

RESPONSIBLE INVESTING, SUSTAINABLE GROWTH*

Invest in

ICICI Prudential ESG Fund

NFO Period: Sept 21 – Oct 5, 2020

*Sustainable growth does not signify sustainability / assurance of returns under the Scheme.

ICICI
PRUDENTIAL
MUTUAL FUND

TARAKKI KAREIN!

The Sustainable way of Investing through ICICI Prudential ESG Fund

ESG FACTORS

ESG – Environmental, Social and Governance – is a generic term for evaluating corporate behavior and is used interchangeably with sustainable, responsible, impact or ethical investment.

ENVIRONMENTAL SENSITIVITY continues to rise as health, lifestyle and economic risks are increasingly quantified. Social imbalances are becoming political hot potatoes: whether it's rising economic disparities and opportunities, gender biases or social class systems. Governance makes headlines – until recently more often the lack of it – with progressively lower odds of sparing those that let down or get caught.





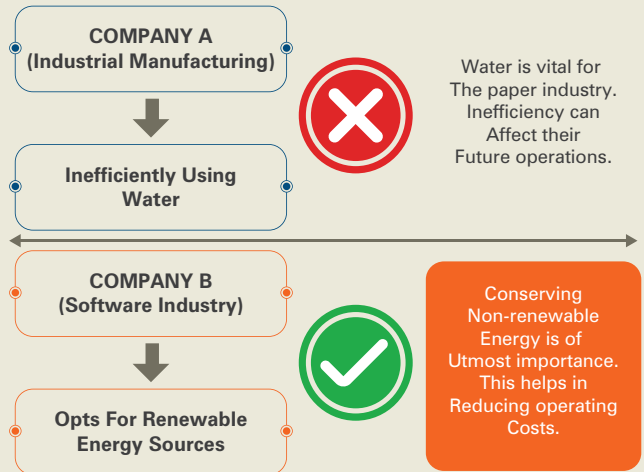
ESG INVESTING – Factors Explained

ENVIRONMENTAL EMPATHY (E)

COMPANIES ARE SCORED BASED ON SOME OF THE FOLLOWING ACTIVITIES UNDERTAKEN TO:



The list under each head is not exhaustive.



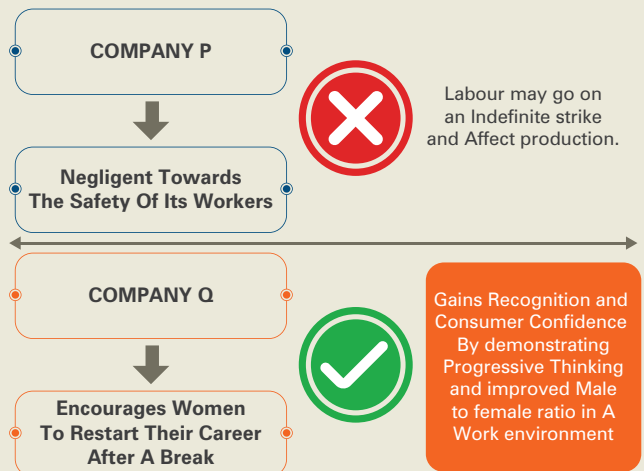
The above is only for illustrative purposes.

SOCIAL RESPONSIBILITY (S)

COMPANIES ARE SCORED BASED ON SOME OF THE FOLLOWING ACTIVITIES UNDERTAKEN FOR:



The list under each head is not exhaustive.



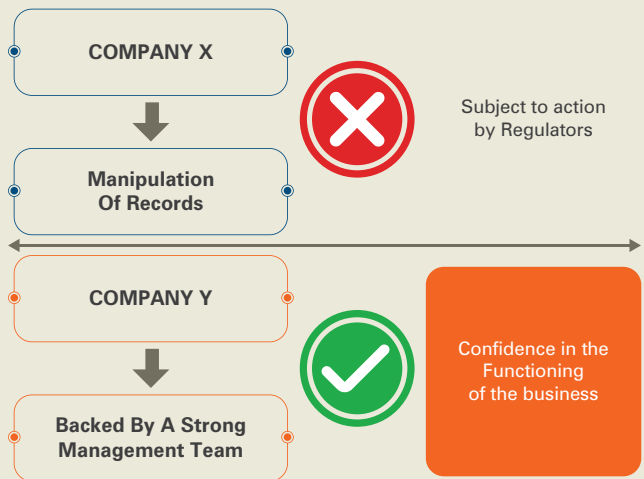
The above is only for illustrative purposes.

CORPORATE GOVERNANCE (G)

COMPANIES ARE SCORED BASED ON SOME OF THE FOLLOWING ACTIVITIES UNDERTAKEN FOR:



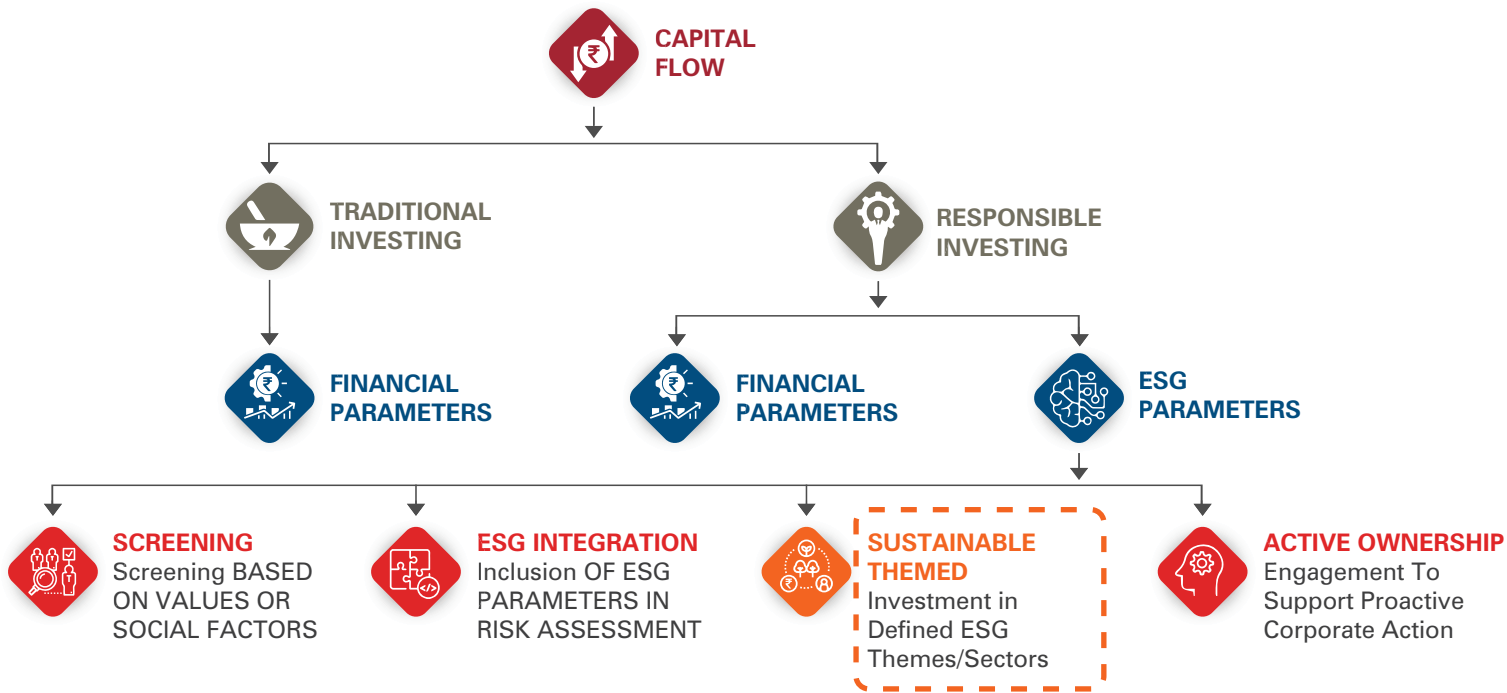
The list under each head is not exhaustive.



The above is only for illustrative purposes.

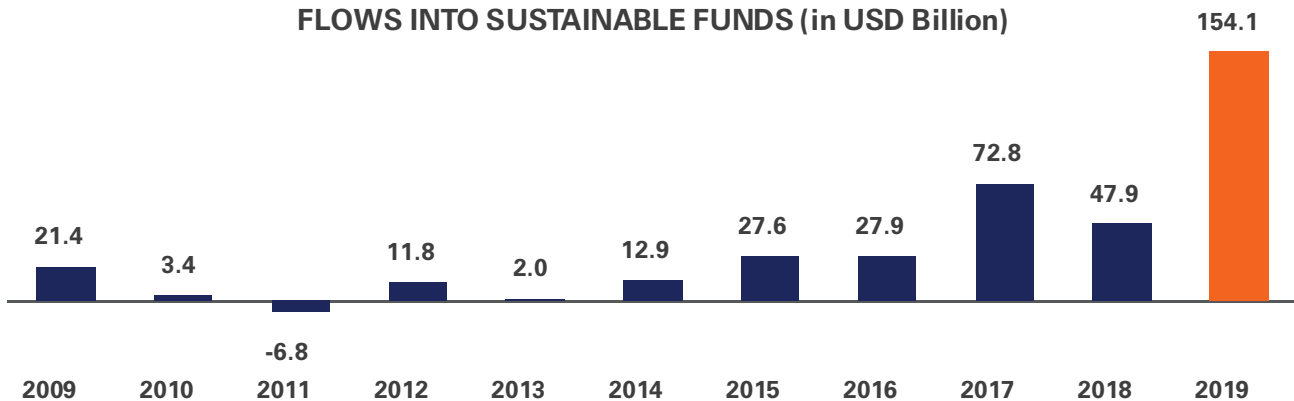


TRADITIONAL VS RESPONSIBLE INVESTING



Global Flows

FLows INTO SUSTAINABLE FUNDS (in USD Billion)



Data as of December 2019. Source: Morningstar Direct. The above data pertains to all ESG Funds (equity, debt and hybrid) globally.



ESG NEED IN INDIA

ENVIRONMENTAL ISSUES



- 17% Of World's Population Resides In India
- India only shares 2.4% of the World Land
- Water Stress Levels Are At 54%
- 11 Out Of Top 12 Polluted Cities Globally Are In India

SOCIAL ISSUES



- Poverty Is Nearly Affecting 18% Of Population
- Labour Law issues.
- Gender discrimination still prevails in many parts
- Illiteracy is still a concern in India

CORPORATE ISSUES



- India is still lagging behind its developed market peers
- Overseas companies prefer companies with strong backgrounds
- Good Corporate Frameworks attract more talent and young workers
- India has seen a lot of frauds and illegal activities coming to light



PRESENTING ICICI PRUDENTIAL ESG FUND

ICICI Prudential ESG Fund is a fund that encourages Sustainable Investing by investing in Companies that follow the ESG theme.



ABOUT THE FUND

INVESTMENT PHILOSOPHY

Identifying companies with a High ESG Score which reflects the strength and stability of the companies

SELECTION PROCESS

Selection process will be based on internal research and/or from the Nifty 100 ESG universe

INVESTMENT PROCESS

- Ratings are based on an in-depth study & research
- Any news or controversies will lead to revaluation
- Communication with company management to suggest ESG Score enhancement measures



ALLOCATION

- 80% to 100% in companies with strong ESG Scores
- Can invest in foreign securities i.e. global companies with a high ESG Score



AVOID

- Sin companies such as tobacco, weapons, alcohol etc.
- Companies with governance issues, leverage issues and other ESG related issues



AIM

To maintain a portfolio with a suitable ESG Score



SCORING 0-10

Simply put, **ESG SCORES ARE BASED ON ACTIONS** Taken in all the 3 Spheres:

0 WORST

10 BEST



- No steps to help the environment
- Activities that harm the earth

- Efforts to make a difference
- Attempt to mitigate environmental damage

- No social activities undertaken
- Improper treatment of people involved

- Undertakes csr activities
- Ensures the wellbeing of the people

- Engaged in Malpractices
- No disclosures or transparency

- Transparent and ethical
- Strong management

ESG SCORE

Companies will be shortlisted based on these scores.

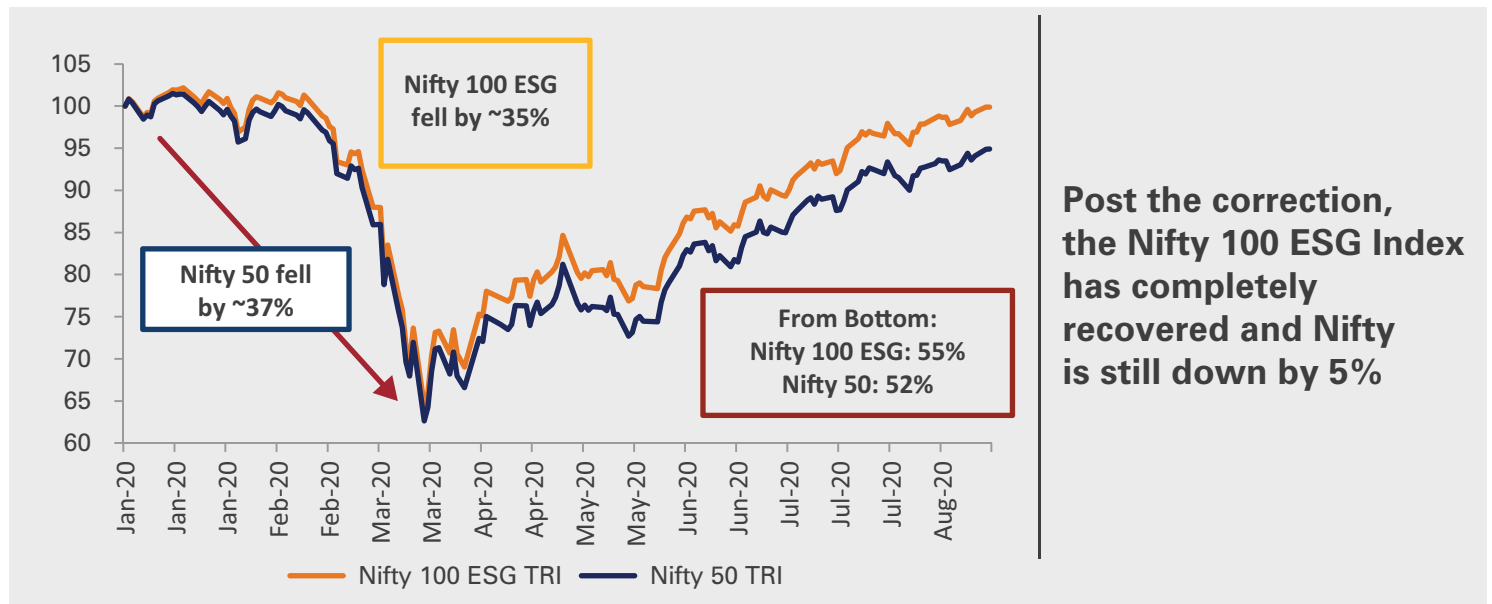


Performance of ESG Index in India

ESG and existing quality metrics such as strong balance sheets have a lot in common. Companies that manage sustainability risks and opportunities well tend to have stronger cash flows, lower borrowing costs and durable returns



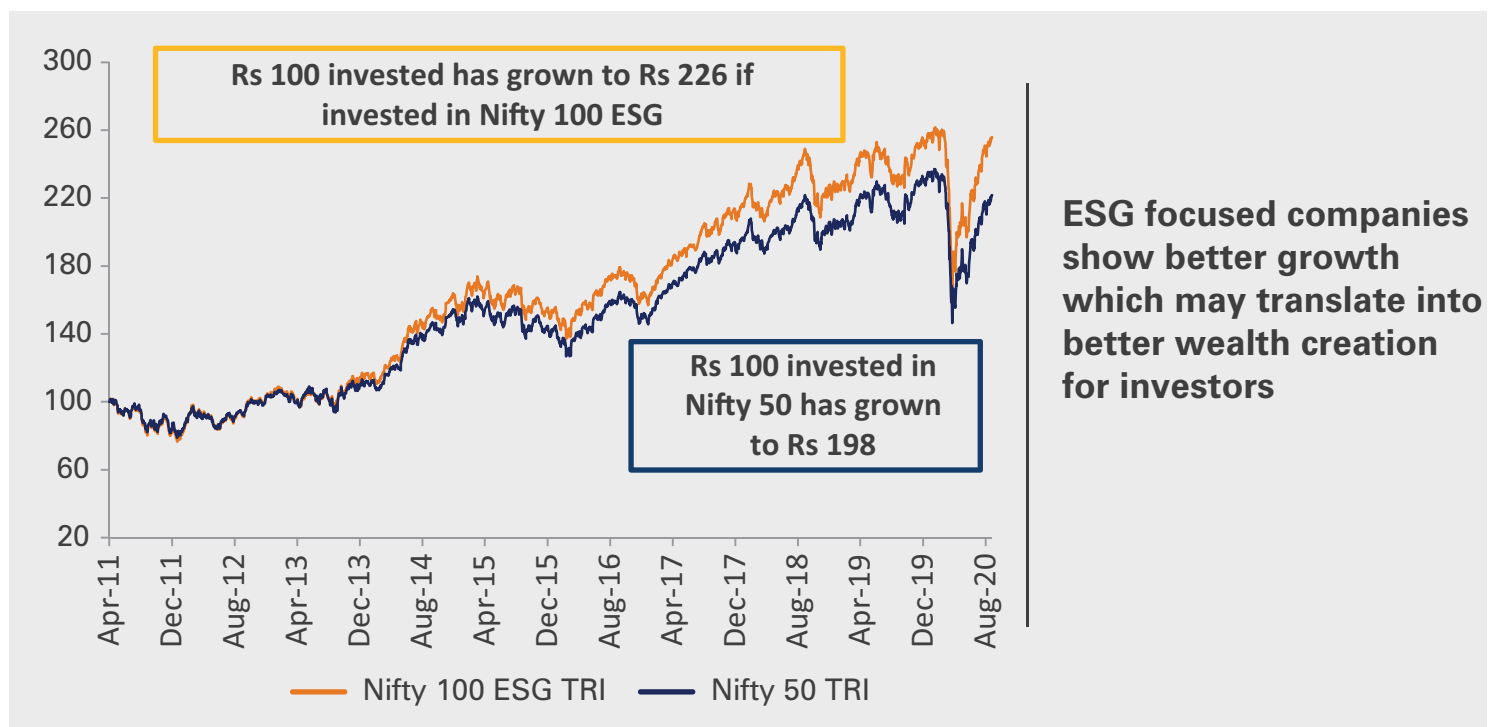
ESG-Friendly Portfolios During Downturns



Data as on August 27, 2020. Source: NSE. Past performance may or may not sustain in the future. The performance figures pertain to the Index and do not in any manner indicate the returns/performance of the Scheme.



Ability to outperform in the long run



Data as on August 27, 2020. Source: NSE. Past performance may or may not sustain in the future.. The performance figures pertain to the Index and do not in any manner indicate the returns/performance of the Scheme.

TOP 10 STOCKS (%)

COMPANY	WEIGHTAGE
Reliance Industries Ltd.	10.7
Infosys Ltd.	9.6
HDFC Bank Ltd.	9.0
Housing Development Finance Corporation Ltd.	5.8
Tata Consultancy Services Ltd.	5.0
Hindustan Unilever Ltd.	4.7
Larsen & Toubro Ltd.	3.1
Bharti Airtel Ltd.	3.0
Axis Bank Ltd.	2.9
ICICI Bank Ltd.	2.3

Nifty 100 ESG Index –The Benchmark, Nifty 100 ESG has 88 companies spread across 17 sectors. Fours sectors — Financial Services, IT, Consumer Goods, Oil & Gas — account for 72 per cent of the index.

Data as on August 17, 2020. Source: NSE. The portfolio of the scheme is subject to changes within the provisions of the Scheme Information document of the scheme. Please refer to the SID for investment pattern, strategy and risk factors. The asset allocation and investment strategy will be as per Scheme Information Document. The sector(s)/stock(s) mentioned in this do not constitute any recommendation of the same and ICICI Prudential Mutual Fund may or may not have any future positions in the sector(s)/stock(s).




ICICI Prudential ESG Fund: A step towards Sustainable Investing

- Scheme that aims to deliver returns by investing into companies that follow ESG theme.
- Focus on building portfolio of companies that do good for stake holders and has potential to create value for shareholders.
- Historical evidence suggest that companies that prioritize ESG issues have generated better risk-adjusted returns.
- Companies with stakeholder-centric approach tend to create value by incorporating ESG into their long-term investment strategy. This can in turn attract the best talent, build loyal customer bases, prosper through strong corporate governance, mitigate environmental & social risk

NFO Period	New Fund Offer Opens on: Sep 21, 2020 New Fund Offer Closes on: Oct 5, 2020	Minimum Application Amount during the NFO	Rs.5,000/- (plus in multiple of Re.1 thereafter)
RTGS & transfer cheques	Till the end of business hours on: Oct 5, 2020	Systematic Investment Plan (SIP)	Daily, Weekly, Fortnightly, Monthly SIP* : Rs. 100/- (plus in multiple of Re. 1/-) Minimum installments: 6 Quarterly SIP* : Rs. 5,000/- (plus in multiple of Re. 1/-) Minimum installments - 4 *The applicability of the minimum amount of installment mentioned is at the time of registration only.
MICR cheques	Till the end of business hours on: Oct 5, 2020		
Option to be launched	ICICI Prudential ESG Fund - Growth & Dividend ICICI Prudential ESG Fund - Direct Plan - Growth & Dividend	Exit Load	• 1% of applicable Net Asset Value - If the amount, sought to be redeemed or switch out is invested for a period of upto 12 months from the date of allotment • Nil - If the amount, sought to be redeemed or switch out is invested for a period of more than 12 months from the date of allotment.
Switches	Switch-in requests from equity schemes and other schemes will be accepted upto October 5, 2020 till the cut-off time applicable for switches. Switch-in request from ICICI Prudential US Bluechip Equity Fund, ICICI Prudential Global Advantage Fund (FOF) and ICICI Prudential Global Stable Equity Fund (FOF) will not be accepted.		
Benchmark	Nifty 100 ESG TRI		
Fund Manager	Mrinal Singh *Ms. Priyanka Khandelwal is the dedicated fund manager for managing overseas investments of the Scheme.		

Riskometer & Disclaimer

ICICI Prudential ESG Fund (An open ended equity scheme investing in companies identified based on the Environmental, Social and Governance (ESG) theme) This scheme is suitable for investors who are seeking*:		 <p>Investors understand that their principal will be at high risk</p>
<ul style="list-style-type: none">• Long term wealth creation• An equity scheme that invests in equity and equity related instruments of companies following the ESG theme.		
*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.		

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

Disclaimer: All figures and data given in the document are dated unless stated otherwise. In the preparation of the material contained in this document, the AMC has used information that is publicly available, including information developed in-house. Some of the material used in the document may have been obtained from members/persons other than the AMC and/or its affiliates and which may have been made available to the AMC and/or to its affiliates. Information gathered and material used in this document is believed to be from reliable sources. The AMC however does not warrant the accuracy, reasonableness and / or completeness of any information. We have included statements / opinions / recommendations in this document, which contain words, or phrases such as "will", "expect", "should", "believe" and similar expressions or variations of such expressions, that are "forward looking statements". Actual results may differ materially from those suggested by the forward looking statements due to risk or uncertainties associated with our expectations with respect to, but not limited to, exposure to market risks, general economic and political conditions in India and other countries globally, which have an impact on our services and / or investments, the monetary and interest policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices etc.

The AMC (including its affiliates), the Mutual Fund, the trust and any of its officers, directors, personnel and employees, shall not liable for any loss, damage of any nature, including but not limited to direct, indirect, punitive, special, exemplary, consequential, as also any loss of profit in any way arising from the use of this material in any manner. The recipient alone shall be fully responsible/are liable for any decision taken on this material.

Investors are advised to consult their own legal, tax and financial advisors to determine possible tax, legal and other financial implication or consequence of subscribing to the units of ICICI Prudential Mutual Fund.