

Environment, Social and Governance Initiatives

ICICI Bank Group has a long-standing commitment to *corporate social responsibility* and is committed to creating sustainable value for its stakeholders through social, environmental and governance initiatives. More information on the ICICI Bank Group's commitment to building a sustainable future can be found in the *Environmental and Social Governance Report*. As the Group's representative in UK, ICICI Bank UK Plc is committed to working towards minimising climate change related impact on its business and customers and the initiatives being taken can be found in the latest *Annual Report*.

Climate Change

Climate change presents a potentially irreversible threat to the planet. This has been widely recognised by countries across the globe that have signed the 2015 Paris Climate Change Agreement. The Paris Agreement's central aim was to strengthen the global response to the threat of climate change by keeping a global temperature rise this century well below 2 degrees Celsius above pre-industrial levels and to pursue efforts to limit the temperature increase even further to 1.5 degrees Celsius.

Impact on financial sector

Climate change is likely to have a significant impact on the financial services sector and will increasingly influence consumer decision-making. The financial risks from climate change are typically classified as physical risks, such as severe weather events (e.g. sea level rise, floods) and transition risks, such as the possibility of deterioration in the customer's ability to meet its financial obligations due to the global movement from a high-carbon economy to a low-carbon economy.

As a regulator for the financial sector, the Bank of England has released various publications in relation to its expectations for managing climate change related financial risks and work being undertaken to meet the commitments of the UK government under the Paris Agreement. These can be accessed using the below links:

- <https://www.bankofengland.co.uk/climate-change>
- <https://www.bankofengland.co.uk/-/media/boe/files/prudential-regulation/letter/2020/managing-the-financial-risks-from-climate-change.pdf?la=en&hash=A6B4DD1BE45B2762900F54B2F5BF2F99FA448424>
- The Prudential Regulatory Authority (PRA), together with the Financial Conduct Authority (FCA), has established a Climate Financial Risk Forum (CFRF) to build intellectual capacity and share best practice: <https://www.fca.org.uk/publication/corporate/climate-financial-risk-forum-guide-2020-summary.pdf>
- UK joint regulator and government Taskforce on Climate-related Financial Disclosures (TCFD): <https://www.gov.uk/government/publications/uk-joint-regulator-and-government-tcfd-taskforce-interim-report-and-roadmap>