What is a Medium Duration Fund?

ICICI PRUDENTIAL MUTUAL FUND

Medium Duration Fund as per SEBI - Scheme Categorisation

This category of the schemes has to mandatorily maintain Macaulay duration# between 3 Years and 4 Years under normal circumstances*.

Asset allocation of ICICI Prudential Medium Term Bond Fund^

Particulars	Allocation (% of Corpus)
Debt Instruments	40 -100%
Money Market Instruments	0-50%
Units issued by InvITs	0-10%

^ Asset Allocation as per SID. #The Macaulay duration is the weighted average term to maturity of the cash flows from a bond. The weight of each cash flow is determined by dividing the present value of the cash flow by the price. *Under adverse circumstances , the Macaulay duration of the portfolio would be between 1 Year and 4 Years. InvITs – Infrastructure Investment Trust. The portfolio of the scheme is subject to changes within the provisions of the Scheme Information Document of the Scheme. The Asset Allocation & investment strategy will be as per the SID.

Importance of Risk Adjusted Returns in Medium Duration Fund

ICICI PRUDENTIAL MUTUAL FUND

Credit Selection Process

Credit Management

Concentration Management

Liquidity Management

Duration Management

Risk Adjusted Returns

Why ICICI Prudential Medium Term Bond Fund?

ICICI PRUDENTIAL MUTUAL FUND

1. Investment Philosophy
2. Investment Process
3. Credit Selection Process
4. Better Risk Adjusted Returns

Investment Philosophy

01 **Safety**

Liquidity 02

03 **Returns**

The investment team seeks to achieve **Safety, Liquidity and Returns (SLR)** in order of priority for managing variety of our fixed income schemes.

Focus on Security Selection

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Past track record of the company

Asset Quality

Cash Flows

SELECT

Assessment of Management Risk & Business Risk

Credit Due Diligence

COMPANY SHORTLISTED FOR INVESTMENT

Credit Selection Process

TARGET LIST FILTERS

- Independent research team
- Internal Credit Analysis
- External credit rating

- Decision making is not concentrated to one person

- Independent evaluation by Risk team

- Focus not just on credit and liquidity risk but also on diversification

All target credit investment proposal face multiple checks

Credit Selection Process – Our Approach

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Step 1: Portfolio Construction → **Fund Manager** →
- Interest Rate Call
- Deal Sourcing
- Background check
- Risk based pricing
- Liquidity management

Step 2: Credit Evaluation → **Credit Analyst** →
- Credit evaluation
- Structuring covenants
- Deviation review
- AMC level exposure
- Diversification

Step 3: Credit Approval & Monitoring → **Approval Authority/Credit Analyst** →
- Credit Approval
- Macro View
- Adherence with mandates
- Periodic monitoring

Credit Selection Process – Test Match Way

“Our approach is similar to how test cricket is played, selecting only those instruments which pass through our credit evaluation filters and leaving those where the risk reward is not favourable “

Better Risk Adjusted Returns – Managing Various Risks

Liquidity Management

41.4% in AAA & equivalent$ rated debt instruments

Concentration Management

45* different securities with average exposure of around 1.52% to each individual issuer

Credit Management

The portfolio is well diversified and invests across various credit ratings

Duration Management

Moderate approach in duration management– current modified duration – 3.22 years

Data as of April 30, 2026. 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. TREPS – Tri Party Repos; *Only includes Corporate Securities and Pass Through Certificates; Excludes Government Securities, TREPS & Net Current Assets, $ - Includes Government Securities, TREPS & Net Current Assets

Better Risk Adjusted Returns – Portfolio Construction

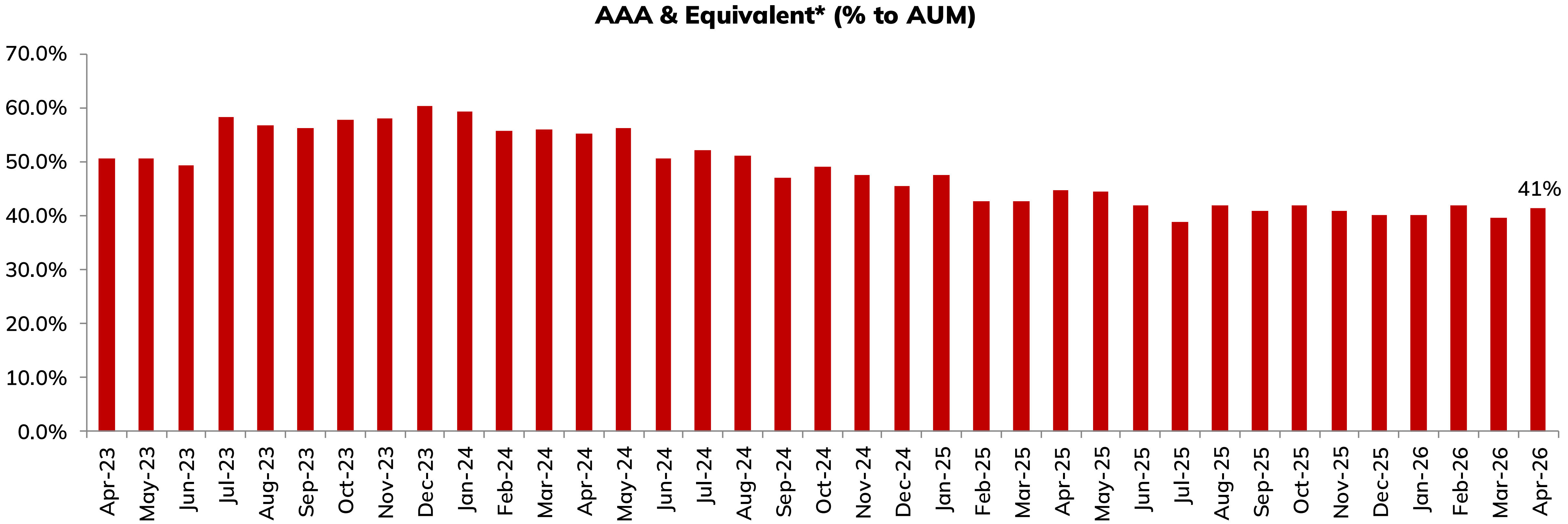
ICICI PRUDENTIAL MUTUAL FUND

Liquidity Management – by carefully analysing the liability side of the portfolio with the below mentioned filters

Concentrated AUM	Scheme AUM contributed by Top 5 Channel partners & Top 5 Investors
Time Sensitive AUM	% of AUM outside exit load
Potentially Vulnerable AUM	Split of AUM between investors having : More than INR 5 Crore AUM, between INR 1 Crore and 5 Crore AUM and less than 1 Crore
Institutional AUM	Scheme AUM contributed by institutional investors

Better Risk Adjusted Returns – Portfolio Construction

Having adequate exposure to quality papers at all point of time to cater to redemption

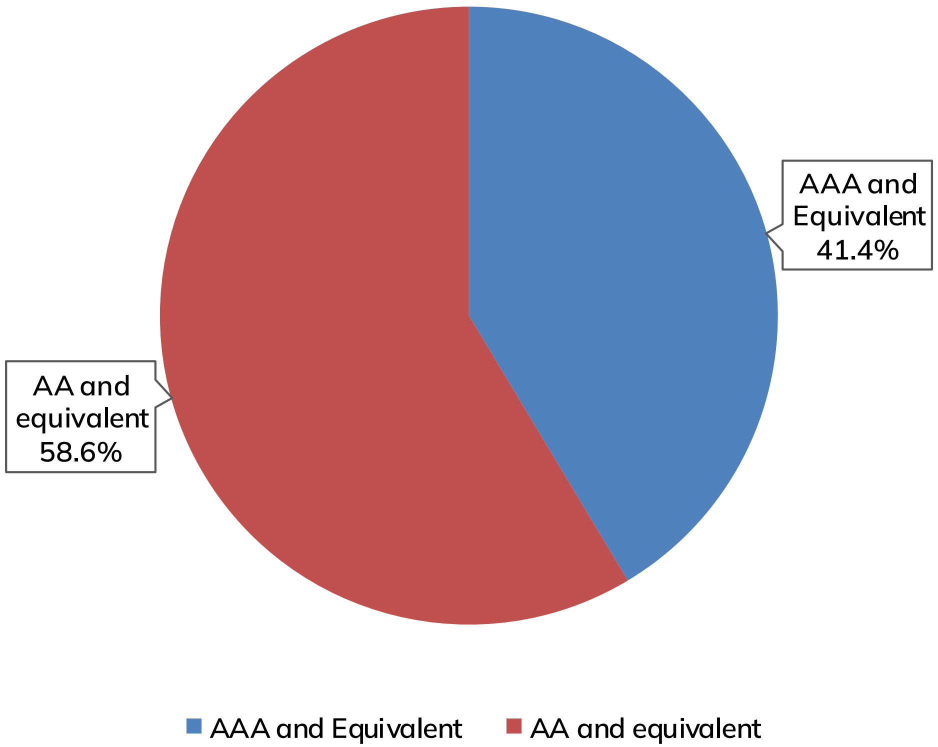


Data as of April 30, 2026. The portfolio of the scheme is subject to changes within the provisions of the Scheme Information Document of the Scheme. Please refer to the SID for investment pattern, strategy and risk factors * Equivalent includes TREPS and net current assets and G-Sec. Source : MFI Explorer. MFI Explorer is a tool provided by ICRA Online Ltd. For their standard disclaimer please visit http://www.icraonline.com/legal/standard-disclaimer.html

Better Risk Adjusted Returns – Portfolio Construction

Credit Management – Exposure across various credit ratings

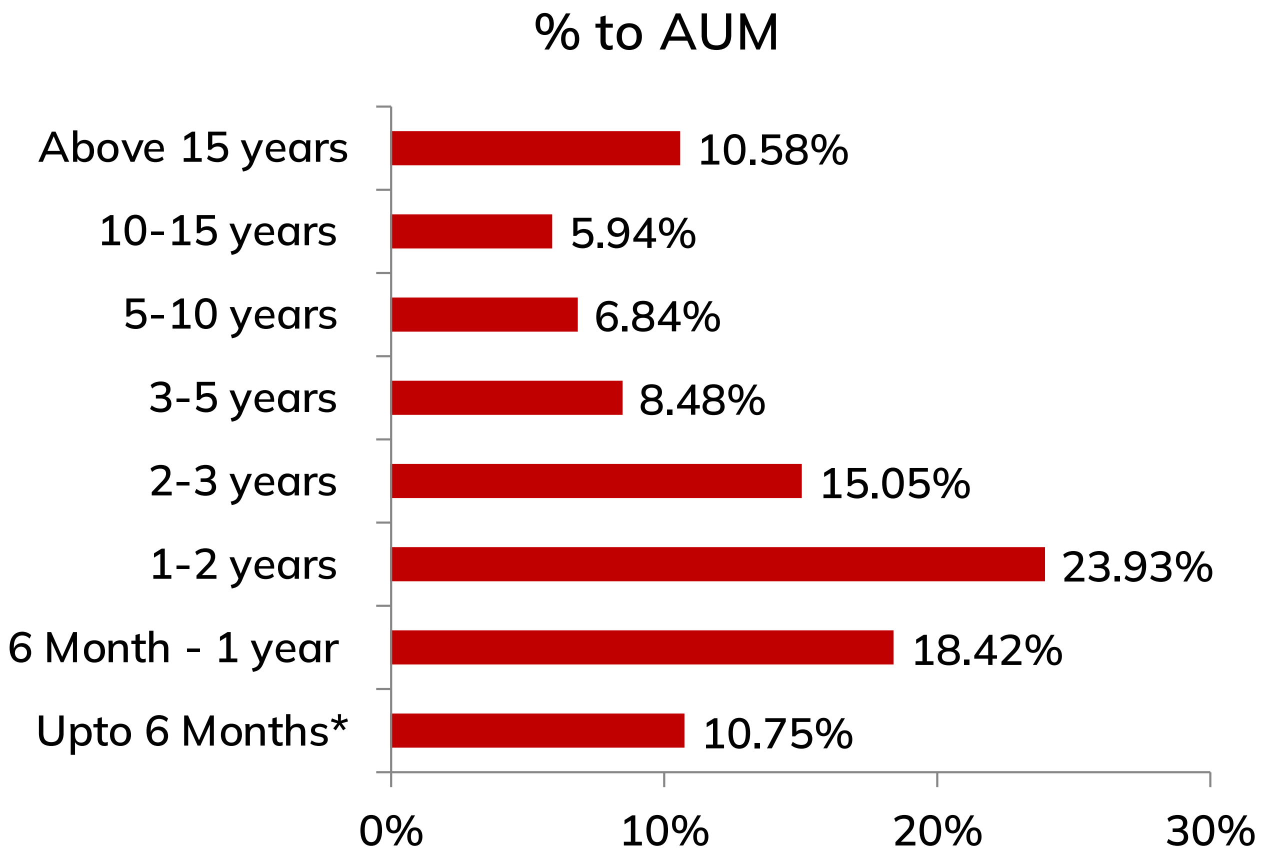
Portfolio Quality (% to AUM)



Data as of April 30, 2026. *AAA & Equivalent includes TREPS & Net Current Assets. and G-Sec. 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. Source : MFI Explorer. MFI Explorer is a tool provided by ICRA Online Ltd. For their standard disclaimer please visit http://www.icraonline.com/legal/standard-disclaimer.html

Better Risk Adjusted Returns – Portfolio Construction

Duration Management – diversified portfolio across various maturity buckets



Laddered Approach (Investment across maturity buckets) :

- Not overexposed to any one segment of yield curve
- Reduces interest rate and reinvestment risks
- Helps in managing liquidity risk
- Investors are able to reinvest a portion regularly

Data as on April 30, 2026. * Including other current assets

Better Risk Adjusted Returns – Asset & Liability Focus

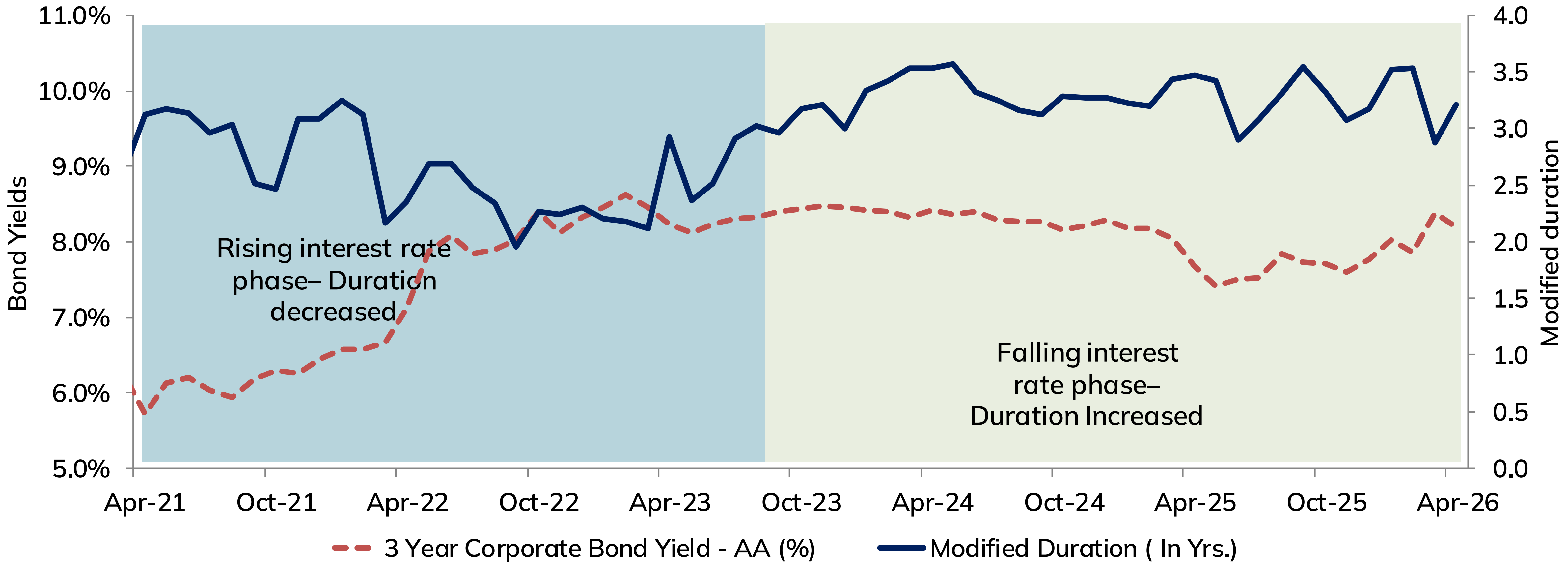
Assets (Portfolio Construction)	Liabilities (Investor Concentration & Trend)
Avoidance of Concentration Risk	Maximum investment limit per investor is Rs.100crores*
Independent Credit evaluation process for securities	Having adequate mix of highly liquid securities to meet any unforeseen redemption request
Independent Investment and risk team to avoid conflicts	Review and monitoring of purchase and redemption in the scheme
Accrual Focus – to ensure returns are more predictable and consistent	Monitoring ageing of investors for any redemption requests
Moderate duration to reduce interest rate sensitivity	Monitoring of partner-wise concentration in the scheme

*With effect from December 19, 2019, Maximum Investment Amount per investor including existing investment amount (based on Permanent Account Number of first holder) at the time of investment across all folios shall not exceed Rs.100 Crore. However. the AMC/Mutual Fund may at its discretion accept an amount greater than Rs.100 Crore, subject to the limits: a) The aggregate AUM of all the investors with more than Rs.100crore does not exceed 15% of the Scheme's AUM, which is declared on the last day of preceding calendar quarter. b) Maximum investment amount per investor across all folios does not exceed 5% of the Scheme's AUM, which is declared on the last day of preceding calendar quarter.

Better Risk Adjusted Returns – Portfolio Construction

ICICI PRUDENTIAL MUTUAL FUND

Duration Management – mitigating interest rate volatility



Data as of April 30, 2026, Source : MFI Explorer. MFI Explorer is a tool provided by ICRA Online Ltd. For their standard disclaimer please visit http://www.icraonline.com/legal/standard-disclaimer.html

Summary of our Credit Selection Process

ICICI PRUDENTIAL MUTUAL FUND

CREDIT MANAGEMENT

Returns
- Risk weighted
- Consistency
- Pure Play Credit

Risk
- Credit
- Concentration – Sector/ Issuer
- Liquidity
- Duration

Alpha
- Self-Origination
- Rating Migration
- Duration
- Timing Entry/ Exit

Support Structure
- Segregation of Risk
- Signing Authority
- Resource Pool

Expertise
- Different Capabilities
- Structuring
- Resolution

Franchise
- Granularity
- Exit Load
- Investor Concentration

Self Origination deals are deals wherein there are no intermediaries involved in execution thereby reducing the overall impact cost. ALPHA - Alpha is defined as the difference between the scheme performance and index performance for the respective period. Past performance may or may not be sustained in the future.

Quantitative Indicators

Scheme Statistics	
Closing AUM**	Rs. 5,458.26 crs
Average Maturity	6.10 years
Modified Duration	3.22 years
Macaulay Duration*	3.37 years
Yield To Maturity (YTM)	8.21%

Data as of April 30, 2026; The portfolio of the scheme is subject to changes within the provisions of the Scheme Information Document of the Scheme.

*The Macaulay duration is the weighted average term to maturity of the cash flows from a bond. The weight of each cash flow is determined by dividing the present value of the cash flow by the price. The Macaulay duration of the portfolio is 1 Year to 4 years under anticipated adverse situation. The Yield to Maturity (YTM) mentioned is based on scheme portfolio dated as on April 30, 2026. YTM is the rate of return on a bond if held until maturity. This should not be considered as an indication of the returns that maybe generated by the scheme. The securities bought by the scheme may or may not be held till their respective maturities.

**For details on AUM, please refer the following link : https://www.icicipruamc.com/blob/downloads/Files/Quaterly%20AUM%20Disclosure/2025-2026/Quarterly-Disclosure-AAUM-March-2026.pdf

Key Takeaways

- The spread assets (non-AAA Corporate Bond space) mostly provide better carry and margin of safety
- We expect accruals to form a significant component of the return for bond investors, while returns from capital appreciation may take a back seat
- We continue to focus on risk-adjusted returns, rather than focusing only on YTMs
- With our credit selection process we have been able to avoid any major credit stress/event on our portfolio.
- We continue to remain cognizant of managing liquidity, concentration, credit and duration in our fixed income schemes to provide better risk adjusted returns

YTM – Yield to Maturity

Scheme Features

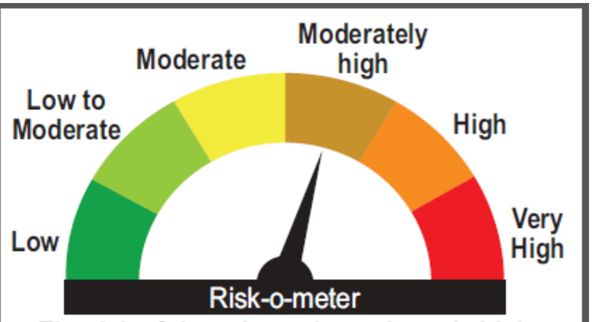
Type of Scheme	An open ended medium term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 3 Years and 4 Years. The Macaulay duration of the portfolio is 1 Year to 4 years under anticipated adverse situation. A relatively high interest rate risk and moderate credit risk.
Plans/Options	ICICI Prudential Medium Term Bond Fund & ICICI Prudential Medium Term Bond Fund – Direct; Options: Growth & IDCW* (payout** and re-investment sub-options (with Quarterly frequency)
Minimum Application Amount	Rs. 5000 (plus in multiples of Re. 1)
Minimum Additional Application Amount	Rs. 1000 (plus in multiples of Re. 1)
Minimum Redemption Amount	Any amount
Exit Load	Upto 10% of units within 1 Year from the date of allotment – Nil. More than 10% of units, within 1 Year from the date of allotment – 1% of applicable NAV; More than 1 Year from the date of allotment – Nil
Fund Manager	Manish Banthia and Akhil Kakkar are fund managers of the scheme. Manish Banthia has been managing this scheme since Nov 2016 & has 23 years of experience overall. Akhil Kakkar has been managing this scheme since Jan 2024 and has over 19 years of experience.
Benchmark Index	NIFTY Medium Duration Debt Index A-III***
SIP / STP / SWP	Available

***The Benchmark of the scheme has been changed CRISIL Medium Duration Debt B-III Index to NIFTY Medium Duration Debt Index A-III with effect from March 12, 2024.

*IDCW – Income Distribution cum Capital Withdrawal Option. Payment of IDCW is subject to availability of distributable surplus and Trustee approval. Pursuant to payment of IDCW, the NAV of the scheme falls to the extent of IDCW payout. When units are sold and sale price (NAV) is higher than face value of the unit, a portion of sale price that represents realized gains is credited to an Equalization Reserve Account and which can be used to pay IDCW. IDCW can be distributed out of investors capital (Equalization Reserve), which is part of sale price that represents realized gains. In case the unit holder has opted for IDCW payout option, the minimum amount for IDCW payout shall be 100 (net of IDCW distribution tax and other statutory levy, if any), else the IDCW would be mandatorily reinvested. IDCW Payout **– Payout of Income Distribution cum capital Withdrawal option. IDCW Re-investment – Reinvestment of Income Distribution cum capital Withdrawal option. Macaulay Duration - The Macaulay duration is the weighted average term to maturity of the cash flows from a bond. The weight of each cash flow is determined by dividing the present value of the cash flow by the price.

Riskometer

Scheme Riskometer



The risk of the scheme is moderately high

ICICI Prudential Medium Term Bond Fund is suitable for investors who are seeking*:

- ❑ Medium term savings
- ❑ A debt scheme that invests in debt and money market instruments with a view to maximize income while maintaining optimum balance of yield, safety and liquidity

*Investors should consult their financial advisers if in doubt about whether the product is suitable for them

Please note that the Risk-o-meter(s) specified above will be evaluated and updated on a monthly basis. The above risk-o-meters are as on April 30, 2026. Please refer to https://www.icicipruamc.com/news-and-updates/all-news for more details.

Potential Risk Class Matrix for the Scheme:

Position in the Matrix:

Potential Risk Class			
Credit Risk→ Interest Rate Risk ↓	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Relatively Low (Class I)			
Moderate (Class II)			
Relatively High (Class III)		B-III	

YTM Disclaimer:

	Portfolio Information
Scheme Name :	ICICI Prudential Medium Term Bond Fund
Description (if any)	An open ended medium term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 3 Years and 4 Years. The Macaulay duration of the portfolio is 1 Year to 4 years under anticipated adverse situation. A relatively high interest rate risk and moderate credit risk.
Annualized Portfolio YTM* :	8.21%
Macaulay Duration	3.37 Years
Residual Maturity	6.10 Years
As on (Date)	Apr 30, 2026

As per AMFI Best Practices Guidelines Circular No. AMFI/35P/MEM-COR/72/2022-23 dated December 31, 2022 on Standard format for disclosure of portfolio YTM for debt schemes. Yield of the instrument is disclosed on annualized basis as provided by Valuation agencies. *in case of semi-annual YTM it will be annualized.

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

All figures and other data given in this document are dated as on April 30, 2026 unless otherwise mentioned The same may or may not be relevant at a future date. The information shall not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of ICICI Prudential Asset Management Company Limited. Prospective 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.

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