

Environmental
Social
Governance
Report
2020-21

Contents

01

Foreword

02

Message from the
Managing Director &
Chief Executive Officer

04

ICICI Securities at a
Glance

06

Our ESG Snapshot

08

Stakeholder Engagement

10

Our Material ESG Issues

11

Materiality
Matrix

14

Governance -
Doing Business with
Ethics & Integrity

30

Social -
Fostering a Culture of
Growth & Wellbeing

50

Environment -
Operating Responsibly
for a Greener World

57

Feedback

Our approach to Environmental, Social, Governance (ESG) reporting

At ICICI Securities Limited (ICICI Securities), we understand our duty as a responsible corporate to transparently disclose matters relevant to all stakeholders and ensure accountability to them. Through this report, we discuss how we are conducting our business responsibly while committing to make a difference to the communities and the planet as well as making a positive impact within our markets. We cover information of our key stakeholders including investors, customers, regulators, business partners, employees and the communities. We strive to provide a comprehensive review of our impact and performance by providing ESG data of our operations in India. We have also mapped the impact of our operations with the United Nations Sustainability Development Goals. This report should be read in conjunction with our Annual Report FY 2021 and Business Responsibility Report FY 2021, available on the website, where we cover additional information relevant to our ESG performance, including financial data and corporate governance matters.

Reporting Scope & Boundary

The reporting scope and boundary for our disclosures, unless otherwise stated, covers the India operations of ICICI Securities. Since we are in financial sector, our solutions and services rely more on intellectual assets than on physical assets. Our supply chain interactions are primarily with regards to procurement of goods and services to support our operations. There are no changes in the organization and its supply chain from the previous year. Our ESG Report is part of a comprehensive suite of publications across economic, social and environmental parameters that provide transparency and information to our stakeholders. It provides material information from April 1, 2020 to March 31, 2021.

Foreword

At ICICI Securities Limited, we are guided by a common purpose – to help our customers secure their financial future and maximise wealth creation through a systematic approach, customised product offerings and best in class service. Our strong foundation of corporate governance and ESG led responsible business practices helped us identify trends early, make requisite investments, weave in learnings and rapidly scale up to meet stakeholder needs. This has therefore helped us stay resilient during the COVID related disruptions. For us, being there for all our stakeholders, at a time like this, to create shared value has never mattered more than it did this reporting year. The economic uncertainties accompanying the pandemic through FY 2021 deepened the realisation that adhering to Environmental, Social and Governance (ESG) practices holistically was more than a compliance need. It made us even more conscious of our duty as a responsible corporate citizen to conduct business sustainably and make a meaningful difference to all our stakeholders, the company and the planet.

Our ESG goals are the outcome of our commitment to think beyond profit and address societal concerns and drive holistic growth across our ecosystem. At ICICI Securities, to continue on our growth trajectory and remain profitable in the face of emerging and unforeseen risks, a diligent adoption of ESG principles and governance is non-negotiable for us. Therefore, we have integrated a robust ESG framework and governance mechanism at the heart of our business model and risk framework to deliver on our purpose of helping customers build a sustainable and secure financial future.

In our ESG Report, we have captured some of the key initiatives we have undertaken on this front. The ESG Report is designed to provide additional information on key non-financial topics such as our policies, practices relevant to addressing material ESG issues, and practices for responsible and ethical business, as well as our stakeholders including our business partners, clients, employees, investors, community and the environment. The reporting of these parameters is becoming increasingly important to help relevant stakeholders better determine the performance of the Company. Our efforts underscore the degree to which our mission to drive inclusive growth has become a core tenet of our culture. Effective management of ESG matters is a key business fundamental for us, and we endeavour to improve each of the above areas as they underpin our long-term success and our ability to deliver value to our stakeholders.



Message from the Managing Director & Chief Executive Officer



We take pride in the high bar that we have set for ourselves through our Code of Conduct and Business Ethics and our strong governance framework, which act as our compass in navigating through our journey. ”

Dear stakeholders,

It gives me immense pleasure to present to you the second edition of our Environment, Social & Governance (ESG) Report. We have a strong legacy of being a responsible corporate citizen, following high standards of corporate governance, community outreach, environment sensitivity as well as employee well-being. We understand the importance of building our business which takes into stride the interests of all our stakeholders and growing together with them.

Financial Year 2021 witnessed the onset of COVID 19 pandemic which disrupted the way of life as we knew it in many diverse ways. A once in a century event like this brought to the forefront the role that corporate citizens, with a sustainability approach of doing business, can play in alleviating multiple stress points for stakeholders. Our approach of doing business, which is built around

sustainability with customer centricity at its core, helped us in serving our stakeholders and ensuring that we are always available to them.

Being there for our customers and our community

We focused our efforts on being available for our customers and on providing the highest levels of services that our clients expect of us. We ensured prompt digitization to ensure that our customers can reach us on our platform through multiple digital properties, thereby assuring uninterrupted services from the comfort of their homes. We transitioned to a digital engagement model as a safe mechanism to service our customers to offer them assurances, views, information and insights, much needed to navigate through a dynamic and uncertain set of market conditions.

We played our small part in supporting communities in the areas of skills development, sustainable livelihood, start-up incubation, creation of job opportunities, healthcare, empowering of women, and senior citizens' welfare. Towards the nation's fight against COVID pandemic, we humbly contributed ₹100 Mn towards The Prime Minister's Citizen Assistance and Relief in Emergency Situations (PM CARES) Fund and also by funding research and development efforts to build a completely indigenized, portable and affordable ventilator ground-up in association with IIT Kanpur.

Doing business with ethics and integrity

We take pride in the high bar that we have set for ourselves through our Code of Conduct and Business Ethics and through our strong governance framework, which act as our compass in navigating through our journey. Given that we deal with peoples' money, 'trust' can never be understated in our business. We have earned the trust of our clients by having clear and well-defined systems, practices and policies, covering all aspects of our functioning, a strong risk management framework as well as effective oversight by a highly qualified, diversified and independent Board, assisted by various specialised Committees. We have made investments and continue to make investments in emerging areas of cyber risk and information security.

Fostering a culture of growth and wellbeing

Our people are our greatest assets. We believe that every employee of the Company is important and their safety and well-being was given top priority by providing them with work from home facilities, clean and sanitized office premises, medical assistance including to their near and dear ones as well as mental well-being sessions. We have articulated a formal value proposition called 'PLEDGE' for our employees which is a promise of what our employees should expect from us. PLEDGE value proposition has five anchors - Pride @ Workplace, Care, Growth & Learning, Enabling Work Environment & Meritocracy. During the year we engaged extensively

with our people at all levels with an intention to listen, to communicate and to be there. Being a part of a knowledge industry, training and upskilling of employees are integral to enhancing ability of our teams and towards this end, our training and upskilling efforts covered almost 99% of employees eligible.

Operating responsibly for a greener world

Given the nature of our business, our environment footprint is relatively smaller. Yet, we are extremely cautious of our environmental impact. Most of our activities, be it customer on-boarding, their transactions (over 95%), vendor invoices and payments (almost 100%) etc. are digital. Our paper consumption fell by almost 73% compared to the previous year. Similarly, our water and power consumption was down by ~20%, and ~35% respectively. In-fact during the year, we offset 2,493 tonnes CO₂ emissions through various initiatives.

This year has re-affirmed our long standing commitment to our philosophy of 'doing well by doing good'. We remain steadfast in our values and beliefs and will continue to do business taking cognizance of a wider circle of influence incorporating all our stakeholders. I would like to take this opportunity to thank all our stakeholders for their continued trust and belief in us and would like to reiterate our commitment towards sustainable growth.

Vijay Chandok
Managing Director &
Chief Executive Officer

ICICI Securities at a Glance

Established in 1995, ICICI Securities is one of India’s leading digitally powered integrated securities firm with a client base of over 5.4 million and an asset base of over ₹3.8Tn With a strong heritage of financial management, a robust technology backbone and a committed team of experts, we are a digital one-stop shop offering services for investments, protection and distribution of lending products in an open architecture format.

Our Offerings



Investment Banking



Institutional Equity



Retail Equity



Private Wealth Management



Financial Product Distribution

What makes us different

Unwavering client focus: We provide differentiated experiences to customers through product and technology innovation.

Extensive reach through omni-channel model: We have a robust reach through online channel, led by our unique platform and seamlessly supported by a Pan India Relationship Network.

Domain expertise: We have deep understanding of capital markets and financial needs of customers across profiles, products and services. We have a robust research team, relationship managers and product specialists.

Trusted brand: We have earned the trust of all our stakeholders by providing consistent experiences, valuable insights and by keeping their interests at the centre of our business for over two decades. We take pride in partnering our clients across their life journey in achieving their goals and humbly act as a custodian of their life time savings and assets.

One-stop digital financial supermarket: We have implemented digital solutions across business value chain for higher operational efficiency.

Sound risk culture: Risk management is an integral part of ensuring that we deliver on the promises we have made to our customers. We have developed a culture of stringent risk management for identifying, assessing and managing risk throughout the organisation.

Sustainable and responsible business: We promote social and economic development by supporting sustainable finance, being a responsible company and promoting inclusive communities.

Our Reach



50+ Lac
Trusted Customers



2+
Decades of Service



148
Branches Across India



18400+
Business Partners

Our ESG Snapshot

₹3.8Tn

total assets of our clients

41%

Net profit margin in FY 2021, compared to 31% in FY2020.

ICICIdirect digital platform handled traffic of

102,000+

concurrent users, processing

4.1 Mn

orders plus trades at its peak in a day, testifying to its robustness, scalability, speed and safety.

Supported

10

fintech start-ups

About **55%**

of the total hires in 2020-21 are from Campus.

99%

of employees covered under training as compared to 94% in 2019-2020.

₹160 Mn

CSR expenditure

2,493 MT

of carbon emission offset by undertaking various cleaner and greener measures

Ambitious environment targets by FY 2025 to reduce Energy and Paper Consumption by

20%

each; and Travel by

35%

over FY 2019 baseline.

34%

reduction in combined scope 1 and 2 emissions compared to previous year.

76%

reduction in scope 3 emissions compared to previous year.

21%

Reduction in total water consumption compared to previous year.



Stakeholder Engagement

Fostering Long-term Relationships

Listening, connecting, and partnering with stakeholders help us better analyse their expectations and concerns and produce positive outcomes for customers, partners, investors, society and the environment.

Our accountability to our stakeholders begins with acknowledging that our success comes from understanding their interests and requirements. It is our constant endeavour to find common, collaborative solutions for progress.

Our key stakeholders are the people who impact our business or who are significantly impacted by it. Listening and responding to them is a core element of our sustainability management practices. The feedback we receive from these stakeholders helps us understand their expectations, enables us to prioritise issues effectively and contributes both to our overall strategy and to helping deliver against our goals.

We interact with diversified group of stakeholders to identify key concerns. The inputs we receive, inform the creation of appropriate policies and practices that govern responsible business.

Key Stakeholders	Shareholders and Investors	Government and Regulators	Business Partners and Vendors	Employees	Communities	Customers
Expectations	<ul style="list-style-type: none"> Long-term, sustainable returns Strong governance framework and ethical practices Transparency in required company data 	<ul style="list-style-type: none"> Compliance with statutory and legal guidelines Contribute to national development 	<ul style="list-style-type: none"> Fulfil contractual obligations, Ensure ease of doing business, Long-term business sustainability, Transparent practices. 	<ul style="list-style-type: none"> Fair reward and recognition, Merit based career development and opportunities Enabling work environment 	<ul style="list-style-type: none"> Developmental and welfare initiatives, Generating employment opportunities 	<ul style="list-style-type: none"> Superior experience Competitive pricing, Innovative products and services, Robust and transparent wealth advisory
Engagement Methods	<ul style="list-style-type: none"> Quarterly results Investor presentations Annual Report Annual General Meeting Investor/analysts calls and meet Media releases Website 	<ul style="list-style-type: none"> Meetings with key regulatory bodies Written communications Presentations Industry associations 	<ul style="list-style-type: none"> Channel partner meets, workshops, conferences and forums One-to-one meetings Telephonic and email communication Channel partner management portal and app 	<ul style="list-style-type: none"> Senior leaders' communication/talk Town hall briefings Review meetings HR newsletter and portal Workshops, learning and training intervention Engagement, wellness initiatives and off-sites Engagement surveys 	<ul style="list-style-type: none"> Community Development Initiatives Proposals and Requests for New Initiatives Interviews with local NGOs and community representatives Meetings with associations/NGOs Local community meetings Press releases Social media Joint R&D projects 	<ul style="list-style-type: none"> Multi-modal distribution network and engagement (email, SMS, app, calls, chatbot, postal communication, call centre, digital platform, website) channels Customer satisfaction measurement and relationship management Media campaigns, advertising, road / reverse road shows Special engagement services for senior citizens and women Dedicated Relationship Managers iCommunity engagement platform for investment community
Our Response	<ul style="list-style-type: none"> Robust business strategy in place to support efficient and sustainable scaling of operations Strong leadership and Board supervision 	<ul style="list-style-type: none"> Timely contribution to exchequer Strict adherence to relevant and prevailing laws to support India's socio-economic growth and sustainable capital market practices Ethical business practices Participation in industry bodies and forums to contribute to policy formation and table discussions relevant to business environment and industry Provide feedback to regulator on various business operating aspects 	<ul style="list-style-type: none"> Adherence with obligations Maintaining good long-term relationships Supporting with digital tools, advanced technologies and training Regular business with opportunity to grow 	<ul style="list-style-type: none"> Training, development and mentoring Communicating organisation strategy and key focus areas with all employees Technology skilling Performance linked rewards Grievance redressal system Reward and Recognition Programmes Employee engagement activities 	<ul style="list-style-type: none"> Financial contribution Driving economic and social transformation through social activities Project-specific partnership with recognised NGOs Environment sustainability Initiatives 	<ul style="list-style-type: none"> Sustained investments in new and advanced technologies Systematic upgrade of customer care centres for better service Wide and innovative range of products and services Employing knowledgeable staff

Our Material ESG Issues

We conducted a comprehensive materiality assessment exercise in FY 2021, to identify topics that have material impact on our operations as well as our stakeholders. Through this exercise, 15 ESG topics were selected.

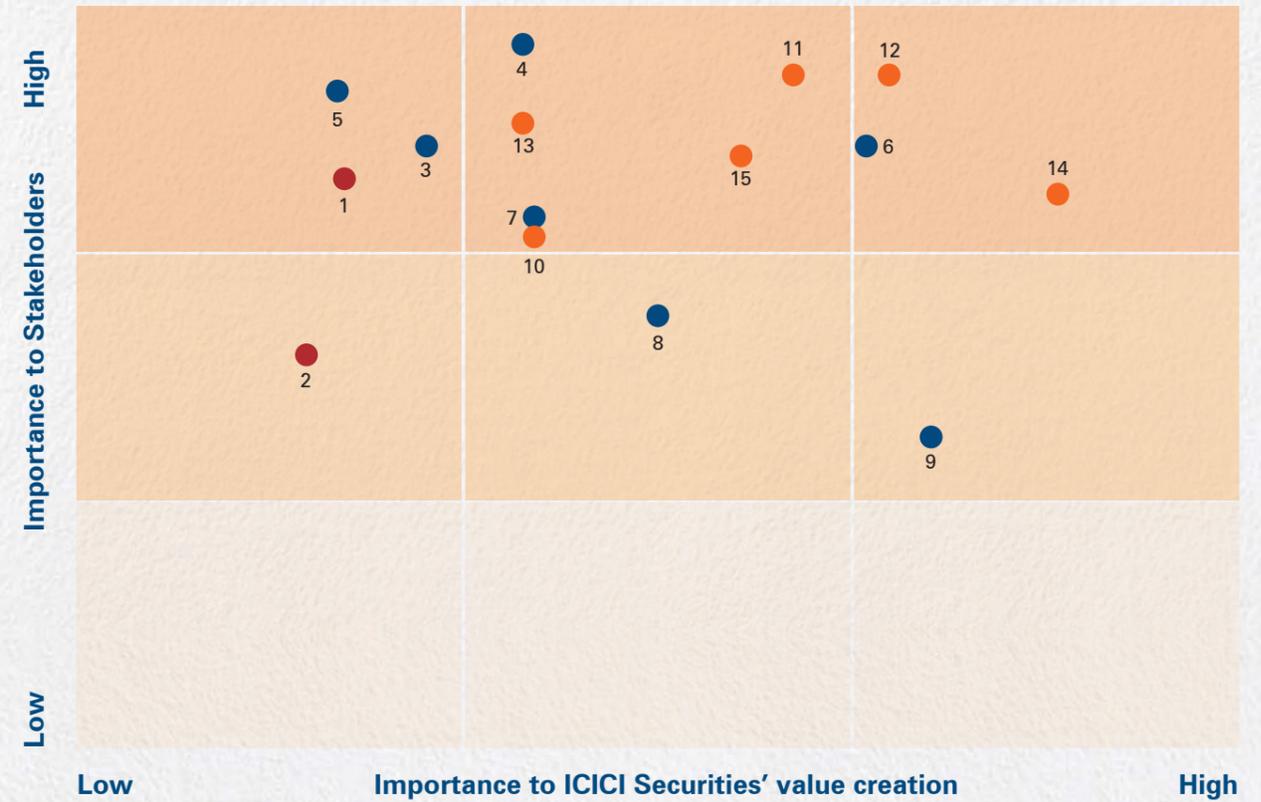
Materiality assessment is undertaken to identify material parameters and issues that can affect our ability to create long-term sustainable value for our stakeholders, in line with our vision and purpose. We regularly interact and seek feedback from various stakeholders through platforms such as client satisfaction surveys and review meet, employee engagement scores, industry and Regulatory reports, etc. The material issues are analysed, and right process interventions are designed, implemented and sustained.

This year, we conducted a detailed materiality assessment exercise covering both internal and external stakeholders to identify our ESG focus areas. We identified a broad list of material topics through a detailed analysis of our business objectives, risks and the change in global trends.

The stakeholders' expectations form one of the prime aspects of this assessment. Key identified ESG material issues were prioritized by an extensive group of internal and external stakeholders. Our regular channels of engagement with all our stakeholders, and well developed relationships helped us conduct this exercise successfully even in COVID times. The material issues were put forth to various stakeholder groups identified above, to prioritize the same. The ESG material issues were prioritized by over 100 internal and external stakeholders.

The result of the materiality assessment is provided below.

Materiality Matrix



Material Issues

Environment	Social	Governance
<ol style="list-style-type: none"> Climate Change & Sustainable Practices Waste Management 	<ol style="list-style-type: none"> Employee Engagement & Human Capital Development Diversity and Equal Opportunity Community and Social Impact Efficient Customer Service Transparency in Product & Service Offerings Innovative Products IT Development & Automation 	<ol style="list-style-type: none"> Sustainable Finance/ Responsible Investments Financial Performance Business Ethics, Anti-Bribery & Anti-Corruption Risk & Crisis Management Corporate Governance Structures Privacy and Data Security

The Material Topics identified are presented below

Material Issues	Why is it material to ICICI Securities?	Linkage to SDGs
Business Ethics, Anti-Bribery & Anti-Corruption	Financial institutions have a strong responsibility to ensure integrity and ethical behaviour in all our business practices. For more details, refer to Governance section.	
Corporate Governance Structures	Ensuring highest levels of corporate governance is material for us to maximise operational transparency for investors, regulators and other stakeholders; preserve minority shareholder's interests, and reduce potential reputation risk. More details in Governance section.	
Efficient Customer Service	Ensuring efficient customer service is central to our business success. We have undertaken various initiatives in this regard to enhance customer experience. For more details, please refer to the Social section.	
Financial Performance	Consistent return on equity will help us enhance existing shareholders and attract new shareholders. Infusion of fresh capital will augment growth. For more details, please refer to Governance section of this report and our Integrated Annual Report 2020-21.	
Privacy and Data Security	Having a robust information security structure (software, expert manpower, and operational practices) helps us reduce cyber threats and ensure privacy, data security for all our stakeholders' privileged information. For more details, refer to Governance section.	
IT Deployment & Automation	With the change in paradigm shift in customer preference, it is essential for us to have a robust digital ecosystem. For more details refer to Governance section.	

The Material Topics identified are presented below

Material Issues	Why is it material to ICICI Securities?	Linkage to SDGs
Diversity & Equal Opportunity	As a people-centric organisation, valuing every employee on a fair scale, it is material for us is to have an inclusive and progressive workplace. Please also refer to Social section for more details.	
Risk & Crisis Management	Robust risk policies, procedures and supervisory system is important for us to reduce all forms of risks to acceptable levels. For more details, refer Governance section.	
Transparency in Product & Service Offerings	Mis-selling / miss-advisory and could adversely affect the client's experience and affect our performance in the long run hence it is important for us to ensure transparency in products/services offered, timely communications and training of front office staff which could reduce/ eliminate mis-selling, miss-advisory possibilities. For more details, please refer Social section.	
Sustainable Finance	We promote environmental sustainability and equitable growth through sustainable finance practices. For more details, please refer Governance section.	
Innovative Products	Product innovation has been one of our key success drivers. We continue to provide intuitive, relevant, contextualised and hyper-personalised experiences to our customers. For more details, please refer to the Social section.	
Local Communities	To create an impact in the society that we operate in, it becomes important to invest in an effective community engagement. Through ICICI Foundation and other partners we undertake various initiatives in this regard. For more details, please refer to Social section.	
Employee Engagement & Human Capital Development	Employees are the key to our performance hence ensuring holistic employee well-being is an absolute necessity. Please refer to Social section for details on various initiatives we have undertaken in this regard.	
Climate Change & Sustainable Practices	We understand that to create a workplace that is environmentally conscious has its own benefits, as it not only makes sense environmentally but also has economic and operational benefits in long run. For more details, please refer to Environment section.	
Waste Management	Effective management of waste can help reduce costs and optimize resource consumption. Through various initiatives we implement our reduce, reuse and recycle philosophy. For more details, please refer to Environment section.	



Governance

Doing Business with
Ethics & Integrity

Our Philosophy on Governance

We believe our stakeholders, including our employees, shareholders, investors, government, communities and others extend their unstinted support to ICICI Securities as we create value for them led by the trust, they have in us. Our sound corporate governance practices and the integrity of our people have built the trust-based equity and the confidence we share with our stakeholders. Therefore, we are firmly committed to following the highest standards of corporate governance and compliance to ensure transparency, fairness and objectivity in everything we do.

Our stakeholders need to trust each other and the organisation they rely upon to be fair, transparent and working for the common good. Principles of transparency and ethics are critical for the sustenance of an organisation at all times, more so in uncertain times like the pandemic. Our stakeholders have always relied on ICICI Securities led by their trust in the Company's ability to create value ethically and responsibly. However, as they learn to adapt to the realities of a 'New Normal' of the post – COVID world, being there for our stakeholders has never mattered more than now.

The year FY 2021 was extraordinary in more ways than one. We have seen COVID-19 affect lives and livelihoods and cause economic upheavals worldwide. It also brought in new ways of doing things and accelerated transformations that were in motion. One of the most significant changes the pandemic-led restrictions brought about was the rapid structural and behavioural shift towards anything and everything digital. We

saw rapid digitisation of investment transactions, increased formalisation and equitisation of savings. At ICICI Securities, we scaled and leveraged our robust technology platforms and adapted processes quickly to meet the expectations of our customers and other stakeholders, overcoming the restrictions of COVID-19. During the year, our franchise strengthened and our operations adopted open architectures to enhance responsiveness. We grew our portfolio and customer base which helped us diversify our revenues across various retail product streams even in a challenging year. And we delivered on our commitments adhering to the highest standards of ethics, governance and transparency in all our dealings.

As at March 31, 2021, we had client assets worth ₹ 3.8 Tn against ₹ 2.1 Tn a year ago, testifying to the continued trust our customers, investors and other stakeholders place in us.



Our Governance Approach

ICICI Securities has a comprehensive corporate governance and compliance charter and framework. Our policies embed regulatory and legal requirements across our operations to facilitate ethical practices, transparent reporting, effective monitoring and risk mitigation.

The Company regularly upgrades its systems and policies to adapt and address the challenges of a dynamic and complex business environment and bring in greater transparency and accountability. Drawing on the strengths of our governance philosophy, we maintain proper internal controls and monitoring of operations.

The Board of Directors

The Company's independent Board, ring-fenced from the executive management, ensures an objective evaluation and management of our governance structure and reporting. It ensures the existence of both, Corporate Governance and Risk Controls for ICICI Securities. The Board and its various committees, which are composed majority of independent and non-executive Directors, adhere to the highest standard of ethics, transparency, disclosures and governance to protect the interests of stakeholders.

A Resilient Corporate Governance Structure

Our Corporate Governance structure has been designed to meet evolving regulatory and business requirements and provides a comprehensive framework to:



Enhance accountability to shareholders and other stakeholders



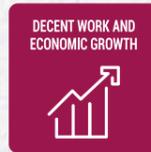
Ensure timely implementation of plans and accurate disclosures of all material matters



Deal fairly with shareholders and other stakeholder interests



Maintain high standards of business ethics and integrity



Board Independence and Diversity

The Board of Directors comprises eight Directors – four Independent (including one Independent Woman Director), two Non-executive Non-independent and two Whole-time Directors as at March 31, 2021. Its construct aligns with the requirements of the Companies Act, 2013 ('the Act') and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). A non-executive and Independent Chairperson heads the Board of Directors.

An impartial view and balanced judgment on issues of strategy, performance, resources and standards of the Company and its conduct are essential for its long-term well-being and sustainable future. They play a critical role in bringing forth these aspects by imparting balance to the Board processes.

The Directors and the Company's executive management have clearly defined distinct roles and responsibilities to ensure no overlaps between responsibility and authority to assure fair governance. The Managing Director & CEO and Executive Director of the Company are responsible for overseeing the implementation of strategy, achievement of the business plans, and daily operations.

As ICICI Securities navigates a complex business and regulatory environment and strives to meet the dynamically changing needs of its customers, a diverse Board with Directors who bring rich and distinct experiences is an asset to the Company. The diversity of our Board brings in a wide range of capabilities, knowledge, skills and points of view to help the Company stay resilient and ahead in the marketplace. Our Directors on the Board have distinguished themselves in their domain and made their mark in their respective fields. They bring the right mix of leadership, foresight

and ability to balance the needs of our stakeholders with our commitments to responsible operations. The Company's Independent Directors are also members of the Board of other reputed companies, including listed entities. They bring their collective best to steer ICICI Securities to our next stage of Growth and provide their valuable guidance for Board matters that help us pursue our strategic goals.

08
Number of Board Members

02
Number of Executive Directors

06
Number of Non-Executive Directors

04
Number of Independent Directors

06
Number of Independent, non-executive members with industry experience

12.5%
of Women Directors on the Board

*As on March 31, 2021

The Board of Directors of the Company meet at regular intervals to discuss and decide on business policy, strategies related to growth and risk mitigation, compliance and regulatory commitments and other business. The Board met seven times during FY 2021 to discuss and deliberate Company matters.

The Board functions either as a full Board or through various Committees constituted to supervise and guide specific areas of the business. The Board has, *inter alia*, constituted requisite mandatory Committees complying with the provisions of the Act and Listing Regulations.

These include the following Committees:

- ▶ Audit Committee
- ▶ Nomination & Remuneration Committee
- ▶ Stakeholder Relationship Committee
- ▶ Corporate Social Responsibility Committee
- ▶ Risk Management Committee

In addition to the mandatory Board Committees, there are certain other Committees, Councils and Forums that oversee various functional and operational aspects. These include -

- Committees
 - » IT Risk and Information / Cyber Security Committee
 - » Compliance Committee
 - » Commitment Committee
 - » Investment Committee
 - » Product Committee
 - » Process Approval Committee
 - » Operations Committee
- Customer Service Council
- Product Governance Forum
- Asset Liability Forum

Our Board has proven capabilities of understanding our business needs, developing strategies for long-term value creation for our stakeholders and provide oversight for managing various aspects of our business.

Institutional, Distribution of financial products - Mutual funds, Insurance, Sovereign gold bonds, ETFs, Corporate Fixed Deposits and Bonds, Wealth Management, Issuer & advisory services.

The Board oversees the entire gamut of operations covering: Stockbroking - Retail and

07	100%	05	10
Number of Board Meetings Held	Average board meeting attendance	Number of Mandatory Board Committees	Number of Additional Board Level Committees/Councils/Forums Constituted

Director's Appointment

The Nomination & Remuneration Committee ('NRC') is tasked with approving the appointment and remuneration of Directors of the Board. The Committee ensures that the Directors appointed possess the requisite qualifications, including special knowledge and expertise, attributes and are independent before being considered for the role of a Director in the Company. The NRC decides on the Board composition and size.

4.6
Years
Average tenure of independent directors
*As on March 31, 2021

Transparency in Compensation Structures

The NRC also determines compensation for Whole-time Directors, Key Managerial Personnel, Senior Management, and all employees. The Committee effectively governs and encourages meritocracy-based compensation supported by a prudent risk framework and defined Key performance indicators ('KPIs') for evaluating performance.

Whole-time Directors
Compensation is derived based on actual performance on key performance indicators (KPIs) against norms evaluated by the NRC. The KPIs include both quantitative and qualitative aspects mapped against organisational performance.
In FY 2021, the ratio of remuneration of Managing Director & CEO (Vijay Chandok) and Executive Director (Ajay Saraf) to that of median fixed pay of employees was 104:1 and 48:1, respectively.

Independent Directors – Paid profit-related commission and sitting fees for attending meetings of the Board and its Committees, alongwith reimbursement of expenses for attending Board and Committee meetings and official visits.

Non-executive, Non-independent Directors – Do not draw any remuneration from the Company.

Remuneration details pertaining to Directors and Key Managerial Personnel is available on pages 80 to 82 of our Annual Report FY 2021.

Board Performance Evaluation

We evaluate the performance of our Board at agreed periodicity using a well-defined framework. This framework covers the performance of the Board, Directors, and the Chairman.

The Board assesses the mandatory Committees based on their performance against the pre-

determined terms of reference of the said Committees. We use detailed questionnaires to assess the performance of the Board and the Committees based on the terms of their roles, responsibilities and obligations. These questionnaires also evaluate the frequency, volumes and regularity of information flow between the Management and the

Board to facilitate the performance of duties. Directors (including Independent Directors) are assessed on the quality and regularity of their participation, contribution and guidance relevant to the scope of responsibilities as members of the Board.

Promoting a Culture of Ethics & Integrity through Policies & Procedures

We are led by the highest standard of ethics, transparency, disclosures and governance to protect the interest of our stakeholders.

ICICI Securities has appropriate policies, *inter-alia*, on Related Party Transactions, Anti-Bribery & Anti-Corruption, Code of Conduct and Business Ethics, Whistle-Blower, Prohibition of Insider Trading,

Preventing Fraud and Anti-Money Laundering as mandated by law. The audit Committee has oversight over ethics issues through the said policies. These policies define our standards for ethical conduct and compliance with the law. These also cover our conduct on issues such as conflicts of interest, insider trading, discrimination and harassment.

Required Policies are available on our website under About Us section

Code of Conduct and Business Ethics

Our publicly available Code of Conduct and Business Ethics policy applies to all employees and Directors. It emphasises fair employment practices, diversity and competition, prohibition of harassment and intimidation and safety at the workplace. We are an equal opportunity employer and provide a safe and enabling workplace.

We expect all employees to act with integrity and honesty. Our complaints procedures support employees in navigating potentially difficult situations and enable them to submit any concerns, complaints or other information anonymously. All

complaints registered are handled with sensitivity and confidentiality. Every employee joining the Company commits to adhering to the Code of Conduct and Business Ethics policy. They formally sign their acceptance following a structured process to ensure they understand and will comply with the policies and requirements.

Given the nature of our business, ICICI Securities is also governed by SEBI's Code of Conduct for Stockbrokers to ensure the integrity of transactions and fair treatment of all clients.

Addressing Anti-Bribery and Anti-Corruption

We follow a zero-tolerance approach towards Bribery and Corruption and comply with applicable anti-bribery and corruption laws.

The Company trains and equips employees to identify situations related to bribery and corruption and take the right steps to mitigate the risk and operate ethically at all times. All our operations

are assessed for risks and incidence of corruption regularly. Complaints associated with corruption can also be raised through the whistle blower mechanism by all stakeholders including suppliers and customers.

1150+

Person-hours spent on Anti-Bribery, Anti-Corruption, Preventing Fraud and Anti-Money Laundering Trainings

Whistle-Blower Policy

Our Whistle Blower Policy encourages employees to proactively report illegal and unacceptable practices and ensure their redressal. The policy also protects reporting employees from

victimisation and reprisal. Employees can submit their complaints through letters, electronic mails or a dedicated online portal set up for the purpose.

Prevention of Sexual Harassment (POSH)

A robust and stringent POSH policy helps us protect our employees from harassment and discrimination. This policy empowers our employees to raise complaints related to any instances of expressed or intended sexual harassment at the workplace. The Company ensures that all such complaints are resolved within defined timelines. All employees undergo mandatory training on POSH to be aware of the definition of acceptable conduct related to POSH and the repercussion of any transgressions. ICICI Securities has zero-tolerance for any deviations

from acceptable behaviour at the workplace and assures its employees of a safe and healthy workplace regardless of gender, caste, religion and sexual orientation.

In FY 2021, 3200 employees took POSH training. There were two cases reported during the reporting year related to POSH violations. We have resolved one and the other complaint is being investigated within the timeline as provided by the relevant Act.

Related Party Transactions

ICICI Securities has well-defined guidelines and policy approved by the Board that identifies related party transactions, defines requisite approvals of the Audit Committee, Board of Directors and Shareholders and regulatory requirements for the reporting and disclosure of such transactions in

line with the Act and Listing Regulations. During FY 2021, all transactions executed by the Company with related parties were at arm's-length and in the ordinary course of business. The same are also reviewed by statutory auditors on quarterly basis.

More details on related party transactions and related parties can be found on pages 156 & 220 of our Annual Report FY 2021.

Managing Risk and Compliance

Given the volatile nature of the industry we operate in, it is necessary for ICICI Securities to have a robust, responsive and structured approach to identifying and mitigating risks and ensure compliance at all times. In FY 2021, the risks associated with the business in the natural course of events were further compounded by the onslaught of the pandemic. Since inception, our sustained success is built on our ability to anticipate and respond to the challenges and opportunities we face today and in the future.



Risk Governance

The Company's Risk Management Committee leads the risk management mandate with supervision by the Board. The Committee ascertains that policies, procedures and standards are established to identify and systematically address risks if they crystallise. It frames and

reviews risk management processes and controls to ensure identified risks are measured and mitigated on time. All our businesses have a comprehensive system to manage risks specific to their operations or function.

The 'three-line of defence' Risk Management System

First line	Second line	Third line
Operational departments assume primary responsibility for their risks and operate in line with policies approved by the Board or Board Committees.	Specialized risk management and compliance departments deploy customized and unique methods to identify and assess risks faced by operational departments and provide them with risk management tools and methods. They also facilitate and monitor the implementation of effective risk management practices, internal control and compliance, report risk-related information and promote the adoption of appropriate risk prevention measures.	Internal Audit department and External Audit functions undertake periodic monitoring and evaluations of organizational risk management approach and initiatives, internal control mechanisms and compliance activities.

Types of Risks

The key risks associated with our business have been classified into risk categories pertaining to:

- Implied market risk
- Market risk
- Operational risk
- Information technology and cyber security risk
- Liquidity risk
- Credit risk
- Reputation risk

Additionally, we review and update these risks at periodic intervals aligned with emerging global and sectoral trends.

We have framed policies to define limits, mitigation strategies and internal controls. These policies cover corporate risk and investment, liquidity, operational, fraud, outsourcing, information technology, information and cyber-security risks. They also include policies for cyber resilience, business continuity and surveillance.



We are particularly sensitive to risks emanating from the introduction of new products and services. All new products are approved by the Committees constituted by the Board.

Scope and Nature of Risks

New Products and Services

We are particularly sensitive to risks emanating from the introduction of new products and services. All new products are approved by the Committees constituted by the Board. If a product entails taking credit or market risk on the Company's books or involves margin-based products for clients, the risk management framework for such products is approved by the Risk Management Committee. For all other new offerings, approval is sought from the Product Committee constituted by the Board. All new products and services are reviewed for their risk

potential by the Risk Management and Compliance and Operations Groups and the Product Committee set up for this purpose. These Groups and Committees review the product and service through the lenses of regulatory compliance, risk management and integration with the existing risk management systems.

Capital Markets

As the Company's performance depends on the health of capital markets, it faces the risk of a downturn due to economic slowdowns and a deteriorating macro-economic environment. Any events which impact the broader

economy like rising crude oil prices, depreciating currency, reducing current account deficit, rising inflation, a deficient monsoon, slowdown in corporate earnings and foreign investment inflows and rising NPAs can impact the capital market, thereby posing risks to the Company.

Global Events

Disrupting global developments may also pose a challenge to the Company's growth prospects as it directly impacts foreign inflows and indirectly can impact the Indian economy. Risks from geo-political tensions, global financial market volatility and the threat of trade protectionism pose significant risks to the operations of the Company. Additional global trends such as action towards climate change may have an indirect impact.

Industry Competition

The Company faces risks of increasing competitive activities to wean away its customers and their financial assets. We compete with other Indian and foreign brokerage houses, discount brokerage companies, investment banks, public and private sector commercial banks and asset managers in the markets where we operate. The Company competes based on several factors, including execution, depth of product and service offerings, innovation, reputation, price and convenience.

Evolving regulations

We also face challenges from the ever-evolving regulatory framework and any unfavourable policy changes like the introduction of long-term capital gains tax can impact our client's investment decisions. Internal threats arising from non-compliance or slippages on misrepresentations and fraud within the Company also pose significant risks to our operations.

COVID-19 related risks and mitigation

The pandemic impacted the global and Indian economy leading to the disruption of economic activity in most countries. There was a cascading increase in volatility in capital markets. Governments imposed country-wide lockdowns to control the pandemic spread, which in turn stopped and impacted economic activity.

We invoked our business continuity plan and several initiatives were undertaken to ensure that our operations continued without disruptions. These included operating critical functions from multiple locations, rolling out the Work from Home operating model for employees, accessing various applications through

virtual private networks and enhancing digitisation across all levels within the organisation. During this period, we stayed focused on proactive and real-time risk management in the wake of high volatility and operational challenges on account of the limited mobility of staff. The Company's risk management framework and digital capabilities responded well to the situation as we stood by our people, customers and communities when it really mattered.

Information Security and Cyber Risk Management

Data security has become a major risk in the face of increasing digitisation, more so in the wake of the pandemic where digital users grew exponentially. These threats have been rising rapidly and can significantly impact our business, customer & stakeholder relationships and brand reputation.

ICICI Securities has invested in technology systems designed to offer responsive and reliable solutions to manage customer privacy and information security, safeguard assets and business and ensure compliance with applicable laws. We have a robust disaster recovery system and business continuity processes.

The Company is enhancing cyber risk management by drawing on solutions to analyse data and seek better decision-making. We have established a team of experts and experienced professionals to bring in best-of-breed technologies and strategies to strengthen cybersecurity for our operations and our customers and stay compliant. The Group's Chief Information Security Officer (CISO) leads our initiatives in this space. The Head-Risk Officer designs and manages processes to assess, identify and reduce information and cybersecurity risks.

IT Risk and Information/Cyber Security Committee (IT Risk Committee) evaluates the IT risk preparedness of the Company by analysing and monitoring risks associated with different business activities. It monitors the implementation of measures and practices for protecting our cyberspace against attacks, threats and vulnerabilities. The Managing Director, Executive Director, Chief Technology Officer, Head Risk and representatives from relevant business units form part of the IT Risk Committee.

We protect investor rights and ensure confidentiality of all unpublished price-sensitive information (UPSI). All such information can only be shared with the approval of the Chief Investment Relationship Officer and authorised signatories. External parties have to sign confidentiality clauses to access such on a 'need to know' basis and are mandated to protect such data. The Company has adequate Controls and tools to prevent phishing and malware attacks and prevents the use of removable storage devices.

Ensuring customer data privacy

Trust is the foundation of our business. We remain committed to being transparent on client data usage. The Company uses personal

and financial information only for the purposes communicated in our client agreements. We obtain their consent to use it for any other purpose. We regularly assess responsible use of data to create value for our stakeholders and ensure privacy protection. We also engage with experts to ensure that the rights of every individual are respected and the data is safeguarded. Alongside, we are investing in industry-leading data management approaches and emerging techniques to advance data privacy. The Company has clear policies on how to collect, use, share and protect customer information. We benchmark our data management and privacy practices to the global best practices.

Strengthening Cybersecurity

We offer advisories on cyber threats, data security and operational control to Board members, key managerial personnel, employees, our business partners and clients to strengthen our cybersecurity. During the COVID-19 related lockdown when our employees were working from home, we undertook several measures to ensure the highest level of cybersecurity including awareness campaigns and phishing drills.

Additionally, we are taking continued steps towards strengthening cyber security:



Sustained investments in upgrading system



Strengthening the breadth, depth, and capabilities of the cybersecurity team



Employee awareness and cross-functional collaboration



Engagement with experts



Regular review of information security framework:

- SEBI mandated Half Yearly Systems Audit and Cyber Security Audit
- Periodic Application Control Reviews covering Vulnerability Assessment and Penetration Testing (VAPT assessments) by Internal Audit Department through external firms
- Periodic audit of network security, database security & web servers having common infrastructure by Internal Audit Group of Bank
- Periodic Application Security Life Cycle (ASLC) and VAPT assessments by the Information Security Group of ICICI Bank.



During FY 2021, we conducted 41 risk audits through our internal audits and reviews by our regulators and other entities like BSE Ltd., National Stock Exchange, and specialist IT firms.

No major issue was highlighted in these audits and reviews.

Sustainable Finance/ Responsible Investments

As a responsible citizen, ICICI Securities' Environmental, Social and Governance (ESG) goals are the outcome of its commitment to think beyond profit and address societal concerns and drive holistic growth across our ecosystem.



This further implies that even as we continue to grow and remain profitable in the face of emerging and unforeseen risks, a diligent adoption of ESG principles and governance is non-negotiable for us. Therefore, we have integrated a robust ESG framework and governance mechanism at the heart of our business model and risk framework. This enables us to deliver on helping customers and building a sustainable and secure future for our stakeholders.

We are cognisant of our catalytic role in spearheading action to achieve sustainable development. This is imperative to keep pace with the dynamics of the changing world, more so during these COVID-19 times. The Company is maintaining sustainability as a core business strategy to ensure long-term growth, financial stability and value for our stakeholders as being there never mattered more.

ESG Integration in Investments

We do not have a substantial presence in investing business, nevertheless, we have factored ESG risks into our decision-making process while making proprietary investments. We have identified sensitive sectors that are considered to be the highest contributors to ESG risks and have defined an approach for engaging with them in our corporate risk and investment policy. The Company refrains from investing and/or limits exposure to these identified sectors from an investment universe led by our ESG commitments.

Further, ICICI Securities does not undertake financing or loan funds to any institutions.

Sustainable Development of Financial and Capital Markets

Our core business is the securities business which is an important social and economic infrastructure. It facilitates the smooth flow of money by matching fundraising needs through the issuance of securities and investment needs of investors via financial and capital markets. Maintaining and developing this infrastructure is about developing sound financial and capital markets for the next generation. We consider this a major mission towards the realisation of SDG Goal 9 to "Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation". The Company has a dedicated ESG funds section offering ESG based mutual funds to its customers.



Social

Fostering a Culture of Growth & Wellbeing

Fostering strong relationships through focussed engagements with stakeholders has always been at the forefront of our business. Our diverse stakeholders include customers, employees and the local communities directly or indirectly impacted by our activities. Our deep connection of trust and synergy with them empowers us to deliver on our strategy to create long-term sustainable value. We leverage our organisational size and pan-India reach to positively impact our stakeholders through responsible, inclusive and ethical business practices.

Our transformational journey is powered by the ability of our employees to adapt to rapid changes across business models, customer needs, operating environments and technology. The Company's

people policies are designed to groom a future-ready team led by innovation, customer-centric committed to its values and culture.

The challenges of COVID-19 propelled us to adapt to the new normal and redesign business models and conventional work environment. Our technology edge, people strength, strong business partner network and customer trust allowed us to deliver uninterrupted services to our customers, overcoming the challenges.

We stood by our communities, as they combat the pandemic. As we grow our business sustainably, our focus to understand and address societal needs lies at the heart of the strong relationships we share with the communities in which we operate.

Key Highlights

24%

of Women in the workforce

31%

of new hires are women

Overall, in FY 2021, 3,736 number of employees were provided with training

Average training hours is

41.14 hours

99%

employees covered under training

₹160 Mn

Total CSR expenditure for FY 2021

₹100 Mn

Contribution to PM CARE Fund during COVID

54

lakh customers

6.9

lakh customers added in 2021

36%

of the customer base active more than 15 years back is active in FY 2021 as well



Overcoming COVID-19

Customers	Employees	Communities
We continued to deliver uninterrupted services to our customers across all service points including our branches, website and call centres.	We took special care of our employees and ensured their safety and well-being (both physical & mental health). There was no loss of jobs in the Company on account of the pandemic.	We supported communities by supporting Government initiatives, creating livelihood opportunities and empowering them. ICICI Securities funded research and development efforts to build new ventilators in our zeal to combat COVID.

FY 2021 was marked by the many disruptions brought about by COVID-19. However, being an 'essential services' provider, it was our duty to ensure that we delivered uninterrupted services to customers so they could access their finances in the time of need. Through the pandemic, we stayed focused on ensuring the safety of our employees and maintaining all the necessary arrangements for people coming to office or working from home and was agile enough to ensure business resilience by prudent risk

management and reaching out to customers and investors virtually.

We invoked the Company's Business Continuity Plan and remained focussed on real-time risk management in the wake of the high volatility and operational challenges due to restricted staff mobility.

Understanding the need of keeping our premises functional, we sanitised our premises for employees who

needed to come to the office. We segregated tasks that could be done on a Work-From-Home model and equipped our employees with relevant tools. We encouraged our customers and institutional investors to use digital channels to engage with us to ensure physical distancing and stay safe. The relentless efforts of our technology team made this transition to new working models possible and seamless.

The safety of our communities is one of our key priorities. In FY 2021, ICICI Securities contributed ₹100 Mn to the Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund.

We joined hands with IIT-Kanpur to develop an indigenized, invasive, portable and affordable mechanical ventilator Noccarc V310. This was a critical need for life support of severely impacted COVID -19 patients.



PEACE, JUSTICE
AND STRONG
INSTITUTIONS

Delivering Differentiated Customer Experience

Customer forms the core of our existence and with changing time their expectations are also changing. Rapid digitization backed by the pandemic have given a push towards digitisation. Our ramped-up efforts throughout the last few years have been successful in providing our customer the service at the ease of their home. We can proudly say we were there with them throughout the year because their delight is of

paramount importance to us.

This year we initiated reporting the Net Promoter Score (NPS) assessment, which is a commonly used scale, to analyse existing customer advocacy based on their overall experience with ICICI Securities. The goal of NPS is to determine the relationship that we share with our customers. We used NPS as a tool to understand the

customer experience around various touch points such as account opening, website response time and application, RM/ Advisor/ Partner and overall service quality. The NPS scores have shown an improvement from 22% in Q1 FY 2021 to 30.4% in Q4 FY 2021. We offer a bouquet of services for our customers. Our product diversity and customer relationship is the key pillar of our growth.

Products

Empowering and delighting customers is at the core of everything we do at ICICI Securities. Our business continuity, market reputation, and success depend on the differentiated experience we deliver to win our customers trust. The challenges of the pandemic made it even more imperative for us to stay connected and engaged with our customers to understand and deliver to their changing needs while ensuring safety for them and our employees. We bring a broad portfolio of offerings to our customers that include:



Retail Equity

Services like trading equities, equity derivatives, currency derivatives, Exchange Traded Fund (ETFs) and overseas securities



Distribution Financial Products

Third-party financial products and services offered to ICICI Securities customers such as mutual funds, life, medical and general insurance, corporate and Bank fixed deposits, loans, tax services, Alternate Investment Fund (AIF), Portfolio Management Service (PMS), Sovereign Gold Bank Schemes (SGBs) and Net Promoter Scores (NPS)



Private Wealth Management

Investment solutions like equity, Mutual Funds, ETFs, AIFs, Portfolio Management Services, Fixed income products, SGBs, Insurance, and offers services like Investment Banking and Investment Advisory Services to high-value customers. The portfolio also hosts co-offerings through our referral partnerships like global investments and estate planning. Our services also cover raising equity capital, debt syndication and monetising assets



Institutional Equity Advisory

Equity services for domestic and international institutional customers



Corporate Finance

Investment banking offerings supporting equity capital market and financial advisory services catering to corporate customers, the government and financial sponsors

We offer a wide range of loan products across investments, protection and borrowing. In FY 2021, we curated 12 loan products - Home Loans, Loan against Property (LAP), Lease Rental Discounting (LRD), Business Loans, SME Loans, Personal Loans, Credit Cards, Auto Loans, Two-wheeler loans, Loans against Securities (LAS), Remittances and Forex services. We are scaling up the distribution of digital loans for

our pre-approved customers. ICICI Securities offers credit cards, top-up on Home and Auto through icicidirect.com. We have more than 0.9 million pre-approved customers who are credit cleared. These customers can also avail of a credit card within three minutes and subsequently receive the physical card in a week.

Customer Centricity

Our comprehensive product offerings cater to a range of financial needs of our customers. Our robust digital platform helps customers transact across different asset classes, review their portfolio and extract reports seamlessly. Our experienced relationship managers advise customers on their bespoke requirements. Together, the platform-led business model and the network of relationship managers have helped us build a scalable and digital wealth management practice.

Research to deliver customer value added service

ICICI Securities has an experienced 39 member retail research team and 31 member institutional research team tracking 350 companies and 308 companies respectively across sectors. A robust mutual fund, technical and derivatives desk delivers quality research to over 5.4 million customers of ICICIdirect.com. In addition to the quarterly earnings reports and regular event updates, the team publishes sector reports, thematic reports, model portfolios, IPO recommendations, mutual fund advice and technical and derivative picks.

Strategic partnerships to enhance customer experience

- We have tied up with 7 partners including ICICI Bank to bring a bouquet of Home Loans LAP and LRD offerings to customers
- We have tied up with ICICI bank to offer pre-approved loans to our customers and clear credit on a real-time basis.

Transparency in Product & Service Offerings

ICICI Securities is one of the most valuable brands in India that its stakeholders trust as an ethical business. We maintain the highest standards of ethical conduct, reporting with accuracy and transparency and complying with the laws and regulations that govern our business. Our products, services, and policies are customer-centric and led by a commitment to sustainable and responsible business practices. We leverage technology to simplify operations while ensuring security and transparency.

We have formed a Customer Service Council. The council undertakes and reviews the following:

1. Customer Service and Quality Standards
2. Customer complaint trends over a period of time
3. Feedbacks received from customers
4. Steps taken for enhancing the quality of customer service and improvement in the overall satisfaction level of the customers
5. Key learnings

Innovative Products

We are continuously enhancing our offering portfolio to bring innovative products and services to our customers. We launched several new products during the year to boost our capabilities for customer wealth management:

- We scaled ICICIdirect Prime, a subscription-based service offering an instant payout of funds. We reduced brokerage rates and delivered exclusive research to 6.5 lakhs customers.
- The Company introduced ICICI NEO as a discount brokerage offering in the trading segment. It offered zero brokerage for futures trading and ₹20 for Options and Intraday per order. This was targeted to activate dormant customers. We successfully enrolled more than 60,000 customers as of March 31, 2021.
- We added products like one-click investments, trading strategy formulation tools for derivatives during the year and simplified other processes to deepen our engagement with customers. More than 85,000 customers have subscribed to equity portfolios through the one-click investment facility. We also launched curated equity portfolios for customers and tools like Sensibull, iTrack, iAlert, iLens and Payoff analyser to foster engagement.
- We launched Insta Idirect accounts built on an open architecture that allowed customers to open integrated Trading and Demat accounts (2-in-1) linked to their existing bank accounts, wallets and UPI payment systems. The account opening process was digitised end to end to ensure the safety of our customers and employees. We added 2,25,000 customers in Q4, FY 2021, up from 20,000 in Q1, FY 2021.

IT Deployment & Automation

ICICI Securities is a digital-first financial institution. We have created a robust technology platform to enhance the efficiency, safety and security of transactions. We stay focused on information security, cybersecurity, uptime and transaction response times to deliver service of the highest standards to our customers. Our platform handles more than 102,000 concurrent users, processing 4.1 million orders plus trades at its peak in a day.

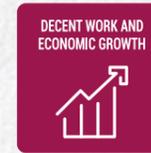
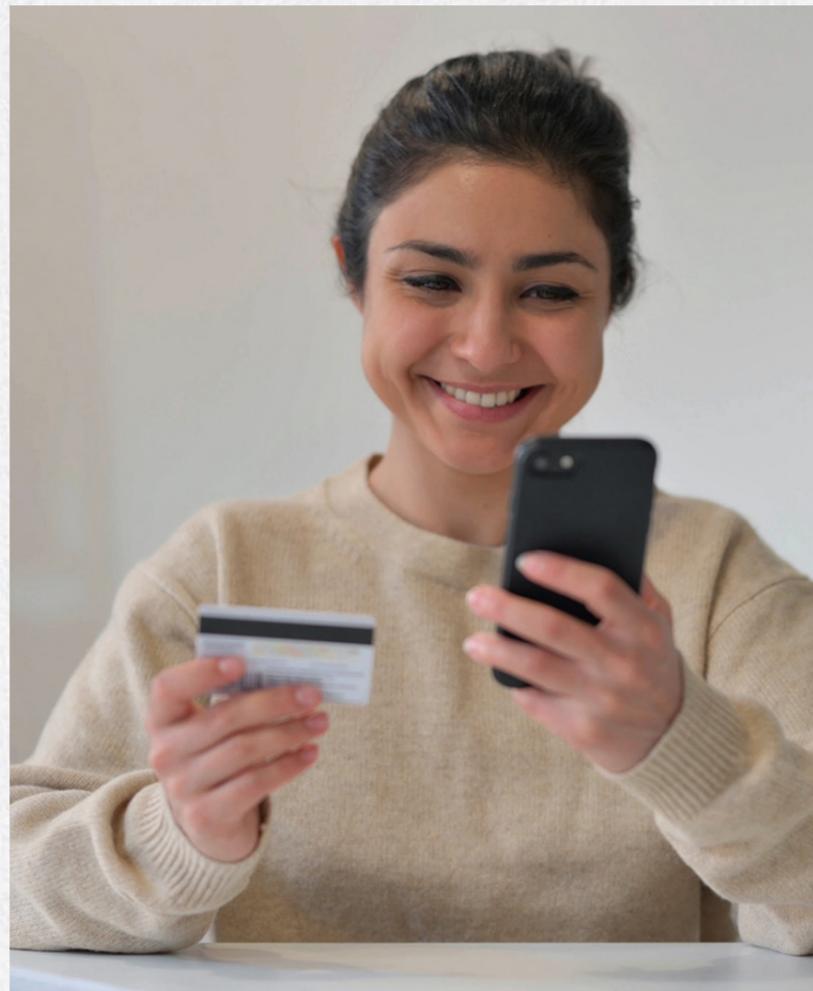
Our API-led architecture helps us quickly integrate services from diverse fintech players and other partners. These partnerships led products are crucial to enriching our portfolio for our customers continually. Our digital team scans the evolving technology environment, customer needs and business opportunities to help us enhance and roll out superior products and customer experiences. Through the reporting year, we evaluated 163 projects and created more than 65 APIs with 500 more in the pipeline to expand the network of our fintech partnerships and reach of products significantly. Some of the key projects we undertook through the year include:

- Derivatives tools for our trading customers
- Integration with ecosystem partners to enable their customers to transact on our platform
- Launched Global Investing
- Launched Money App
- One-Click Portfolio
- Chatbot and WhatsApp to provide 24/7 instant assistance using artificial intelligence
- Digitization of the customer onboarding process
- Launched commodity trading

ICICI Securities owns India's largest online investment platform and provides all investment and trading solutions across asset classes through website and Mobile Applications. Along with its '3-in-1 account' where trading and Demat accounts are linked with a savings account, the Company has also introduced an open architecture that allows its customers to link any bank account to their trading and Demat account. The interoperability of its electronic brokerage platform offers customers greater flexibility in planning and transacting their investments.

ICICI Securities' proprietary electronic brokerage platform, ICICI direct, is a 24X7 web and app-based service that

offers customers personalized and critical information on their portfolio with real-time status of capital gains. The secure platform uses an integratable architecture for easy integration between our internal and third-party systems. It is powered by a scalable infrastructure and a three-tier disaster recovery process. The Company's risk management systems are embedded within the platform to manage risks in real-time, including automating changes in margin requirements by tracking trigger prices for every customer position. ICICI direct can scale seamlessly to handle volume traffic with a response time of less than 40 milliseconds.



Empowering Business Partners

Our vast network of business partners is crucial to expanding our footprint and take our best-in-class products and services to our customers across India.

ICICI Securities robust portfolio of products and services that offer the potential of long-term growth for our partners and the trust associated with our brand are key factors that attract and retain our partners. Therefore, we stay invested in enriching our

diverse portfolio of products and improving our customer engagement and competitive edge led by our strong brand. Open architecture-based interventions broaden growth opportunities for our partners as they can transact with customers across various digital channels. To ensure that our partners can deliver a standardised customer experience representing the best of ICICI Securities, we empower them with our expertise and state-of-

the-art technology tools. Our business partner network grew in FY 2021 to 18400+. This year, we have onboarded 1,000 Loan Partners digitally. These loan partners are spread across all over India helping customer get loans approved seamlessly and build ICICI Securities network. The expanded network will accelerate our reach and grow our customer base across all tiers of markets in India.

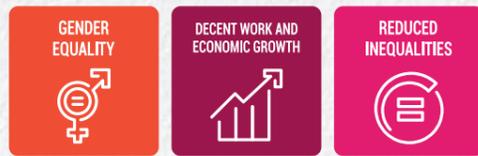
Employee Engagement & Human Capital Development

A motivated, engaged and talented pool of employees has scripted ICICI Securities' success story. Our employees continue to be the critical factor in ensuring our continued success and future growth. Beyond functional expertise, employees with initiative, innovative thinking, a sense of fair play and aligned to our values of ethical and responsible business, are our greatest assets. We abide by the following principles:

- To provide the climate and resources that will enable all employees to advance on merit as far as their talents and skills will take them, without regard to disability, marital status, national origin, race, color, religion, sexual orientation or gender, etc.
- To reward employees with pay and benefits that reflect their performance
- To ensure that ideas, concerns and problems are identified, and two-way communication is effectively maintained
- To provide an environment that identifies, encourages and rewards excellence, innovation and quality customer service through various rewards and recognition programs
- To remember that respect for human dignity is fundamental to our success

Our success in creating value for our customers and shareholders is driven by our ability to unleash the potential of our employees. 'Nurturing Talent' is a strategic goal for us. We foster a culture of learning and encourage employees to enhance existing skills and learn new ones. We believe continuous learning is critical for our employees to create value for our stakeholders, deliver exemplary customer experience and build successful careers for themselves.





Resourcing, Diversity and Equal Opportunity

Diversity and inclusiveness are integrated with our strategy to grow. ICICI Securities does not discriminate in the process of recruitment on any grounds, including job selection, training, promotion, appraisal, salary, employment conditions, discipline and criteria for redeployment. We believe that a diverse talent pool is critical to our success. We recruit people from diverse backgrounds and do not differentiate based on caste, religion or gender or other factors. It ensures that we have the diversity of thought

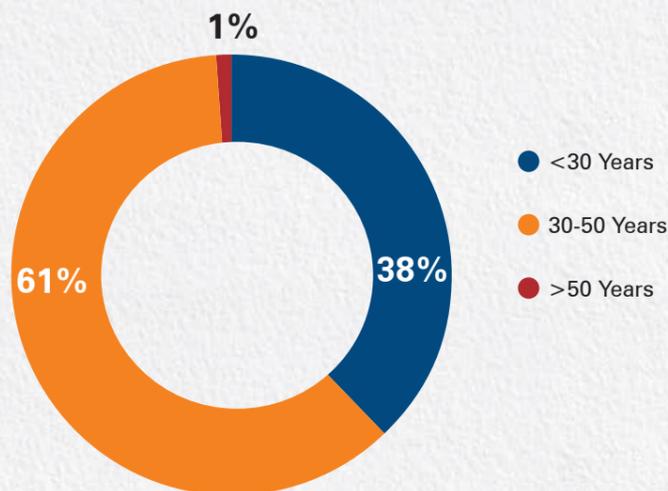
we need to create products and services catering for an equally diverse customer base. A diverse talent pool helps us challenge the status quo and carve new markets led by innovation and creativity in line with the core cultural strength of the Company. We remain committed to attract and nurture a diverse workforce. The Company offers a work environment that values every individual for their unique skills, experiences and perspectives. We provide growth opportunities to employees through

internal job openings across departments and functions wherein employees can apply for varied jobs basis the eligibility criteria. For high potential/high performing employees we provide career growth opportunities internally ahead of time.

The Company believes in the power of youth, and hence recruitment from various campuses (graduate and management) comprise around 55% of total hiring in FY 2021. We continue to augment our teams with lateral hiring of critical, new and niche skills across business verticals in line with the business strategy of the Company.

We had 3,766 employees as of March 31, 2021, of which 38% of employees are below 30 years.	The average age of the Company is 32 years. In FY 2021	Around 31% of the new hires were women, comprising 24% of the total workforce in the Company	Over 35% of our employees have an association of more than 5 years with us
--	---	--	---

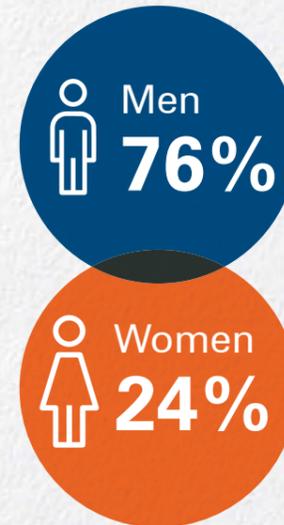
Workforce by Age



Source mix of new hires

Financial year FY 2021
Lateral hire % 45
Campus hire % 55

Gender Split (%)



The Company has zero tolerance for harassment and discrimination of employees at the workplace. We promote a culture wherein employees can freely raise and discuss issues concerning themselves with their Superiors, or Regional HR Managers. We have several channels through which employees can discuss, have an engagement, and seek clarifications on their issues. This year a total of 7 grievances were reported which were addressed swiftly.

We have a robust policy on Prevention of Sexual Harassment at workplace (POSH) and a formal process for dealing with harassment or discrimination complaints. It is ensured that all complaints

are resolved within defined timelines and mandatory training is provided to all employees to create awareness, around 3200 employees took POSH training in FY 2021.

Additionally, women are trained in self-defence and updated on legal provisions available to ensure their safety. We also share information on Health, Safety & Environment (HSE), women's safety and road safety through our internal social networking platform.

We provide maternity and paternity leave along with the option of sabbatical for women employees. We have empanelled crèches across the country to facilitate women employees at work.

This year a total of 7 grievances were reported which were resolved.
Around 3200 employees took POSH training in 2020-21





Learning & Growth

Learning & Growth is a key employee value proposition and the Company facilitates capability building through a blended learning model that uses an optimal mix of classroom, self-paced learning and on-the-job training. Employees demonstrating specialized skills/ leadership potential/ high performance are also offered

job rotation opportunities and opportunities for career progression. The capability development framework of the Company has been designed to encourage the DNA behaviours that lead to enhanced performance and help each employee reach their fullest potential. We trust our employees with larger jobs ahead of time which

facilitates growth opportunities to employees within the Company. The learning & development initiatives at ICICI Securities is based on a holistic approach which focuses on building the domain expertise along-with nurturing the leadership skills at various levels.

Higher Education Policy (HEP)

We encourage employees to constantly upskill themselves. We facilitate employees to pursue their desire for professional qualification & accreditations for upskilling themselves on continuous basis or as may be required in their jobs.

The Company experienced a complete transition from physical training delivery to virtual training delivery in FY 2021 due to the COVID-19 pandemic.

	FY 2021	FY 2020	FY 2019
Total Training hours*	1,54,927	96,687	81,534
Total Employees as on March 31	3,766	3,790	4,051
Training Coverage (% of employees covered)	99%	94%	88%

*Does not include man hours invested in mandatory certifications done by employees like AMFI, IRDA etc (16,082 additional man hours in FY 2021 for 593 employees)

The learning framework operates on a 4-tier model as under:



New Hire Assimilation

The Company has developed an online learning journey which enables management trainees to understand the basics of financial markets. The Learning journey is designed to help them transition into customer facing roles, by providing them with basic knowledge of financial products and key processes. The learning journey starts before the on-boarding of employees and continues till about 100 days from their date of joining the Company including extensive on-the-job learning under supervision of skip level managers.

Domain & Selling Skills

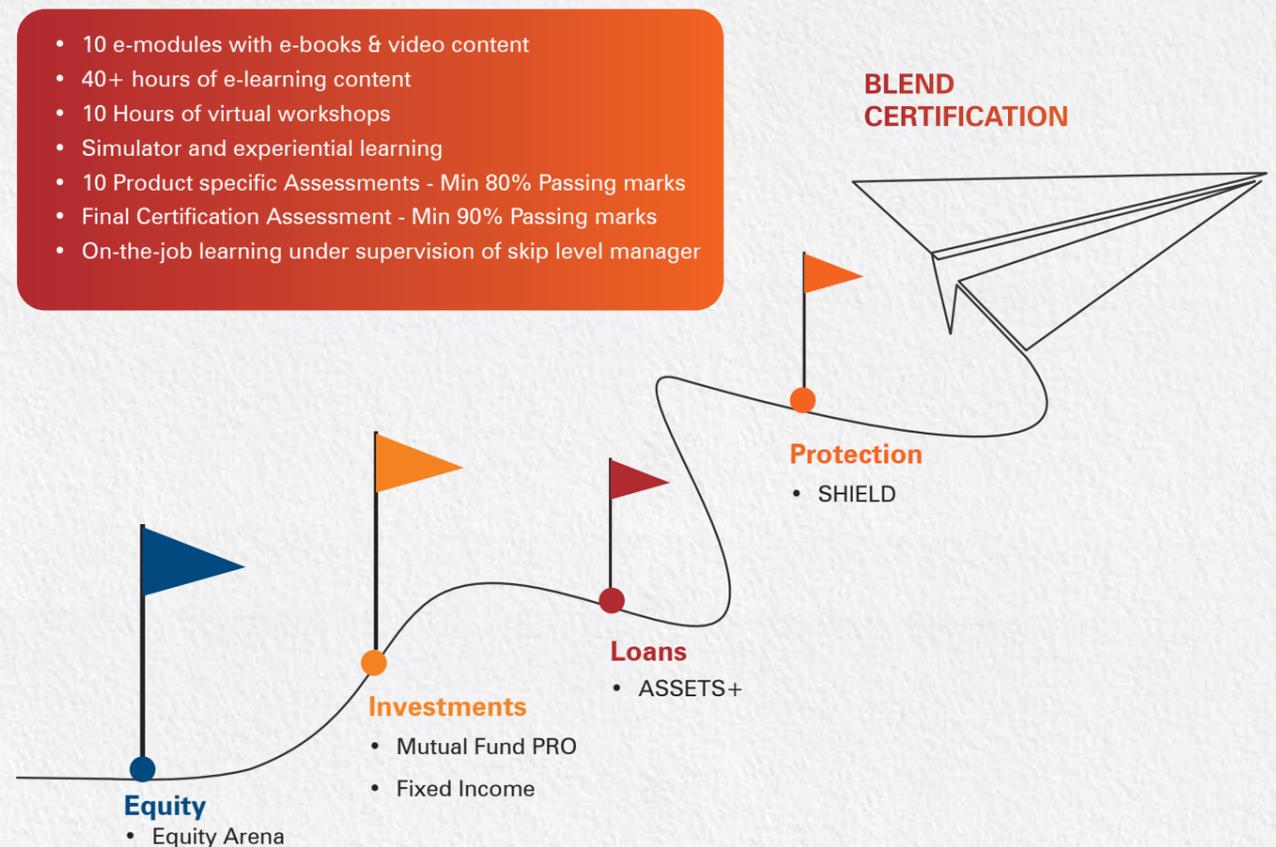
The key highlights of the financial year include workshops on Virtual Effectiveness, Creating Relationship Value (CRV), Influencing Deal Closures, Financial Modelling & Business Valuation apart from the flagship program BLEND and various specialized workshops/certifications basis nominations.

Blend- Functional Program for Relationship Management Team- Retail and Private Wealth

Blend is the flagship in-house product learning suite comprising a combination of classroom, e-learning, simulation and on-the-job experiences-based training on core products like Equity, Mutual Funds, Fixed Income, Insurance and Loan products offered/distributed

by the Company. Regular refreshers and assessments are conducted for frontline relationship management teams through the BLEND initiatives to keep employees abreast of the new product developments & process enhancements on an on-going basis. In FY 2021, 10 new e-modules

were launched through the online platform "Mpower" covering various products and asset classes comprising real life test cases, pitches, inbuilt assessments etc for employees to learn on the go



Managerial Effectiveness

These initiatives are largely designed for first time managers to mid management cadre covering various leadership challenges of managing their own performance, managing the performance of their team and managing stakeholders effectively. The key highlights of the financial year include workshops on “Build your Brand”, “Growing Together” & “iLead”.

Leadership Engagement Series

This is a leadership development initiative wherein business builders, industry experts, sports personalities and thought leaders are invited to share their perspectives around various themes pertaining to leadership. In FY 2021, 3 sessions were conducted with prominent business leader/industry, specialist/sports mentors covering over 300+ employees across mid to senior management levels.

Performance Management

ICICI Securities believes in meritocracy underlined with care. We nurture talent by creating an enabling work environment that allows employees to excel through challenging and enriching jobs. Our employees are guided by a well-defined set of expectations articulated in a goal sheet that lists their key deliverables. Their performance is assessed against these key deliverables and linked to rewards. We monitor employee progress and provide feedback regularly along with any functional or behavioural training if needed. We conduct our performance management process fairly and transparently. Post our annual review cycle, our leadership team conducts town halls to transparently discuss the Company’s yearly performance and impact on people processes like promotions, increments, etc. We run various rewards and recognition programmes to recognise the efforts of our teams, especially the front line, customer-facing teams.

Leadership Development

ICICI Securities believes that leadership development is a process of perspective building aimed at helping leaders deal with adaptive challenges. The program for leadership development focuses on leadership resources like perspectives, ambition, risk appetite, decision making, strategic agility, collaboration and learning orientation. Around 40 senior leaders of the Company were handpicked to undergo the Leadership Mentoring Program (LMP) as part of the leadership development initiative.



Employee Wellness Initiatives during COVID

During the pandemic we launched a special initiative called “20 connect with 20”. In this initiative, 20 HR managers were made responsible to connect with 20 employees in their geography on a daily basis, covering around 400 employees every day. During the calls made by these 20 HR managers, the employees expressed if they had any concern anxiety with respect to the wellbeing of their family members and also economic hardship for certain family members on account of a stringent lockdown in the country. These employees were often unsure on how to cope

with this unprecedented pandemic situation which had impacted almost everyone in the country (and in the world). The HR Managers comforted such employees by listening to them patiently and providing all enablers required by employees to balance demands of regular work and their personal circumstances. Wherever required, special leaves were granted to employees to attend to illness of immediate family members. Certain other employees were allowed further flexible working hours even in the work from home format. This initiative was continued till October 2020.

Further, to help employees deal with COVID 19/lockdown related stress and anxiety, a series of special workshops called “Mind Matters” were conducted by one of our HR managers who is also a certified counsellor and psycho-neurobics & happiness practitioner. A total of 11 such sessions were conducted covering around 300 employees who chose to attend these workshops. The workshop on Mind Matters aimed at sharing practical tips to channelize thought energy to create positive responses and positive life experiences. Some of the key themes of the workshop were:



Ms. Ritu Thakkar, Senior Manager-Training & Development, conducting one of the “Mind Matters” workshops virtually

Mind Matters: key themes

- Understand how responses are created
- Reflect on mental pattern of responses for the self
- Techniques to overcome negative thought pattern
- Mindful way of Living to reduce everyday stress
- Using Affirmations for creating positive mindset
- Visualization as a tool to sustain positive life experience

Special sessions on ‘Diet & Nutrition and ‘Pre COVID-Vaccination’ were also conducted for all the employees of the Organization. During these sessions, several health-related inputs were shared by qualified dieticians and medical practioners for the employees. We tied up with a medical concierge service available through mobile phone, for employees and their dependants to seek online medical consultation during the COVID-19 pandemic. This medical concierge service also provided access to qualified psychologist (for mental wellbeing/counselling).

In FY 2021, a total of 486 medical consultations were held through the concierge service. Of these 486 medical consultations, 74 were sessions with a psychologist/ counsellor. In addition to the medical concierge service, we, in collaboration with ICICI Bank (our parent organisation), provided free isolation facility (in hotels) for our employees and their family members who were suffering from Covid-19 and needed isolation facility. This facility was provided in 6 major cities across India.

To further assist the employees and their family members for availing medical care during the pandemic, we established a network of employees (who willingly volunteered) for coordinating this across the country. This network comprised colleagues from various business teams, the Facilities Management Group and the Human Resources team. Together they arranged for hospital admissions, ICU beds, medicines like remdesivir, tocilizumab, ventilator, oxygen cylinders/concentrator at home and ambulance services. A few employees staying alone who contracted COVID 19 infection were also provided

with food services. This network of colleagues was specifically useful during the pandemic period when several resources were stretched and were also in short supply in various parts of the country. Towards the end of the financial year, when vaccines were approved in the country, we tied-up with different hospitals to provide vaccination to employees (free of cost) and their dependants across all cities in India.

In pre-COVID times, we used to regularly conduct activities such as CycleOn, Zumba, Carom, Cricket matches, and Table Tennis tournaments under the 'Xcitement Unlimited' initiative. We also provide regular health check-up for eligible employees at designated hospitals.

ICICI Securities Day

During the year we conducted a mega celebration event called 'ICICI Securities Day' (I-Sec Day), wherein we felicitated employees who demonstrated the cultural ethos of the Company as well as those who demonstrated achievement orientation. The theme of this mega celebration was 1I-Sec (one I-Sec) and was conducted virtually for all employees of the Company. The celebration was designed around strengthening the theme of working together, transcending functional/product/business boundaries. It also provided a platform to recognize success stories of teams/individuals

who have delivered outstanding results by working together as a single unit. Employees & teams were recognized for categories like Relationship Person of the Year, Best Product Launch/Most Compelling Project of the Year, Transaction(s) of the Year each having their unique selection parameters. Apart from these categories, employees who exemplified the DNA anchors of the Company were also felicitated and showcased to the organization. Around 200 employees were recognized during the grand celebrations of ICICI Securities Day in this financial year. The I-Sec Day celebration also included an entertaining performance by a renowned singer along with his ensemble, belting out popular songs

and timeless melodies. We also had an interesting session by an International cricketer cum coach on what it takes to build a high-performance winning team and a panel discussion with the Senior Leadership team of I-Sec on the theme of I-Sec.

Time off for Self and Family

We encourage employees to avail atleast 14 days of leaves (at the very minimum), including mandatory block leaves for employees in certain functions. Our policy mandates that employees can carry over unused days of leave up to a specified number of days beyond which the accumulated leave lapses. This further encourages our employees to utilise their leaves and come back refreshed.



PLEDGE

EMPLOYEE VALUE PROPOSITION

ICICI Securities has always believed that our employees – our human capital – are the key contributors towards our performance. We launched our employee value proposition (EVP) called 'PLEDGE' which is a formal articulation of what we as a company promise to our employees. The EVP, in many ways, reflects the quality of relationship which the Company has with each of its employees. The 5 anchors of 'PLEDGE' are Pride @ Workplace, Care, Growth & Learning, Enabling Work Environment & Meritocracy. Each of the 5 anchors comprise important aspects of our value proposition to employees.



Care

Standing by employees in their hour of need, just as they go the extra mile for the organization whenever required stands for – both personally and professionally.



Pride @ Workplace

An engaging organization that is conscious of its larger role in society and in serving the nation. An organization that continues to espouse principles of ethics, good governance and good business practices. Pride of being associated with brand ICICI Securities, feeling inspired by the top management, being part of an organisation, which serves as a "trusted adviser" to its customers and being part of an organisation that promotes ethics and good business practices, in addition to adding value to society at large.



Meritocracy

A merit-oriented organization, setting high performance standards and linking rewards to performance.



Growth and Learning

Opportunities for personal growth of employees, as they work towards Company's growth & success. stands for being there for employees in their time of need – both personally and professionally.



Enabling Work Environment

Work environment that facilitates achievement of aspirational goals. an environment which facilitates employees to perform and deliver at their best. Whether it is through clearly defined performance expectations, policies and processes or access to productivity tools or facilitating employees to participate in shaping policies/processes/strategy

Employee Engagement Study

Employee Engagement Study was conducted in Aug 2020 to understand how employees experience the Employee Value propositions through a detailed questionnaire seeking their responses on various anchors of PLEDGE. The study was conducted for ~3,500 employees with a response rate of 97.5%. At the company level, the average endorsement score was 88% implying that 88% of the employees have either marked a strongly agree or an agree response to all the propositions. At an anchor level, the endorsement % varies from 96% for Pride @ workplace to 86% for Growth & learning.

Top 3 endorsements in each PLEDGE anchor

PLEDGE anchors	Statement
Care	I am aware about workplace safety measures
	ICICI Securities is a caring organization
	At ICICI Securities, colleagues provide support during personal emergencies
Pride @ Workplace	I am proud to be an employee of ICICI Securities
	I understand how my work contributes in achieving the current strategy of ICICI Securities
	ICICI Securities is a trusted partner to its customers/customers for their investment needs
Meritocracy	At ICICI Securities, there is no discrimination based on caste, colour, religion, region, etc.
	High performers are recognised at ICICI Securities
	For a performing employee, the longer he / she spends at ICICI Securities, better are the growth prospects
Growth and Learning	I see ICICI Securities as a long-term career option
	I can look up to my colleagues and other seniors for my development
	At ICICI Securities, there is freedom to try out new ideas and learn from the experience
Enabling Work Environment	At ICICI Securities, superiors are accessible
	ICICI Securities provides an enabling work environment
	I have clarity about my current goal sheet

Succession Planning and Employee Retention

The Company has a robust framework of identifying and grooming successors for key and critical jobs. The framework is called as “Leadership Cover Index (LCI)” wherein key and critical positions are identified in advance and necessary leadership cover (immediate successor & successor bench) is maintained from within the Company as well as from the ICICI Group. The LCI is reviewed on an annual basis by the NRC and the Board of the Company.

Our senior management team (Senior Vice-President, Executive Vice-President and Executive Director) has an average work experience of around 22+ years. About 66% of our senior leadership team have been with the Company,

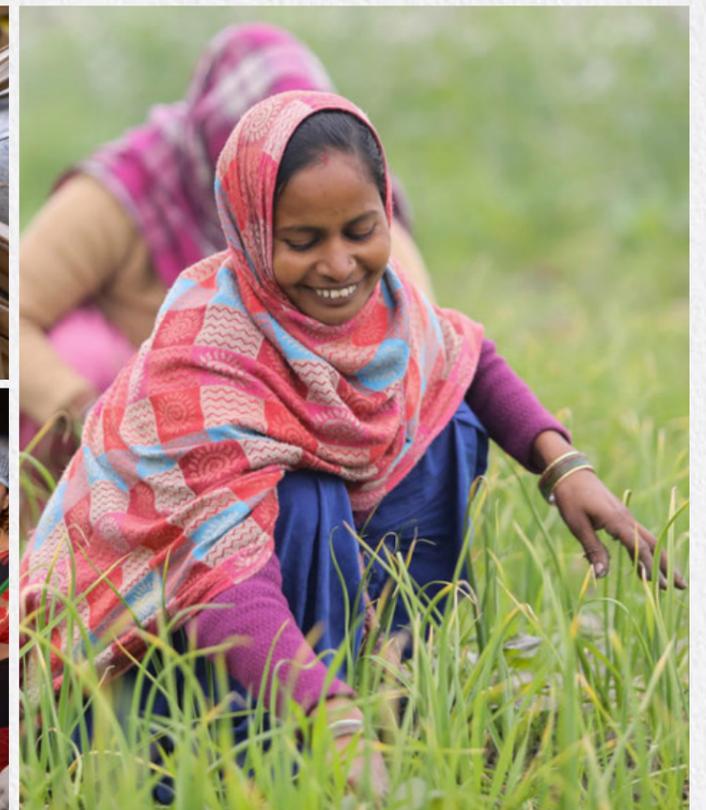
and 71% have been with the ICICI Group for at-least five years. In order to ring fence key talent, the Company offers long term incentives (in the form of deferred cash and ESOP) and large roles and responsibilities ahead of time to deserving employees having leadership potential.

FY 2021 was a challenging year, but ICICI Securities ensured there was no loss of jobs on account of pandemic amongst our workforce. Employees who were part of businesses that were restructured were trained and absorbed in new roles. Employees were given enough time (three to six months) to settle in their new jobs, and their yearly review factored their performance in their erstwhile roles as well.

Community

ICICI Securities has been working with communities in skill development and livelihood. FY 2021 was a year of resilience. It checked our mettle in creating a society where people are valued and respected. The year demanded we go further than we usually do because never did a year need care and empathy for all more. The pandemic has highlighted the need to intensify our efforts and reach out to a larger population of the marginalised society.

ICICI Securities focuses on enhancing the welfare of the community through its association with ICICI Foundation and other partners. The Company has spent ₹160 Mn, which is 2% of its average net profits computed under section 135 of Companies Act, 2013 of the last three financial years ending March 31, 2018, March 31, 2019 and March 31, 2020 towards CSR activities in FY 2021.



Community and Social Impact

During the year, the Company undertook several initiatives in skill-development, healthcare, empowering women, fostering entrepreneurship, livelihoods and senior citizens' welfare in addition to the programmes conducted through ICICI Foundation. These initiatives were implemented directly or through partners and include:



Creating Livelihoods

ICICI Academy for Skills: ICICI Foundation for Inclusive Growth ("ICICI Foundation") has set up the "ICICI Academy for Skills" to provide free skill development training to lesser privileged youth to enable them to pursue a sustainable livelihood. Over 14,000 youth have been trained in FY 2021, with women participation at 49%. ICICI Foundation has undertaken training through digital medium and practical training was conducted in smaller batches. The National Skill Development Corporation (NSDC) had accredited the digital courses of ICICI Foundation. The market for job placements has been severely impacted during the pandemic, yet the overall placement for FY 2021 is close to 84%. Cumulatively the initiative has reached out to over 159,000 lesser privileged youth till date. Impact assessment has been conducted for this program by an external agency, the details of the same can be found at - <https://www.icicisecurities.com/CSR.aspx?CSR=57>.

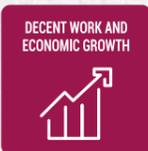
Fintech Start-up Incubation Programme: We believe that fintech can power economic growth through greater market participation, new and improved products and services, lower costs, and improving productivity. Hence, they have the potential to reach out to newer markets.

NS Raghavan Centre of Entrepreneurial Learning (NSRCEL)

We have partnered with the NS Raghavan Centre of Entrepreneurial Learning (NSRCEL) at the Indian Institute of Management Bangalore (IIMB), one of the oldest incubator cells in the country. We selected 10 companies for an intensive nine-month incubation journey from 25 ventures in pre-incubation style.

Contribution to Society for Innovation and Entrepreneurship (SINE)

SINE is a not-for-profit Technology Business Incubator (TBI) hosted in IIT Bombay. ICICI Securities has partnered with SINE to support a couple of projects that have potential social impact. In the financial year we have contributed ₹ 3.0 Mn to Society for Innovation and Entrepreneurship (SINE). This collaboration will further accelerate the incubation of start-ups with SINE thereby fuelling India's social start-up culture



Healthcare and Preventive Healthcare

Old age healthcare: The Company contributed monetary assistance to Vision Foundation of India (VFI), a non-government not-for-profit charitable trust, to conduct 750 cataract surgeries for senior citizens below the poverty line.

Training to caregivers: With family structures becoming nuclear, senior citizens are experiencing social isolation. This, combined with increasing lifespan, necessitates alternatives for senior citizen care through trained caregivers. ICICI Securities and Age Ventures India have partnered to conduct training to care for the elderly, meet the demand for qualified caregivers and create employment. Awareness generation activities were undertaken to mobilise youth for taking up training included a door-to-door campaign and public announcements. The first batch is now mobilised and undergoing training. The training uses a blended approach with expert lectures, self and group learning. Besides critical vocational skills, these youth are also being trained on interpersonal skills and workplace communication.



Empowering Women

Hameri: We have partnered with World Wide Fund for Nature - India (WWF-India) for a women empowerment initiative called Hameri. We support the training of women in livelihood generation initiatives such as community-based food processing and handicraft enterprises. This will generate income streams for women and conserve

the environment by reducing their dependency on the community's adjoining forests for natural resources like wood. The initiative was launched in January 2020, and despite the pandemic, 510 women were trained during the year.



Senior Citizen Welfare

The Welfare of senior citizens need attention. HelpAge India and ICICI Securities are setting up Model Old Age Homes, with open spaces to encourage 'Active Ageing' in three cities: Gurdaspur in Punjab, Cuddalore in Tamil Nadu and Shey Village in Leh Ladakh.

We believe that sustainable growth results from a holistic approach to profits, people and caring for the planet. At the core of our growth strategy is care and commitment

to our people, which include our employees, partners and communities. ICICI Securities conducts its business through responsible and sustainable practices to create long term value. It is also dedicated to nurturing our people so that they, in turn, can create value for the Company and their ecosystems and lead fulfilling lives.



Environment

**Operating Responsibly
for a Greener World**

ICICI Securities acknowledges the impact of our operations on the environment. Being a financial services Company, these effects are limited. However, as a responsible business, we aspire to grow sustainably and reduce our environmental footprint, led by the principle of the 3 Rs – Reduce, Reuse, Recycle.

Our Approach

As a leading financial institution, we have a significant potential to play a constructive role in mitigating environmental challenges. At ICICI Securities, our environmental responsibilities are led by robust policies and governance structures to track, report and mitigate the impact of our actions and innovation-led responsible solutions to improve our performance.

Our environmental footprint is restricted to the consumption of natural resources at the organisational level. However, this does not deter us from setting ambitious targets for ourselves to fulfil our responsibilities to the planet and reduce our footprint as much as we can.

At ICICI Securities, we have integrated environmental and social goals into our business strategy and processes to create a lasting impact on the planet and to all our stakeholders. Our environmental agenda is to foster a low-carbon economy by focussing on environmental-friendly products and services and reduce our consumption of natural resources such as water and energy.

Progress Against our 2025 Environment Objectives	
Our Targets	Progress Against Target as of FY 2021*
20% Reduction of energy consumption over FY 2019 baseline levels	40% reduction
20% reduction in paper consumption over FY 2019 baseline levels	83% reduction
35% reduction in travel over FY 2019 baseline levels	91% reduction

* Progress this year has got accelerated due to COVID.

Environmental Policy

Our Environmental Policy guides our strategy and execution towards day-to-day operations. It covers our environmental performance, employee engagement, implementation and review, initiatives towards energy and

water management. The policy also dwells on systematic approach towards reducing carbon emission and our policy to reduce, reuse and recycle to minimise waste.

Approach for Environmental Management

Our primary focus is to minimise our carbon footprint in all possible ways and beyond the regulations. Our environmental management at the organisational level consists of :

- Identifying the areas for improvement
- Categorizing the areas for improvement
- Planning remedies and Green Alternatives
- Consulting ICICI Bank, our parent company or other related governing bodies
- Presenting proposals for consideration and approval
- Executing projects to enhance operational efficiency to curb environmental footprint

Leadership and Responsibilities

The Environmental Policy is reviewed in board review meeting annually. The Facility Management Group drives the Company’s environmental efforts, initiatives and manages the following responsibilities.

- Identify best practices in Environment, Health & Safety
- Coordinate with concerned departments to explore methodologies, solutions and innovations to improve our environmental performance and roll out initiatives
- Monitor the impact of such measures on the environment
- Track the consumption of utilities and resources across our operations that impact our performance

Managing our Environmental Footprint

At ICICI Securities, we have undertaken several measures to accelerate our progress on environmental goals across the organisation by aligning our people, processes and products to our commitments. We have aligned our environmental targets to the United Nations Sustainable Development Goals (SDGs). The following SDGs lead us on our journey to achieve our environmental targets.

The reporting scope and boundary for our initiatives and disclosures covers all the Indian facilities* of ICICI Securities.



* Water consumption has only been monitored for corporates offices

Creating Employee Awareness

Our employees play a strategic role in improving the environmental performance at ICICI Securities. Their alignment and adoption of environment friendly practices will be critical for us to meet our goals. Policies alone

cannot drive behavioural changes. We conduct various initiatives to engage and sensitise our employees to the triggers of environmental damage, its impact on lives, businesses, future and the role they can play to stem it.

FY 2021 Highlights - Celebrations, Dialogue, Education

'Environmental Week' to mark World Environment Day

'Save Trees Save Earth' to encourage planting of saplings

'Go Green' drive to remind employees to switch off electronic devices when not in use

'Go Paperless' movement to save paper.

Managing our Emissions

As a financial services provider, ICICI Securities does not run carbon-intensive operations. Nevertheless, we carry out GHG inventories to identify potential areas for reduction of GHG, wherever possible.

We have undertaken various initiatives to minimise emissions, which include wide adoption of digital processes, energy efficiency measures and paper conservation.

We aim to reduce emissions from direct activities such as the amount of electricity and diesel fuel consumed in our buildings. These are called scope 1 and 2 emissions.

Our scope 1 emissions include emissions from combustion of diesel fuel in generators, company vehicles and fugitive

emissions such as due to leakage of refrigerants from air-conditioners.

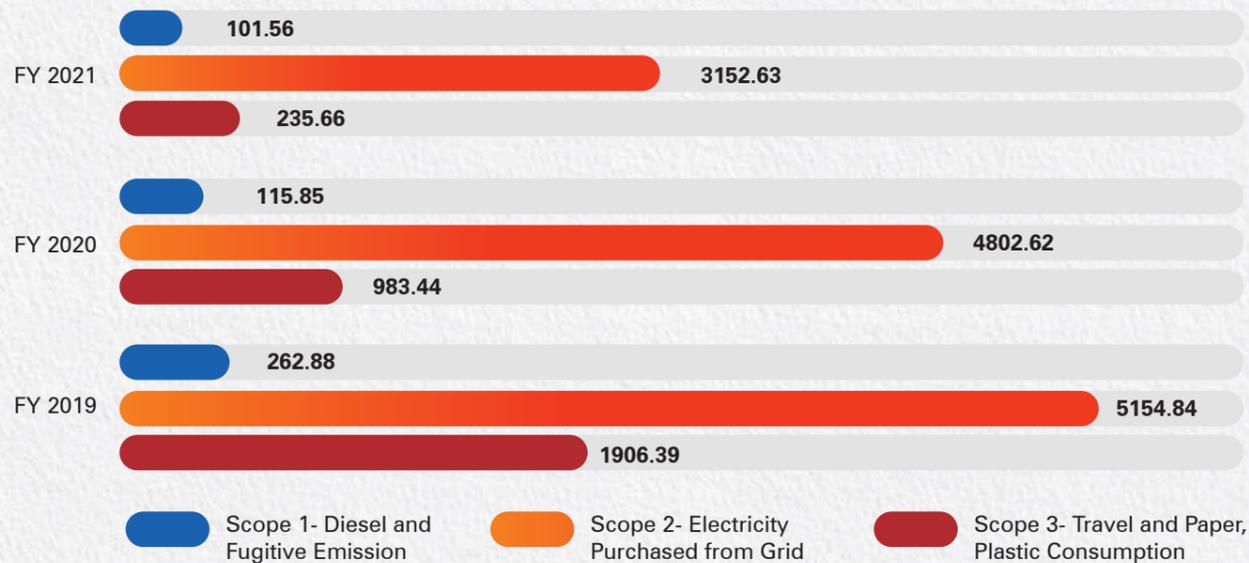
Our scope 2 emissions include emissions from electricity usage, this is the biggest contributor to our carbon footprint.

The nature of our business and growth strategies entails our employees to travel across the country as well as internationally. Therefore, another source of our emission is business travel and employee commute. We have taken a target to minimise business travels and related Scope 3 emissions. We are also reducing paper consumption by digitising processes to print less thus saving paper, toner usage and overall cost.

Key Highlights of 2020-21



Total Annual CO₂ Emission (tonnes CO₂e)



*Achieved through various energy efficiency measures including ~81 tCO₂e reduction through carpooling and use of electric cars for employee commute.

Automation and Technology to reduce travel-related emissions

We have digitized and upgraded Travel Booking portal with added variables which helps us monitor our travel to further calculate the emissions and develop relevant strategies to reduce the same. The increasing use of audio and video conferencing for meetings has reduced the need for travel related to physical meetings. Together, these measures are the primary reason for the

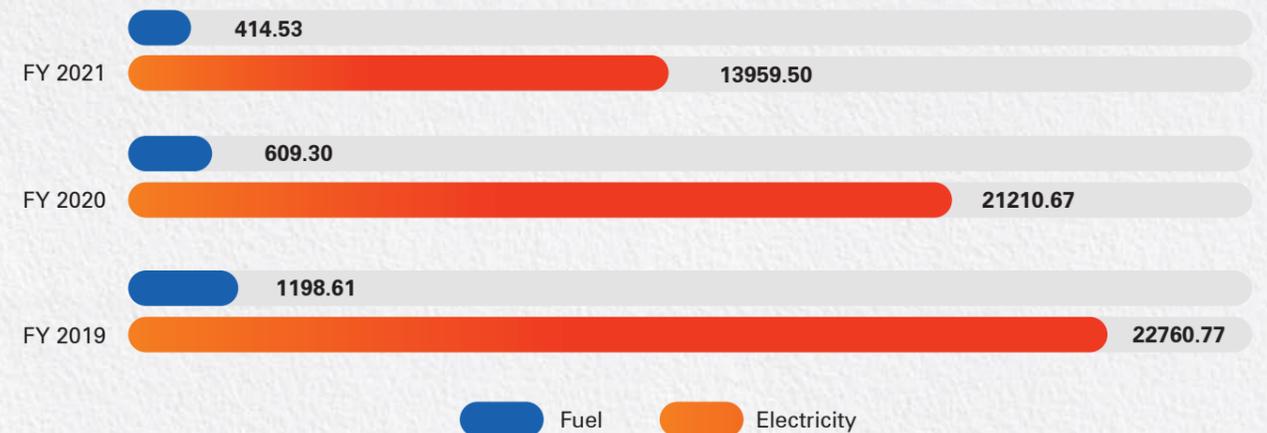
reduction in Scope 3 emissions at ICICI Securities. The COVID-19 pandemic also forced us to work remotely and curb employee travel. To reduce our carbon footprint further, we encouraged employees to carpool and have provided bus services to them. We have also entered into tie-ups with electric car operators and this has further reduced our travel-related emissions.



Energy Management

ICICI Securities has designed and implemented an efficient Energy Management System that identifies significant areas of energy consumption and sets targets for energy reduction. We conduct regular electrical audits to track our energy consumption and implement rectification measures such as replacing conventional equipment's with energy efficient equipment's and monitor outcomes.

Total Annual Energy Consumption (Giga Joules)



Key Highlights of 2021

Over 20 lakh kWh reduction in electricity usage compared to previous year.

32,965 kWh of renewable energy generated from solar panels installed at our Corporate office in Mumbai.

₹ 1.3 Mn invested in energy efficiency initiatives.

698 units of LED lights procured for 69 branches.

All ACs set at an optimal temperature of 24°C to reduce electricity consumption. 5-star rated inverter air conditioners installed to reduce energy consumption further.

Water Management

Reduction of water usage is a key parameter of our Environmental goals. We are reducing water use across our operations through a mix of education and awareness, engineering solutions and policy-driven interventions.

We are reducing our water consumption by installing water-efficient fixtures, sensor-based urinal flush fittings and by driving behavioural changes within our workforce through regular awareness campaigns and visual reminders at the point of use. We are also undertaking initiatives to explore and implement rainwater harvesting facilities for our large offices wherever feasible.

Water consumption reduced by nearly **2,272 kl** compared to previous year.

Water consumed across all operations (Kilo Litre)*



Efficient Waste Management

We strive to reduce waste and recycle as much as possible. Our waste primarily comprises of food, waste, paper, plastic and e-waste.

Curbing generation of plastic waste

We have stopped procurement of plastic stationery and also encourage our employees to use glass bottles at our offices to reduce the number of plastic bottles being discarded after use. All our facilities use 100% biodegradable plastic garbage bags to collect and dispose off dry and wet waste.

Managing e-waste

Our E-waste broadly includes computers, servers, scanners, UPSs, Batteries, Air conditioners etc.

All such E-wastes are being disposed off through registered E-waste vendors.

Reducing paper and printing consumption

We have implemented strong measures for digitising processes to reduce the need for paper. Further minimising the usage of paper across offices is an ongoing activity. Customer accounts have now transitioned to digital opening. The documents required as supporting are also uploaded digitally. 86.38% of total accounts are being opened without any paper consumption. Paper based Office stationeries also have now been stopped apart from the mandatory ones.

Key Highlights of 2020-21

86.38% of total accounts are being opened without any paper consumption

73% reduction in paper consumption compared to previous year

Feedback

At ICICI Securities, having initiated our ESG journey, we continue to be strongly focused on strengthening our ESG performance across all parameters. By doing so, we aim to address the sustainability challenges faced, operate sustainably to mitigate the environmental impact and do business in a responsible manner with the highest levels of ethical practices, while ensuring the interests of all our stakeholders. We thank you for your interest in this report and welcome your feedback to help us improve our disclosures and ESG performance. You may reach out to us at corporate_communications@icicisecurities.com for the same.

*monitored for corporate offices



ICICI Securities Limited

Registered Office: ICICI Centre, H.T. Parekh Marg,
Churchgate, Mumbai - 400 020

CIN: L67120MH1995PLC086241

Tel: +91 22 2288 2460/70, Fax: +91 22 2288 2455