at its Meetings held during the year are set out in the following table:

Name of Member	Number of meetings attended
B. Sriram, <i>Chairman</i> (Chairman w.e.f. June 30, 2019)	3/3
Neelam Dhawan (Chairperson till June 29, 2019)	4/4
Sandeep Bakhshi	4/4
Anup Bagchi	4/4

IX. Risk Committee

Terms of Reference

The functions of the Committee are to review ICICI Bank's risk management policies pertaining to credit, market, liquidity, operational, outsourcing, reputation risks, business continuity plan and disaster recovery plan. The functions of the Committee also include setting limits on any industry or country, review of the Enterprise Risk Management (ERM) framework, Risk Appetite Framework (RAF), stress testing framework, Internal Capital Adequacy Assessment Process (ICAAP) and framework for capital allocation; review of the status of Basel II and Basel III implementation, risk dashboard covering various risks, outsourcing activities and the activities of the Asset Liability Management Committee. The Committee has oversight on risks of subsidiaries covered under the Group Risk Management Framework. The Committee also carries out Cyber Security risk assessment.

Composition

There were seven Meetings of the Committee during the year – April 25, 2019, June 12, 2019, June 24, 2019,

DIRECTORS' REPORT

July 26, 2019, October 25, 2019, February 13, 2020 and March 5, 2020. The details of the composition of the Committee and attendance at its Meetings held during the year are set out in the following table:

Name of Member	Number of meetings attended
G. C. Chaturvedi, <i>Chairman</i> (<i>Chairman w.e.f. October 1, 2019</i>)	3/3
B. Sriram (<i>Chairman and Member upto September 30, 2019</i>)	4/4
Sandeep Bakhshi (<i>upto June 29, 2019</i>)	3/3
S. Madhavan ¹ (<i>w.e.f. April 14, 2019</i>)	7/7

¹ Participated in one Meeting through video-conference.

The quorum of the Board committees was increased from at least two members to at least three members with effect from June 30, 2019, to transact business at any Board Committee meeting and in case where the Committee comprises of two members only or where two Members are participating, then any Independent Director may attend the Meeting to fulfil the requirement of three Members. Accordingly, Uday Chitale attended the Committee meeting on October 25, 2019 and Radhakrishnan Nair attended the Committee meetings on July 26, 2019, February 13, 2020 and March 5, 2020 to fulfil the requirement of quorum.

X. Stakeholders Relationship Committee

Terms of Reference

The functions of the Committee include approval and rejection of transfer or transmission of shares, bonds, debentures, issue of duplicate certificates, allotment of securities from time to time, redressal and resolution of grievances of security holders, delegation of authority for opening and operation of bank accounts for payment of interest/dividend.

Composition

There were four Meetings of the Committee during the year – April 25, 2019, August 16, 2019, October 25, 2019 and January 24, 2020. The details of the composition of the Committee and attendance at its Meetings held during the year are set out in the following table:

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

Ranganath Athreya, Company Secretary of the Bank acts as the Compliance Officer in accordance with the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. 120 investor complaints were received in fiscal 2020. As at March 31, 2020, one complaint was pending which has been subsequently addressed.

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

Terms of Reference

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

Composition

The Managing Director & CEO is the Chairman of this Committee and any two independent Directors comprise the remaining members. Two Meetings of the Committee were held during the year. The Meeting held on November 6, 2019 was attended by Sandeep Bakhshi, Neelam Dhawan and B. Sriram and the Meeting held on February 13, 2020 was attended by Sandeep Bakhshi, S. Madhavan and Radhakrishnan Nair.

XII. Separate Meeting of Independent Directors

During the year, the Independent Directors met on May 6, 2019 *inter-alia* to review the matters statutorily prescribed under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

XII. Other Committees

In addition to the above, the Board has from time to time constituted various committees, namely, Committee of Executive Directors, Executive Investment Committee, Asset Liability Management Committee, Committee for Identification of Wilful Defaulters/Non Co-operative Borrowers, Committee of Senior Management (comprising certain wholetime Directors and Executives) and Committee of Executives, Compliance Committee, Process Approval Committee, Regional Committees

DIRECTORS' REPORT

for India and overseas operations, Outsourcing Committee, Operational Risk Management Committee, Vigilance Committee, Product Governance Committee and other Committees (all comprising Executives). These committees are responsible for specific operational areas like asset liability management, approval/renewal of credit proposals, approval of products and processes and management of operational risk, under authorisation/supervision of the Board and its Committees.

XIII. General Body Meetings

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

General Body Meeting	Day, Date	Time	Venue
Twenty-Fifth Annual General Meeting	Friday, August 9, 2019	11:45 a.m.	Professor Chandravadan Mehta Auditorium, General Education Centre, Opposite D. N. Hall Ground, The Maharaja Sayajirao University, Pratapgunj, Vadodara 390 002
Twenty-Fourth Annual General Meeting	Wednesday, September 12, 2018	11:30 a.m.	Sir Sayajirao Nagargruh, Vadodara Mahanagar Seva Sadan, Near GEB Colony, Old Padra Road, Akota, Vadodara 390 020
Twenty-Third Annual General Meeting	Friday, June 30, 2017	12 noon	Professor Chandravadan Mehta Auditorium, General Education Centre, Opposite D. N. Hall Ground, The Maharaja Sayajirao University, Pratapgunj, Vadodara 390 002

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

General Body Meeting	Day, Date	Resolutions
Annual General Meeting	Friday, August 9, 2019	<ul style="list-style-type: none"> Alterations to Memorandum of Association Adoption of revised Articles of Association
Annual General Meeting	Wednesday, September 12, 2018	<ul style="list-style-type: none"> Amendment to Capital Clause of the Memorandum of Association Amendment to Article 5(a) of the Articles of Association Amendment to the definition of Exercise Period under Employees Stock Option Scheme-2000 Private placement of securities under Section 42 of the Companies Act, 2013
Annual General Meeting	Friday, June 30, 2017	<ul style="list-style-type: none"> Private placement of securities under Section 42 of the Companies Act, 2013

Postal Ballot

No resolution was passed through postal ballot during the financial year ended March 31, 2020.

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

XIV. Disclosures

1. There are no materially significant transactions with related parties i.e., directors, management, subsidiaries, or relatives conflicting with the Bank's interests. The Bank has no promoter.

2. Penalties or strictures imposed on the Bank by any of the stock exchanges, the Securities & Exchange Board of India (SEBI) or any other statutory authority, for any non-compliance on any matter relating to capital markets, during the last three years, detailed as hereunder:

i. SEBI issued an Adjudication Order on September 12, 2019, imposing a penalty of ₹ 500,000 each (totaling to ₹ 1.0 million) under Section 15HB of the Securities and Exchange Board of India Act, 1992 and Section 23E of the Securities Contracts

DIRECTORS' REPORT

(Regulation) Act, 1956 on the Bank for delayed disclosure of an agreement made on May 18, 2010 relating to merger of erstwhile Bank of Rajasthan with the Bank. The Bank has filed an appeal against SEBI's Order with the Securities Appellate Tribunal on October 24, 2019. The matter is still under progress.

- ii. As mentioned by Reserve Bank of India (RBI) in its press release dated March 29, 2018, RBI had through an order dated March 26, 2018, imposed a monetary penalty of ₹ 589.0 million on the Bank for non-compliance with directions/guidelines issued by RBI. This penalty was imposed in exercise of powers vested in RBI under the provisions of Section 47A(1)(c) read with Section 46(4)(i) of the Banking Regulation Act, 1949.
 - iii. The RBI, in exercise of powers conferred under section 47(A)(1)(c) read with Section 46(4)(i) of the Banking Regulation Act, 1949, levied an aggregate penalty of ₹10.0 million vide its order dated February 25, 2019. The penalty was levied for delay in compliance to RBI's directives on "Time-bound implementation & strengthening of SWIFT related controls".
3. In terms of the Whistle-Blower Policy of the Bank, no employee of the Bank has been denied access to the Audit Committee.

XV. Means of Communication

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

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

York Stock Exchange (NYSE), Securities Exchange Commission (SEC), Singapore Stock Exchange, Japan Securities Dealers Association and SIX Swiss Exchange Ltd. from time to time.

The financial and other information and the various compliances as required/prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are filed electronically with NSE/BSE through NSE's Electronic Application Processing System (NEAPS) and through BSE Listing Centre and are also available on their respective websites in addition to the Bank's website.

ICICI Bank's quarterly financial results are published in Business Standard (Ahmedabad, Bengaluru, Bhubaneswar, Chandigarh, Chennai, Hyderabad, Kochi, Kolkata, Lucknow, Mumbai, New Delhi and Pune editions) and Vadodara Samachar or The Indian Express (Vadodara edition). The financial results, official news releases, analyst call transcripts and presentations are also available on the Bank's website.

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

General Shareholder Information

Annual General Meeting	Day, Date	Time
Twenty-Sixth Annual General Meeting through Video Conferencing/Other Audio Visual Means	Friday, August 14, 2020	3:30 p.m.

Financial Year : April 1, 2019 to March 31, 2020

Listing of equity shares/ADSs/Bonds on Stock Exchanges

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

¹ FII segment of BSE.

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

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

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

Listing of other securities

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

Market Price Information

The reported high and low closing prices and volume of equity shares of ICICI Bank traded during fiscal 2020 on BSE and NSE are set out in the following table:

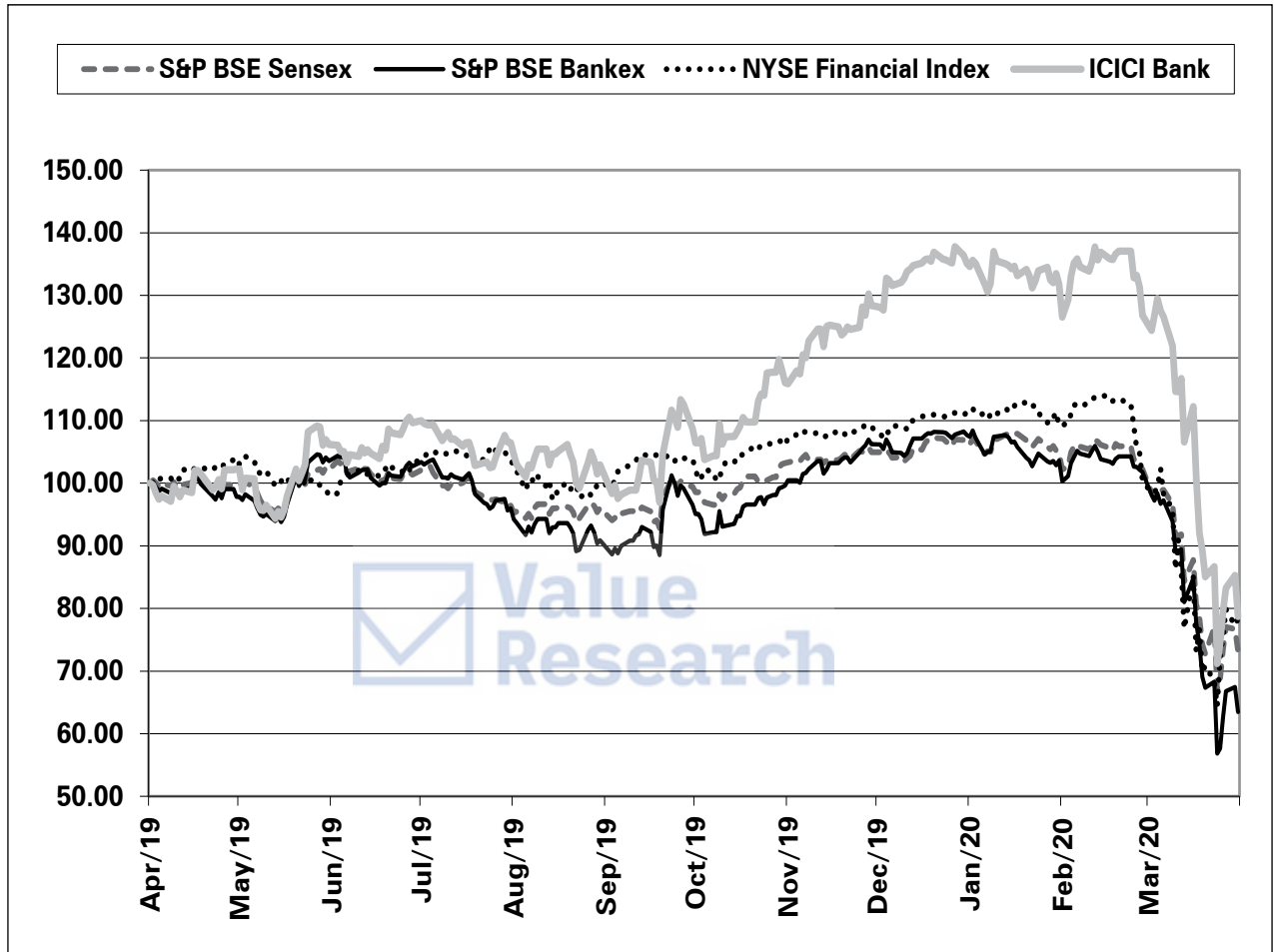
Month	BSE			NSE			Total Volume on BSE and NSE
	High ₹	Low ₹	Volume	High ₹	Low ₹	Volume	
April-19	407.75	387.15	13,647,495	407.50	387.10	251,261,681	264,909,176
May-19	435.20	376.20	25,334,942	435.50	376.30	507,747,687	533,082,629
June-19	440.75	411.60	8,694,992	440.95	411.55	267,981,614	276,676,606
July-19	438.65	408.55	24,482,854	439.00	408.50	344,304,683	368,787,537
August-19	423.40	395.75	23,841,970	423.40	395.40	413,315,950	437,157,920
September-19	452.05	386.55	25,975,989	451.95	386.60	502,683,349	528,659,338
October-19	477.55	413.75	23,092,248	477.40	413.90	447,446,391	470,538,639
November-19	519.20	462.10	16,904,598	519.15	462.25	775,793,243	792,697,841
December-19	549.40	509.00	10,346,026	549.40	509.35	320,436,566	330,782,592
January-20	546.30	520.70	27,811,073	546.30	522.85	361,507,539	389,318,612
February-20	549.30	496.05	36,831,817	549.30	497.25	308,682,231	345,514,048
March-20	516.45	283.90	38,574,143	514.75	284.00	1,021,907,306	1,060,481,449
Fiscal 2020	549.40	283.90	275,538,147	549.40	284.00	5,523,068,240	5,798,606,387

The reported high and low closing prices and volume of ADRs of ICICI Bank traded during fiscal 2020 on the NYSE are given below:

Month	High (USD)	Low (USD)	Number of ADS traded
April-19	11.65	11.07	178,661,100
May-19	12.42	10.62	190,963,900
June-19	12.60	11.78	112,021,300
July-19	12.63	11.72	110,557,500
August-19	11.92	10.68	157,415,053
September-19	12.62	10.66	184,573,990
October-19	13.31	11.65	134,008,016
November-19	14.17	13.09	127,619,847
December-19	15.28	13.99	113,071,194
January-20	15.23	14.55	135,570,100
February-20	15.35	13.87	132,056,800
March-20	14.11	6.90	305,435,700
Fiscal 2020	15.35	6.90	1,881,954,500

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The performance of ICICI Bank equity shares relative to the S&P BSE Sensitive Index (Sensex), S&P BSE Bank Index (Bankex) and NYSE Financial Index during the period April 1, 2019 to March 31, 2020 is given in the following chart:



Share Transfer System

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

ICICI Bank's equity shares are traded compulsorily in dematerialised form. During the year, 1,705,745 equity shares of face value ₹ 2.00 each involving 8,033 certificates were dematerialised. At March 31, 2020, 99.71% of paid-up equity share capital (including equity shares represented by ADS constituting 19.15% of the paid-up equity share capital) are held in dematerialised form.

As per the SEBI mandate, any investor who is desirous of transferring shares (which are held in physical form) after April 1, 2019 can do so only after the shares are dematerialised. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialised form.

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

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

Registrar and Transfer Agents

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

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

3i Infotech Limited

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

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

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

Debenture Trustees

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

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

Information on Shareholding

Shareholding pattern of ICICI Bank at March 31, 2020

Shareholder Category	No. of Shares	% holding
Deutsche Bank Trust Company Americas (Depositary for ADS holders)	1,239,237,331	19.15
FII/FPIs	2,286,827,687	35.33
Insurance Companies	759,972,864	11.74
Bodies Corporate (includes Government Companies and Clearing Members)	151,333,912	2.34
Banks & Financial Institutions	7,765,341	0.12
Mutual Funds/UTI	1,444,780,821	22.32
Individuals, HUF and Trusts	404,459,782	6.25
NBFCs Registered with RBI	713,961	0.01
Provident Fund/Pension Fund	88,627,973	1.37
Alternative Investment Fund	32,178,498	0.50
IEPF	6,474,110	0.10
Others (includes NRIs, Foreign Banks, Foreign Companies, Foreign Nationals etc)	50,392,923	0.77
Total	6,472,765,203	100.00

DIRECTORS' REPORT

Shareholders of ICICI Bank with more than one percent holding at March 31, 2020

Name of the Shareholder	No. of Shares	% holding
Deutsche Bank Trust Company Americas*	1,239,237,331	19.15
Life Insurance Corporation of India	521,902,188	8.06
SBI Mutual Fund	237,754,343	3.67
HDFC Mutual Fund	224,605,465	3.47
Dodge & Cox International Stock Fund	196,131,976	3.03
ICICI Prudential Mutual Fund	163,148,918	2.52
Europacific Growth Fund	135,615,372	2.10
Reliance Mutual Fund	112,506,655	1.74
Government of Singapore	108,965,533	1.68
Aditya Birla Sun Life Mutual Fund	107,202,608	1.66
Kotak Mahindra Mutual Fund	94,184,312	1.46
NPS Trust	88,627,973	1.37
UTI Mutual Fund	83,008,110	1.28
Axis Mutual Fund	73,705,550	1.14
Abu Dhabi Investment Authority	71,243,514	1.10

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

Distribution of shareholding of ICICI Bank at March 31, 2020

Range – Shares	No. of Folios	%	No. of Shares	%
Upto 1,000	1,117,796	94.44	165,362,161	2.55
1,001 – 5,000	55,700	4.70	103,958,805	1.61
5,001 – 10,000	4,692	0.40	32,345,336	0.50
10,001 – 50,000	3,284	0.28	67,713,739	1.05
50,001 & above	2,170	0.18	6,103,385,162	94.29
Total	1,183,642	100.00	6,472,765,203	100.00

Disclosure with respect to shares lying in suspense account

The Bank had 95,663 equity shares held by 475 shareholders lying in suspense account at the beginning of the fiscal 2020. The Bank has been transferring the shares lying unclaimed to the eligible shareholders as and when the request for the same has been received after proper verification. During the year, the Bank had received requests from 18 shareholders holding 4,679 shares for claiming these shares out of which 1,016 shares held by 5 shareholders were transferred from the suspense account. As on March 31, 2020, 94,647 shares held by 470 shareholders remained unclaimed in the suspense account.

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

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

Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013, during fiscal 2020, dividend amount of ₹ 4.01 crore remaining unclaimed for a

period of seven years from the date of its transfer to the Unpaid Dividend Accounts of the Company has been transferred to the IEPF.

Pursuant to Section 124(6) of the Companies Act, 2013 read with the Investor Education & Protection Fund Authority (Accounting, Audit, Transfer & Refund) Rules, 2016, during fiscal 2020, 4,76,370 equity shares in respect of which the dividend has not been claimed for seven consecutive years have been transferred to the designated demat account of the IEPF Authority.

Members who have not yet encashed their dividend warrant(s) for the financial year ended March 31, 2013 and/or subsequent years are requested to submit their claims to the Registrar and Transfer Agent of the Company without any delay. The unclaimed dividend and the equity shares transferred to IEPF can be claimed by making an application in the prescribed form available on the website of IEPF i.e. www.iepf.gov.in.

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

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

ICICI Bank has 619.62 million ADS (equivalent to 1,239.24 million equity shares) outstanding, which constituted 19.15% of ICICI Bank's total equity capital at March 31, 2020. There are no other convertible instruments outstanding as on March 31, 2020.

Commodity price risk or foreign exchange risk and hedging activities

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

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

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

Plant Locations – Not applicable

Address for Correspondence

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

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

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

Analysis of Customer Complaints

a) Customer complaints in fiscal 2020

Number of complaints pending at the beginning of the year	8,676
Number of complaints received during the year	234,812
Number of complaints redressed during the year	239,531
Number of complaints pending at the end of the year	3,957

Note: The above does not include complaint redressed within 1 working day.

b) Awards passed by the Banking Ombudsman in fiscal 2020

Number of unimplemented awards at the beginning of the year	Nil
Number of awards passed by the Banking Ombudsman during the year	Nil
Number of awards implemented during the year	Nil
Number of unimplemented awards at the end of the year	Nil

COMPLIANCE CERTIFICATE OF THE AUDITORS

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

EMPLOYEE STOCK OPTION SCHEME

The Bank has an Employee Stock Option Scheme (ESOS/ Scheme) which was instituted in fiscal 2000 to enable the employees and wholtime Directors of ICICI Bank and its subsidiaries to participate in future growth and financial success of the Bank. The ESOS aims at achieving the twin objectives of (i) aligning employee interest

DIRECTORS' REPORT

to that of the shareholders; and (ii) retention of talent. Through employee stock option grants, the Bank seeks to foster a culture of long-term sustainable value creation. The Scheme is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (the SEBI Regulations). Pursuant to the SEBI Regulations, options are granted by the Board Governance, Remuneration & Nomination Committee (BGRNC) and noted by the Board.

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

The Bank has upto March 31, 2020 granted 534.12 million stock options from time to time aggregating to 8.25% of the issued equity capital of the Bank at March 31, 2020. As per the ESOS, as amended from time to time, the maximum number of options granted to any employee/Director in a year is limited to 0.05% of ICICI Bank's issued equity shares at the time of the grant, and the aggregate of all options granted to employees is limited to 10% of ICICI Bank's issued equity shares on the date of the grant (equivalent to 647.28 million shares of face value ₹ 2.00 each at March 31, 2020).

Particulars of options granted by ICICI Bank as on March 31, 2020 are given below:

Number of options outstanding at the beginning of the year	232,139,774 ¹
Number of options granted during the year	33,908,600 ²
Number of options forfeited/lapsed during the year	1,616,051
Number of options vested during the year	44,391,312
Number of options exercised during the year	26,525,550
Number of shares arising as a result of exercise of options	26,525,550
Money realised by exercise of options during the year (₹)	5,493,213,954
Number of options outstanding at the end of the year	237,906,773 ²
Number of options exercisable at the end of the year	169,975,899

¹ Options outstanding for FY2019 have been adjusted post RBI approval received for options pertaining to wholetime Directors for May-2018.

² Excludes options pertaining to wholetime Directors of subsidiary company pending for regulatory approval.

The Bank follows the intrinsic value method to account for its stock-based employee compensation plans. The diluted earnings per share (EPS) pursuant to issue of shares on exercise of options calculated in accordance with Accounting Standard 20 (AS-20) was ₹ 12.08 in fiscal 2020 compared to basic EPS of ₹ 12.28. Based on intrinsic value of options, no compensation cost was recognised during the year ended March 31, 2020 (year ended March 31, 2019: Nil). If the Bank had used the fair value of options based on binomial tree model, compensation cost in the year ended March 31, 2020 would have been higher by ₹ 3,826.2 million (year ended March 31, 2019: ₹ 3,179.0 million) and proforma profit after tax would have been ₹ 75,481.9 million (year ended March 31, 2019: ₹ 30,454.0 million). On a proforma basis, the Bank's basic and diluted earnings per share would have been ₹ 11.68 (year ended March 31, 2019: ₹ 4.73) and ₹ 11.49 (year ended March 31, 2019: ₹ 4.68) respectively for the year ended March 31, 2020.

The weighted average fair value of options granted during the year ended March 31, 2020 was ₹ 149.62 (year ended March 31, 2019: ₹ 107.22) and the weighted average

exercise price of options granted during the year ended March 31, 2020 was ₹ 402.16 (year ended March 31, 2019: ₹ 283.91).

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

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Risk-free interest rate	6.18% to 7.62%	7.32% to 8.31%
Expected life	3.46 to 5.46 years	3.64 to 6.64 years
Expected volatility	29.06% to 31.17%	30.79% to 32.22%
Expected dividend yield	0.19% to 0.37%	0.43% to 0.80%

Risk free interest rates over the expected term of the option are based on the government securities yield in effect at the time of the grant. The expected term of an option is estimated based on the vesting term as well as expected exercise behavior of the employees who receive the option. Expected exercise behavior is estimated based

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on the historical stock option exercise pattern of the Bank. Expected volatility during the estimated expected term of the option is based on historical volatility determined based on observed market prices of the Bank's publicly traded equity shares. Expected dividends during the estimated expected term of the option are based on recent dividend activity.

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

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

The Bank has undertaken various initiatives for energy conservation at its premises. A detailed write up is given in the chapter Natural Capital, in the Integrated Report section of the Annual Report for fiscal 2020 and under Principle 6 of Section E of the Business Responsibility Report which will be available on the website of the Bank at <https://www.icicibank.com/aboutus/annual.page>. The Bank has used information technology extensively in its operations; for details refer to the chapter Strategic Focus Areas for Business in the Integrated Report section of the Annual Report for fiscal 2020.

SECRETARIAL STANDARDS

Your Bank is in compliance with the Secretarial Standard on Meetings of the Board of Directors (SS-1) and Secretarial Standard on General Meetings (SS-2) for the financial year ended March 31, 2020.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors confirm:

1. that in the preparation of the annual accounts, the applicable accounting standards had been followed, along with proper explanation relating to material departures;
2. that they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Bank at the end of the financial year and of the profit of the Bank for that period;
3. that they have taken proper and sufficient care for the maintenance of adequate accounting records,

in accordance with the provisions of the Banking Regulation Act, 1949 and the Companies Act, 2013 for safeguarding the assets of the Bank and for preventing and detecting fraud and other irregularities;

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

ACKNOWLEDGEMENTS

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

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

For and on behalf of the Board

Girish Chandra Chaturvedi

Chairman

DIN-00110996

May 9, 2020

Compliance with the Group Code of Business Conduct and Ethics

I confirm that all Directors and members of the senior management have affirmed compliance with Group Code of Business Conduct and Ethics for the year ended March 31, 2020.

Sandeep Bakhshi

Managing Director & CEO

DIN-00109206

May 9, 2020