



Performance update: H1-FY2024

October 17, 2023

Agenda

- Company strategy and performance
- Opportunity
- Industry overview



Agenda

- **Company strategy and performance**
- **Opportunity**
- **Industry overview**



Key strategic elements

4D framework enabling our 4P strategy



4P strategy

Customer centricity continues to be at the core



Integrating ESG with business management



VNB: Value of New Business
ESG: Environmental, Social & Governance

4D framework

Data analytics

- Deeper understanding of customer lifestyle & income segments
- Identify opportunities across diverse customer segments & geographies
- Extensive use of analytics to support risk-based decision making

Diversified propositions

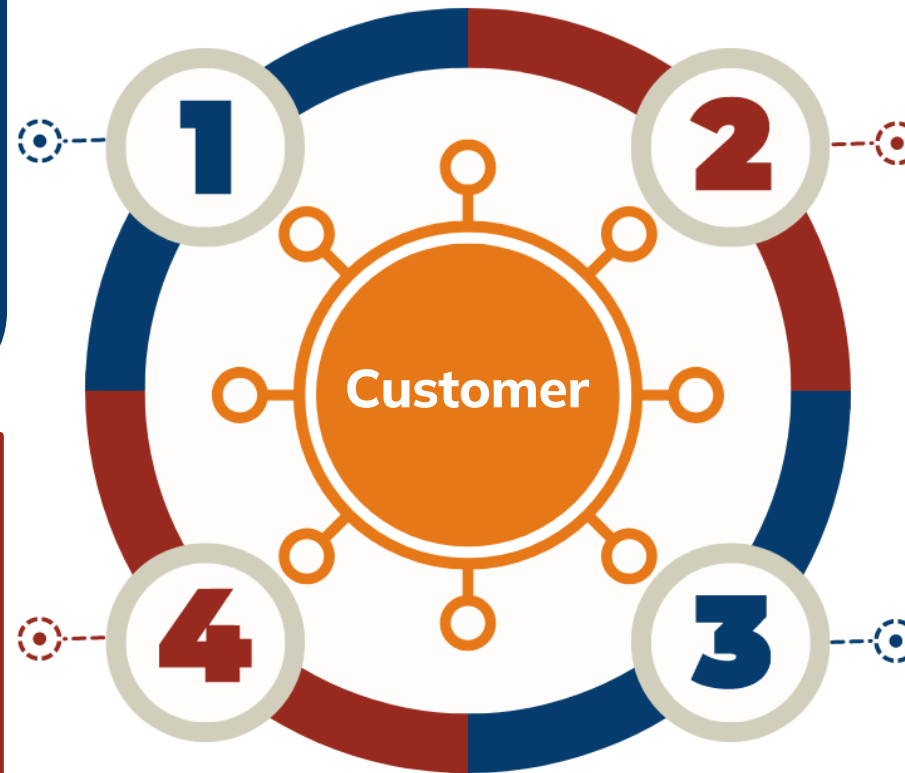
- Offer suitable customer proposition through appropriate distribution
- Provide holistic solution across customer life stages through innovative products

Depth in Partnerships

- Deep mining of partner specific customer opportunities
- Focus on quality metrics to enhance customer proposition
- Building capabilities & integrating with partner ecosystem

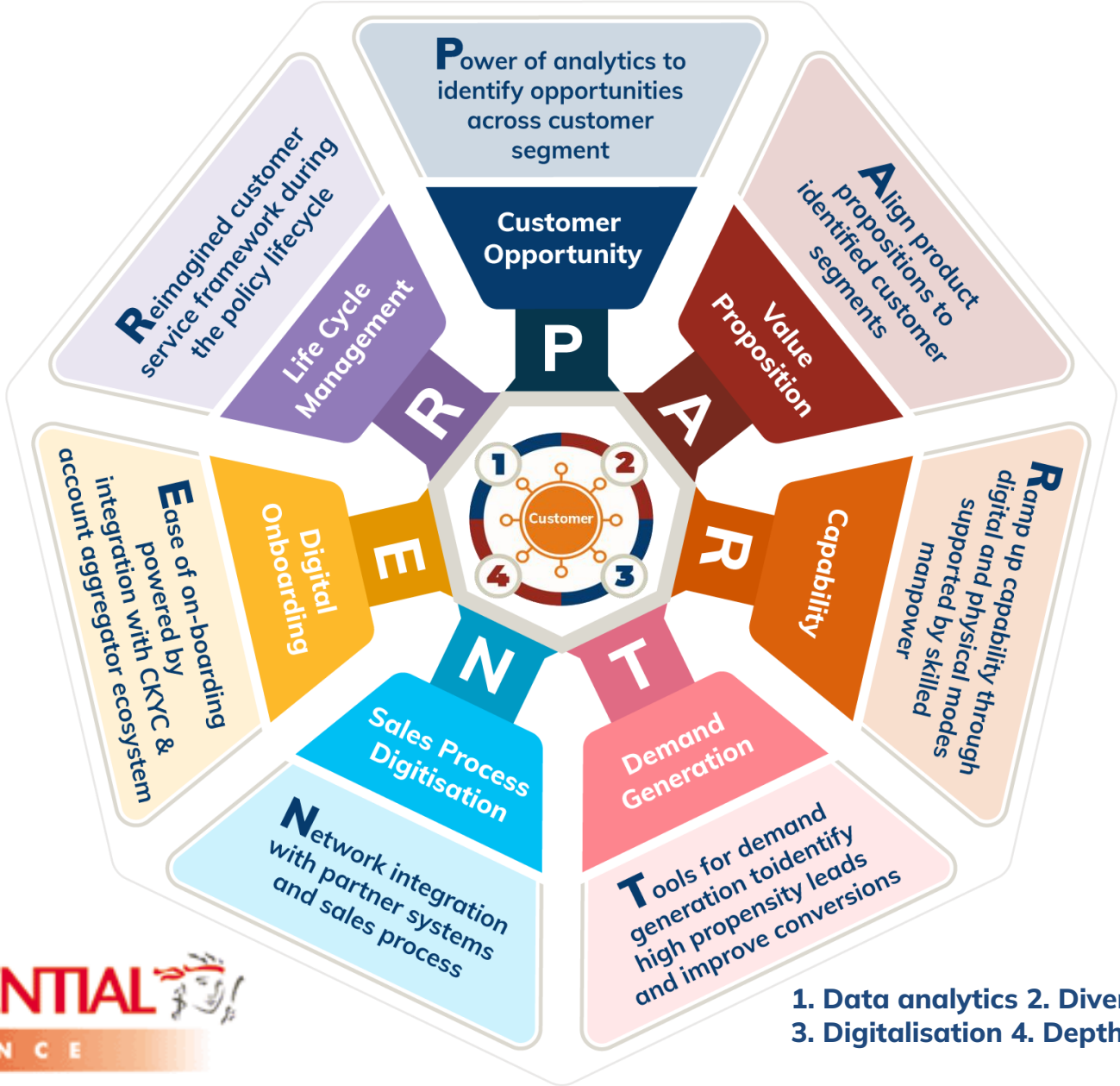
Digitalisation

- Offer simplified & hassle-free experience across customer life cycle using digital ecosystem
- Leverage digital tools to strengthen distribution capabilities
- Empower partners with customer centric digital support



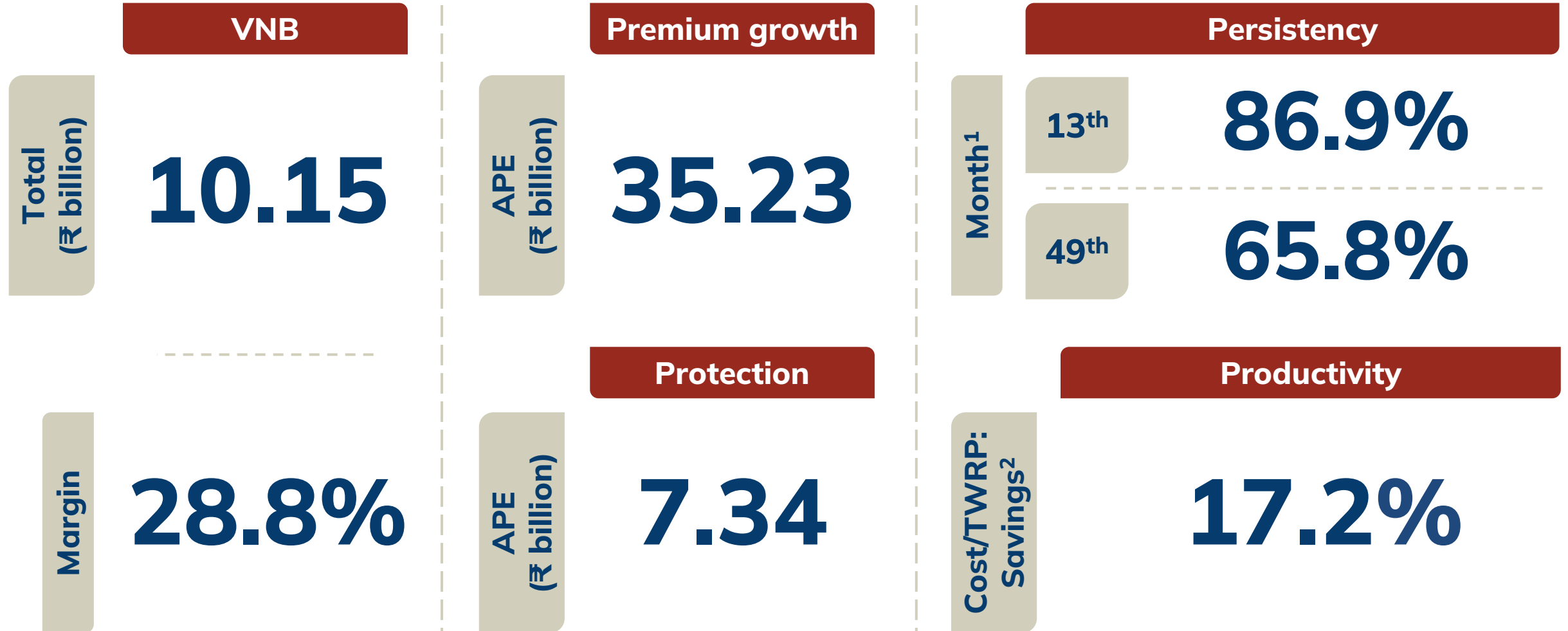
Risk calibrated growth with focus on quality

ICICI Pru Stack: Suite of platform capabilities



Array of platform capabilities to help us deliver superior value propositions to our customers, in collaboration with our partners

Performance snapshot: H1-FY2024



4P strategic elements

4D framework enabling our 4P strategy



4P strategy

Customer centricity continues to be at the core



Integrating ESG with business management



VNB: Value of New Business
ESG: Environmental, Social & Governance

4P: Premium growth

Premium growth (1/2)

Premium growth

- Build capacity & enhance efficiency in proprietary channels
- Focus on new partnership additions & increase share of shop in existing
- Focus to grow annuity line of business

| Channels | | Q2- FY2024 | Growth | H1- FY2024 | Growth | | Q2- FY2024 | H1- FY2024 |
|--------------------------|-----------------|---------------|-------------|---------------|-------------|-----|---------------|---------------|
| Agency | APE (₹ billion) | 5.42 | 4.2% | 8.98 | 4.2% | Mix | 26.3% | 25.5% |
| Direct | | 2.97 | 19.3% | 5.09 | 22.9% | | 14.4% | 14.4% |
| Banca (ex-ICICI Bank) | | 2.96 | 13.0% | 5.21 | 6.3% | | 14.3% | 14.8% |
| Partnership distribution | | 2.94 | 25.1% | 4.75 | 17.9% | | 14.3% | 13.5% |
| Group | | 3.51 | (11.8%) | 6.39 | (10.8%) | | 17.0% | 18.1% |
| Sub-total | | 17.79 | 6.8% | 30.43 | 5.5% | | 86.3% | 86.4% |
| ICICI Bank | | 2.83 | (15.3%) | 4.80 | (24.5%) | | 13.7% | 13.6% |
| Total APE | | 20.62 | 3.2% | 35.23 | 0.1% | | 100.0% | 100.0% |

Strong growth momentum of ~13% in Q2-FY2024 in ex-ICICI Bank retail business

Premium growth (2/2)

Premium growth

- Build capacity & enhance efficiency in proprietary channels
- Focus on new partnership additions & increase share of shop in existing
- Focus to grow annuity line of business

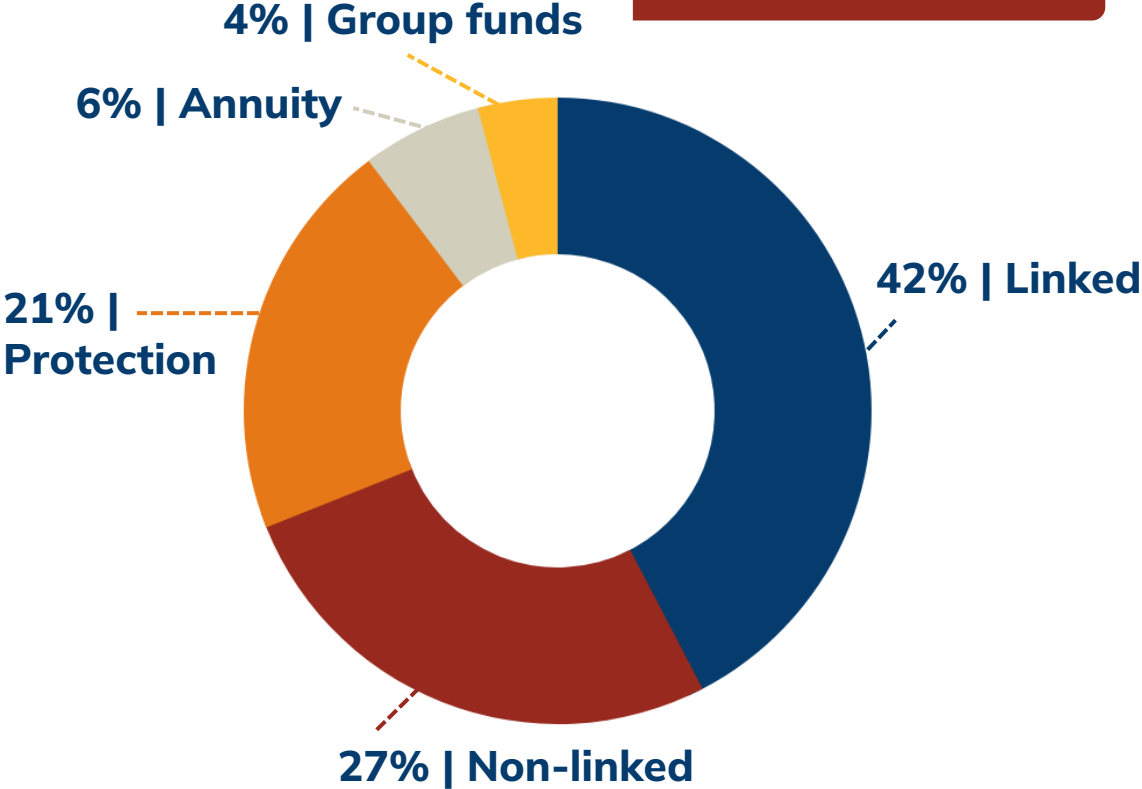
| Segments | | Q2- FY2024 | Growth | H1- FY2024 | Growth | | Q2- FY2024 | H1- FY2024 |
|-------------------|-----------------|---------------|-------------|---------------|-------------|-----|---------------|---------------|
| Savings | APE (₹ billion) | 16.72 | 3.3% | 27.89 | (0.7%) | Mix | 81.1% | 79.2% |
| Linked | | 9.27 | 12.9% | 14.93 | 4.0% | | 44.9% | 42.4% |
| Non-linked | | 5.32 | (7.6%) | 9.36 | (6.1%) | | 25.8% | 26.6% |
| Annuity | | 1.26 | (6.7%) | 2.17 | (6.9%) | | 6.1% | 6.2% |
| Group funds | | 0.88 | 1.1% | 1.43 | 0.0% | | 4.3% | 4.1% |
| Protection | | 3.90 | 2.6% | 7.34 | 3.4% | | 18.9% | 20.8% |
| Retail protection | | 1.27 | 84.1% | 2.38 | 73.7% | | 6.2% | 6.7% |
| Total APE | | 20.62 | 3.2% | 35.23 | 0.1% | | 100.0% | 100.0% |

Strong growth momentum in retail protection business

Premium growth: Product & Distribution

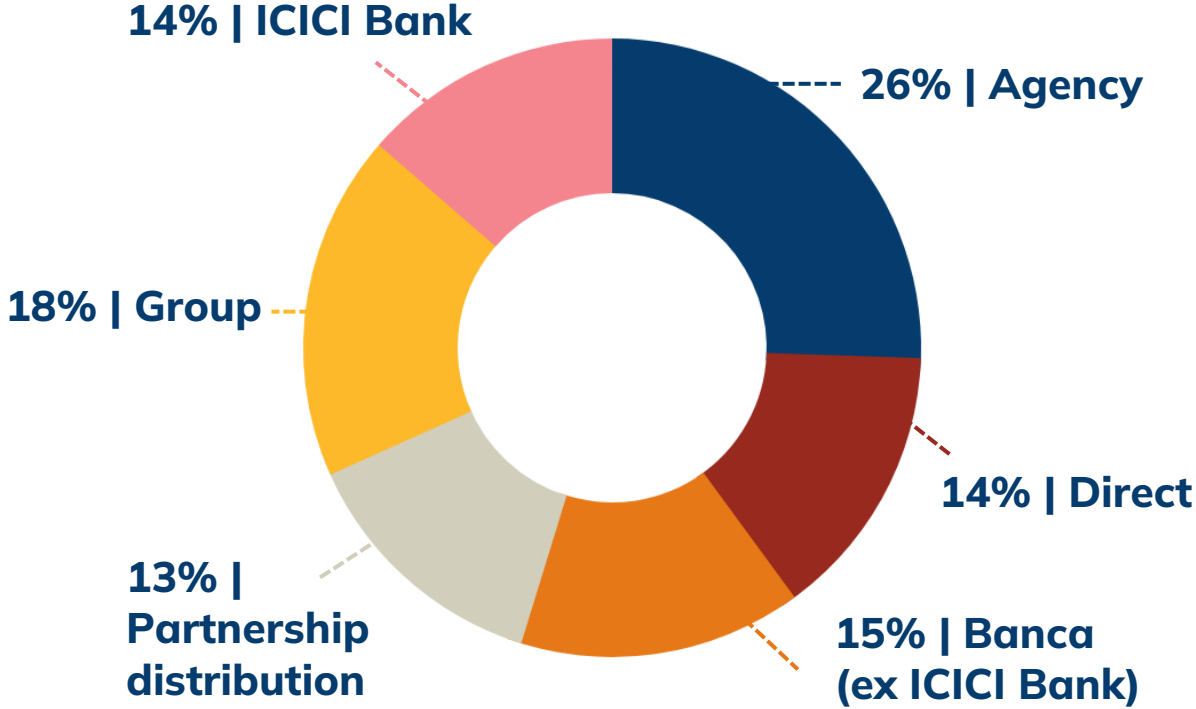
Product mix

H1-FY2024



Distribution mix

H1-FY2024



Well diversified product & distribution mix



Based on Annualised Premium Equivalent

4P: Protection

Protection growth

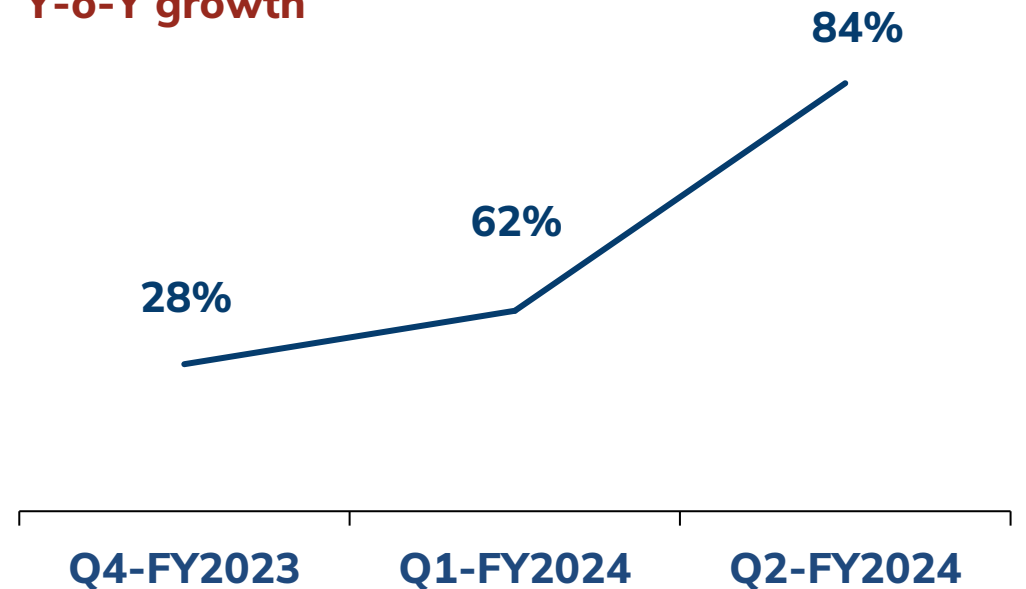
Protection focus

- Focus on retail protection growth
- Increase protection with rider attachment
- Focus on opportunities in group protection

| (₹ billion) | H1-FY2023 | H1-FY2024 |
|-----------------------------|-----------|-----------|
| Protection APE ¹ | 7.10 | 7.34 |
| Retail protection APE | 1.37 | 2.38 |
| Protection mix ² | 20.2% | 20.8% |
| Sum assured | 4,800.05 | 4,913.83 |

Sustained movement in retail protection

Y-o-Y growth



Retail protection: Strong ~74% y-o-y growth in H1-FY2024

4P: Persistency

Persistency improvement

Persistency

Continue to focus on improving persistency across all cohorts

| Month | | 5M- FY2023 | FY2023 | 5M- FY2024 | | 5M- FY2023 | FY2023 | 5M- FY2024 |
|------------------------|-----------------------|---------------|--------|---------------|-----------------------------|---------------|--------|---------------|
| 13 th Month | Regular & Limited pay | 85.9% | 85.4% | 86.9% ↑ | Fully paid & Single premium | 100.0% | 99.9% | 99.9% |
| 25 th Month | | 77.2% | 77.1% | 78.9% ↑ | | 100.0% | 99.7% | 99.7% |
| 37 th Month | | 68.7% | 71.5% | 71.4% ↑ | | 99.8% | 100.0% | 99.6% |
| 49 th Month | | 63.6% | 63.9% | 65.8% ↑ | | 96.7% | 98.4% | 99.5% |
| 61 st Month | | 61.2% | 65.8% | 65.0% ↑ | | 99.2% | 98.5% | 98.2% |

Significant improvement across cohorts

4P: Productivity

Productivity improvement

Productivity

Continue to leverage technology for process re-engineering & to drive productivity

(₹ billion)

H1-FY2023

FY2023

H1-FY2024

Y-o-Y
Growth

Total expenses

27.02

64.75

34.32

27.0%

Cost/TWRP¹

21.6%

21.5%

26.2%

-

Cost/TWRP¹ (savings LOB)

14.4%

14.2%

17.2%

-

Cost structure being realigned post regulatory changes;
Capacity creation to support future growth

Resilient balance sheet

Insurance risks

- Emerging mortality experience within expectation
- Persistency experience monitored regularly & witnessed improvement across all cohorts

Strong solvency ratio

- Solvency ratio of 199.4% at September 30, 2023
- Ability to raise additional sub debt

High quality assets¹

- 96.4% of fixed income in sovereign or AAA; 0.1% of fixed income below AA
- Zero NPA since inception

Liability profile

- 73.8% of liabilities largely pass on market performance to customers
- Non-par guaranteed savings & annuities: Derivatives to hedge interest rate risks

VNB growth levers update (4P)

| | | (₹ billion) | H1-FY2023 | FY2023 | H1-FY2024 | |
|-----|--|-------------------------|-----------|--------|-----------|-------|
| VNB | Value of New Business (VNB) | | 10.92 | 27.65 | 10.15 | |
| | VNB margin | | 31.0% | 32.0% | 28.8% | |
| | | (₹ billion) | H1-FY2023 | FY2023 | H1-FY2024 | |
| 4P | Premium growth (APE) | | 35.19 | 86.40 | 35.23 | |
| | Protection growth (APE) | | 7.10 | 15.04 | 7.34 | |
| | Persistency | 13th month ¹ | | 85.9% | 85.4% | 86.9% |
| | | 49th month ¹ | | 63.6% | 63.9% | 65.8% |
| | Productivity (Cost/TWRP: Savings) ² | | 14.4% | 14.2% | 17.2% | |

Financial metrics

(₹ billion)

H1-FY2023

FY2023

H1-FY2024

Profit after Tax

3.55

8.11

4.51

Solvency ratio¹

200.7%

208.9%

199.4%

AUM¹

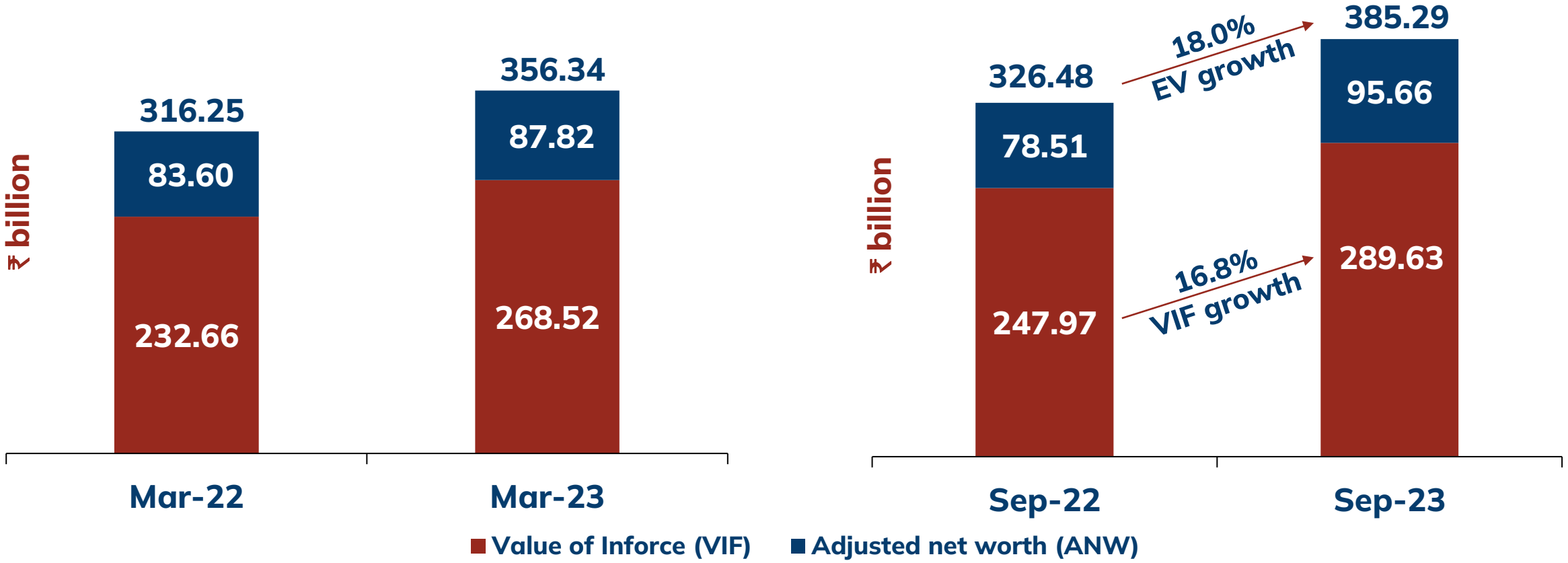
2,442.79

2,511.91

2,719.03

Solvency ratio continues to be strong

Embedded value (EV)¹



Continued strong growth in VIF



¹As per Indian Embedded value (IEV) method
Total may not add up due to rounding off

Environmental, Social & Governance (ESG)



ESG: Focus areas, framework & approach



Sustainability intrinsic to life insurance as we serve long term savings & protection needs

3 pillars of our sustainability framework



Environmental
leaving the planet a
better place for our
next generation



Social
giving back to
society



Governance
transparency in
functioning

Our focus areas



Human
capital



Responsible
investing



Governance &
business ethics



Data privacy
& security



Access to
finance & CSR



Environment

Our ESG framework



Board
Sustainability &
CSR Committee*



Sustainability risk
included in Board
risk policy



Sustainability
Steering Committee
(dedicated ESG
resource)

ESG update: H1-FY2024

- MSCI ESG rating upgraded to 'AA'
- Rated in 'leader' category amongst life insurers globally
- Continues to rank as highest rated Indian insurer
- Awarded 'Best Sustainability Report' at CMO ASIA
- Awarded 'Best Sustainability Report' & 'Best Overall Sustainable Performance' at Original National Awards for Excellence in CSR & Sustainability
- Independent certification of CFP# based on ISO14064-3

Focus area: Human capital



Strengthening Capacity

1. Employee strength increased by 15% to capacitate for growth; 43% freshers hired
2. Invested in building skill depth in specialist roles
3. High quality leadership team¹
 - 82% leadership stability
 - 96% leadership depth
 - 97% leadership cover



Building Capability

1. Structured phygital learning programs: 1.3+ million learning hours
2. 12,000+ employees in sales and operations certified
3. Skill mapping and professional certifications for specialist roles
4. Structured management development programs for all levels of management



Catalysing competitive advantage through Culture

1. Multiple employee communication & engagement initiatives to align employees to Vision & Values, Cornerstones & Strategic imperatives
2. Diversity & Inclusion (D&I):
 - D&I policy & framework instituted; Diversity Council formalised
 - Gender diversity: 29% in FY2023 from 27% in FY2022; 39% in non-sales roles
3. Focused interventions to promote physical, mental and financial well-being of employees
4. Robust grievance redressal framework; Human Rights policy formalised
5. Employee survey²: 90%+ score³ on advocacy, alignment, mood, learning & growth opportunities
6. Differentiated rewards on performance & potential; robust succession planning

Focus area: Responsible investing



Three pronged approach

Stewardship policy & process

Engaging with investee companies

Disclosing voting actions

ESG integration

Responsible Investing framework incorporated into Corporate Investment Policy

Subscribed to ESG ratings by an external service provider to assess investee companies on ESG

Became signatory to UN PRI¹

ICICI Prudential Sustainable Equity Fund

Benchmarked against NSE 100 ESG Index



**~47% of our AUM*: Infrastructure/housing & Government bonds
(₹ 363 billion & ₹ 821 billion respectively)**

Focus area: Governance & data privacy

Governance structure



Board composition

- >50% IDs including Chairman
- Committees > 50% IDs/ NEDs & chaired by IDs



Board Diversity

- Policy on Board diversity & criteria on appointment of Directors
- Woman Independent Director
- BNRC now includes woman director



Evaluation framework

- Evaluation framework for Directors, Chairman, the Board & its Committees

Compensation framework



Compensation Policy

- Based on meritocracy & fairness within the framework of prudent risk management



Governance

- Compensation of WTDs approved by BNRC, Board, IRDAI & Members



Alignment

- WTD compensation aligned to KPIs incl. financial & non-financial metrics along with risk parameters; capping & deferral of bonus; malus & clawback provisions

Information/cyber security



Data Privacy Policy

- Covering collection, usage, storage, retention, sharing only for specific purposes with consent & security related aspects



Cyber Security Framework

- Information & Cyber Security Policy
- ISO 27001: ISMS certification

Risk management



Risk Management Policy

- Board, BRMC & ERC oversight
- Covers financial, operational, sustainability & reputational risk



Mitigating risk

- Framework sets out limits & controls for risk exposure
- Risk-based internal audit framework
- ISO 22301: BCM certification

Business ethics/compliances



Policies

- Code of Conduct
- POSH
- ABC Policy
- AML Policy

- Compliance Policy
- Framework for Managing Conflicts of Interest
- Insider Trading Code
- Whistle Blower Policy

Focus area: Access to finance, CSR and Environment



Access to Finance

- 61.8 mn lives impacted by micro insurance products (77.2 mn lives total)
- 86.6%: One of the best persistency¹ ratios (13th month) in industry
- 24x7 service architecture; 92.5% self-help usage
- Highest claim amount settled for 8 consecutive years² with 1.21 days³ average TAT in FY2023
- Providing financial safety net to society: 13,656 retail individual death claims settled & 232,617 group claims settled
- Insurance awareness campaigns, focusing on the need and importance of life insurance along with product suitability
- Ranked no. 1 in the industry wide Customer Experience NPS study by Hansa research
- Robust policy & framework for grievance redressal



CSR

- ₹ 39.6 mn spent for CSR initiatives
- Over 831 underprivileged youth trained through skill development program through ICICI Academy for Skills
- 18 million consumers reached through consumer awareness & education program
- 265 underprivileged patients supported on Cancer and cardiac treatment
- Over 350 underprivileged children supported on improving health outcomes
- Over 1,000 employees participated in employee volunteering programs



Environment

- Environment policy formulated, demonstrating Company's commitment to environmental protection and reduction of its carbon footprint
- Sustainability consultant onboarded for environment initiatives and SBTi⁴ targets
- Scope-1, Scope-2 and partial Scope-3 carbon emissions calculated and vetted by external Sustainability consultant
 - TCF⁵ at 12,704 tonnes in FY2023 compared to 16,957 in FY2022
- 99% of new business applications logged digitally
- 95% shareholders communicated digitally
- Green energy in some Mumbai offices; Application process initiated for green energy for other offices in Maharashtra

Figures for FY2023

¹Computed as per IRDAI circular dated September 30, 2021;

²Individual death claims for private life insurance till FY2022

³Average turnaround time (TAT) for non-investigated claims from receipt of last requirement

⁴Science Based Targets initiative; ⁵Total carbon footprint

4D framework

4D framework enabling our 4P strategy



4P strategy

Customer centricity continues to be at the core



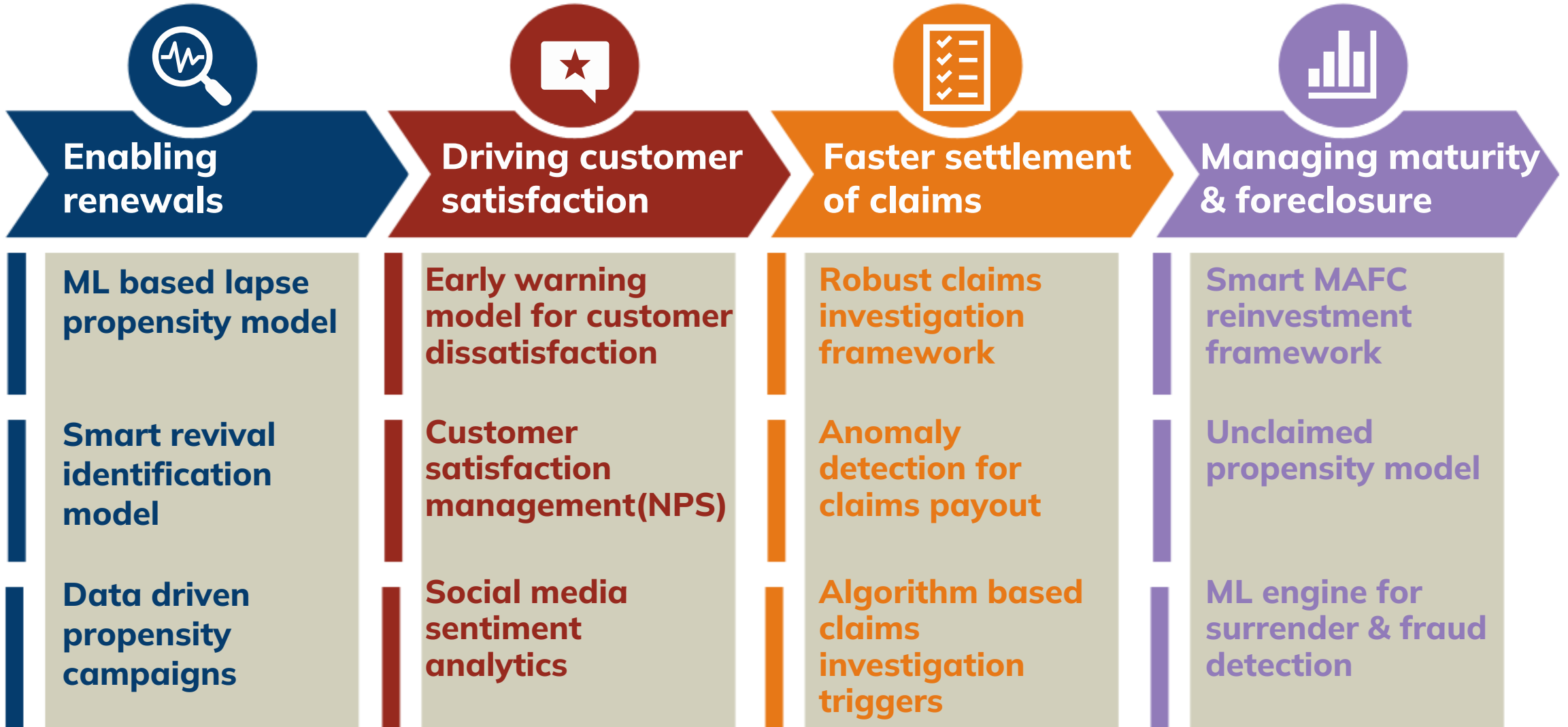
Integrating ESG with business management

4D: Data analytics

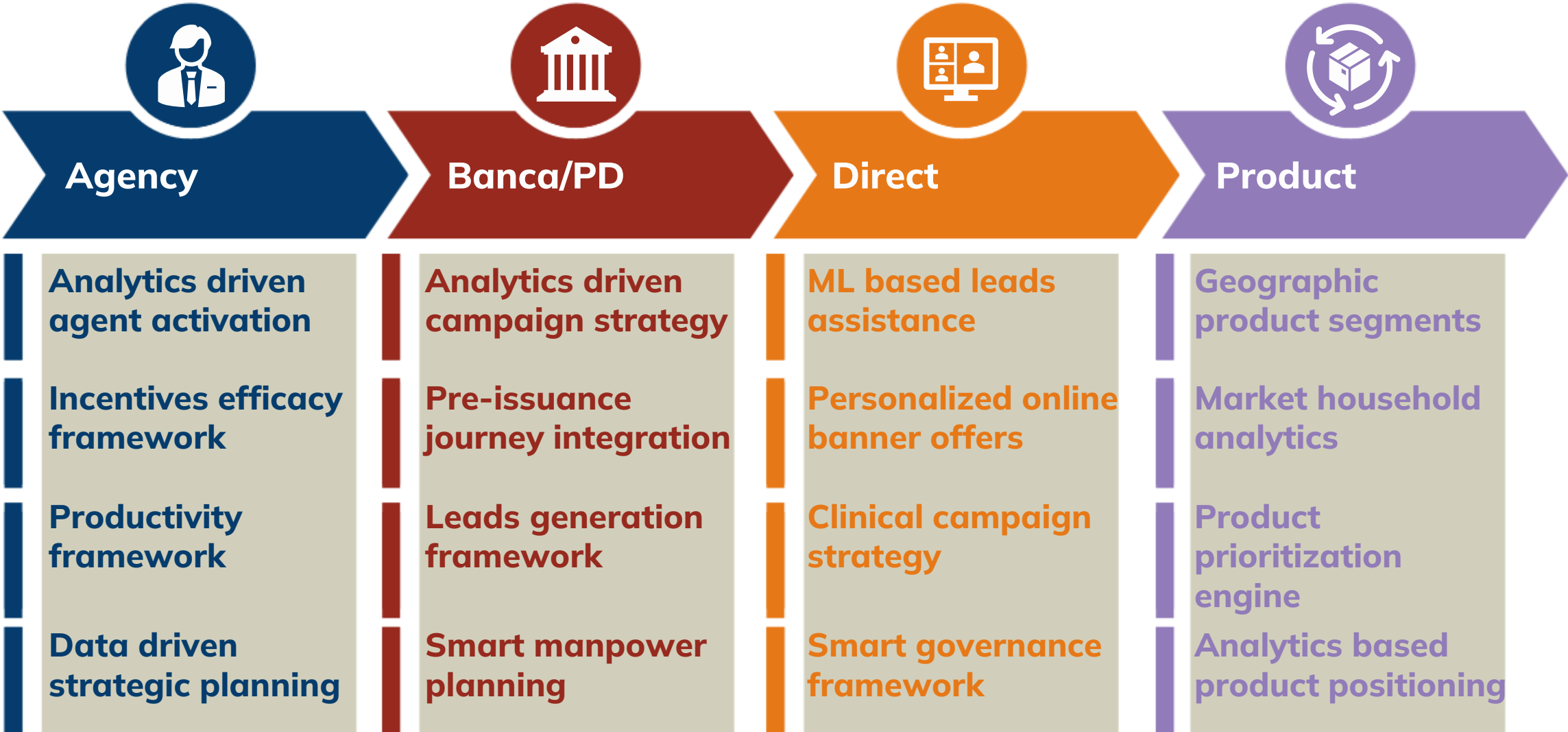
Customer centric analytics powering New Business



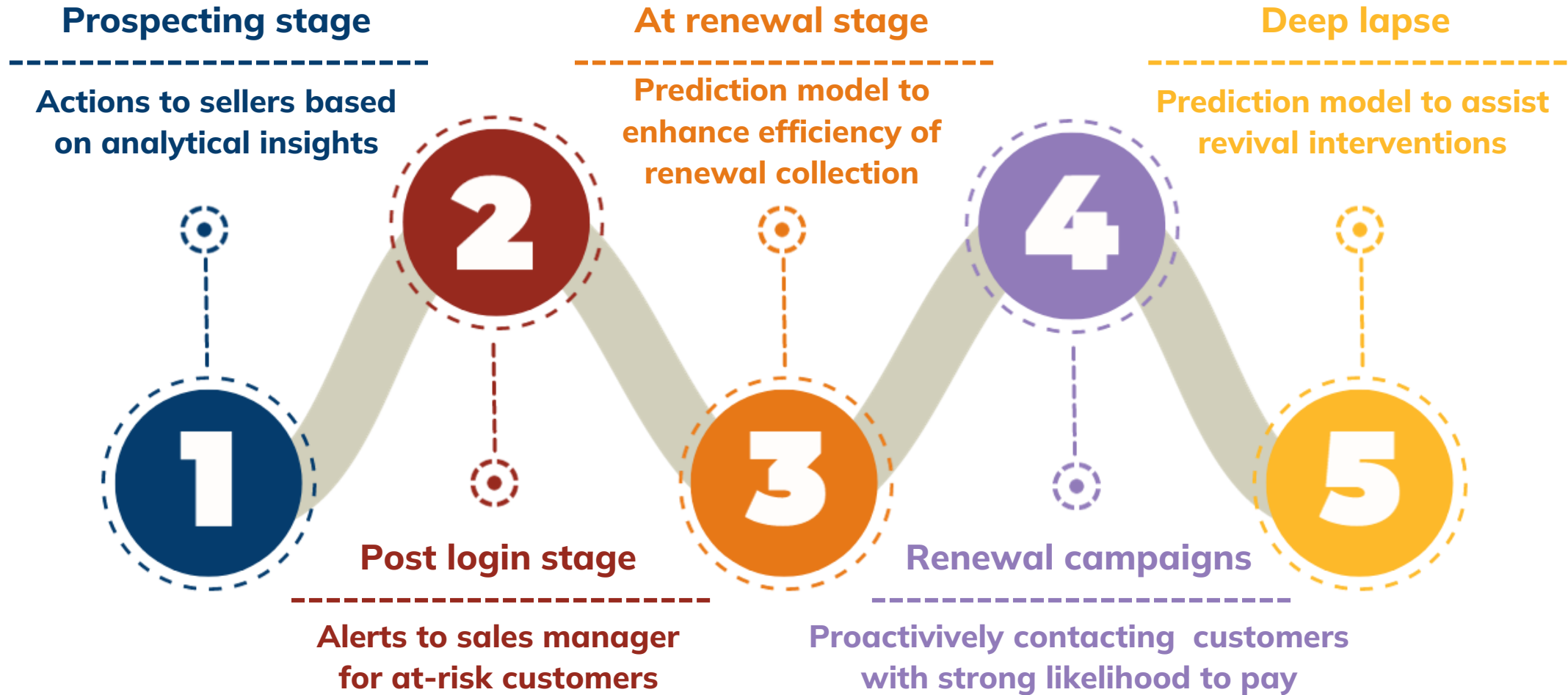
Customer centric analytics powering Operations



Analytics engine powering Business & Product



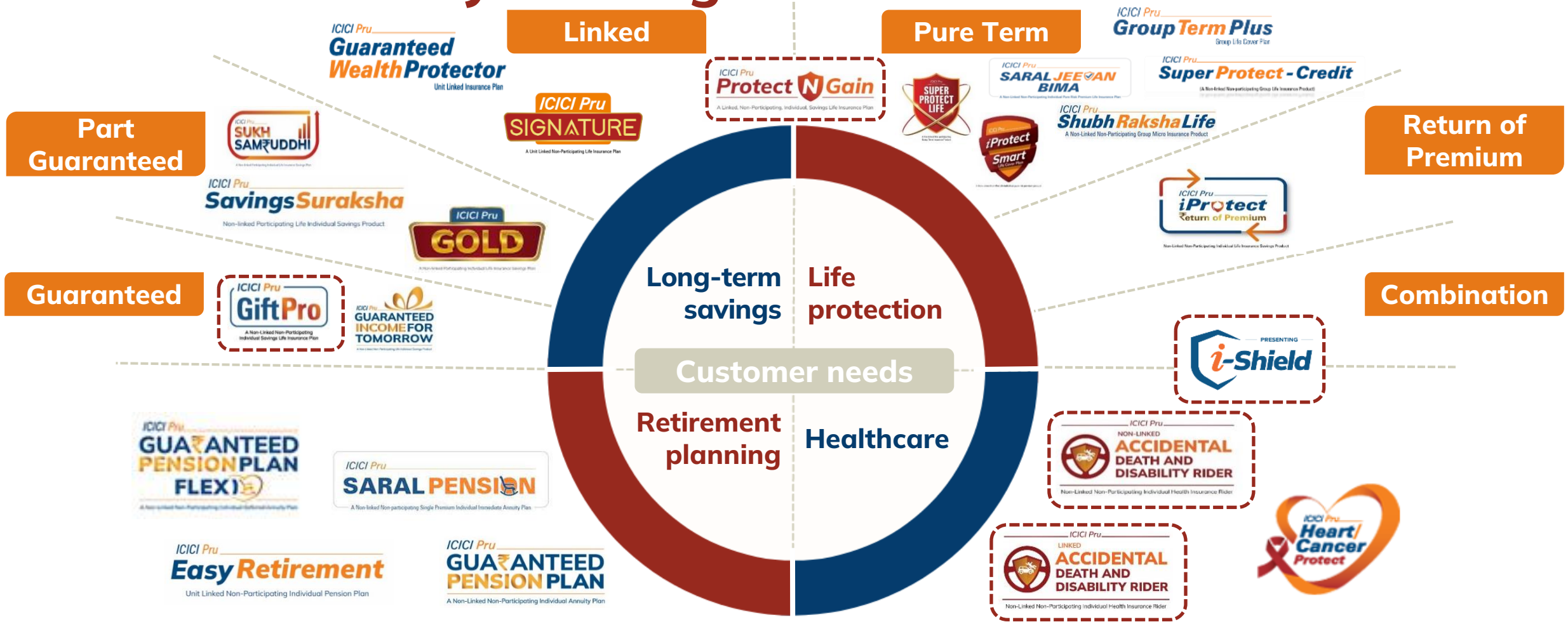
Key initiatives H1-FY2024: Persistency management



Using AI across policy life stages to provide superior customer experience

4D: Diversified propositions

Products for every life stage

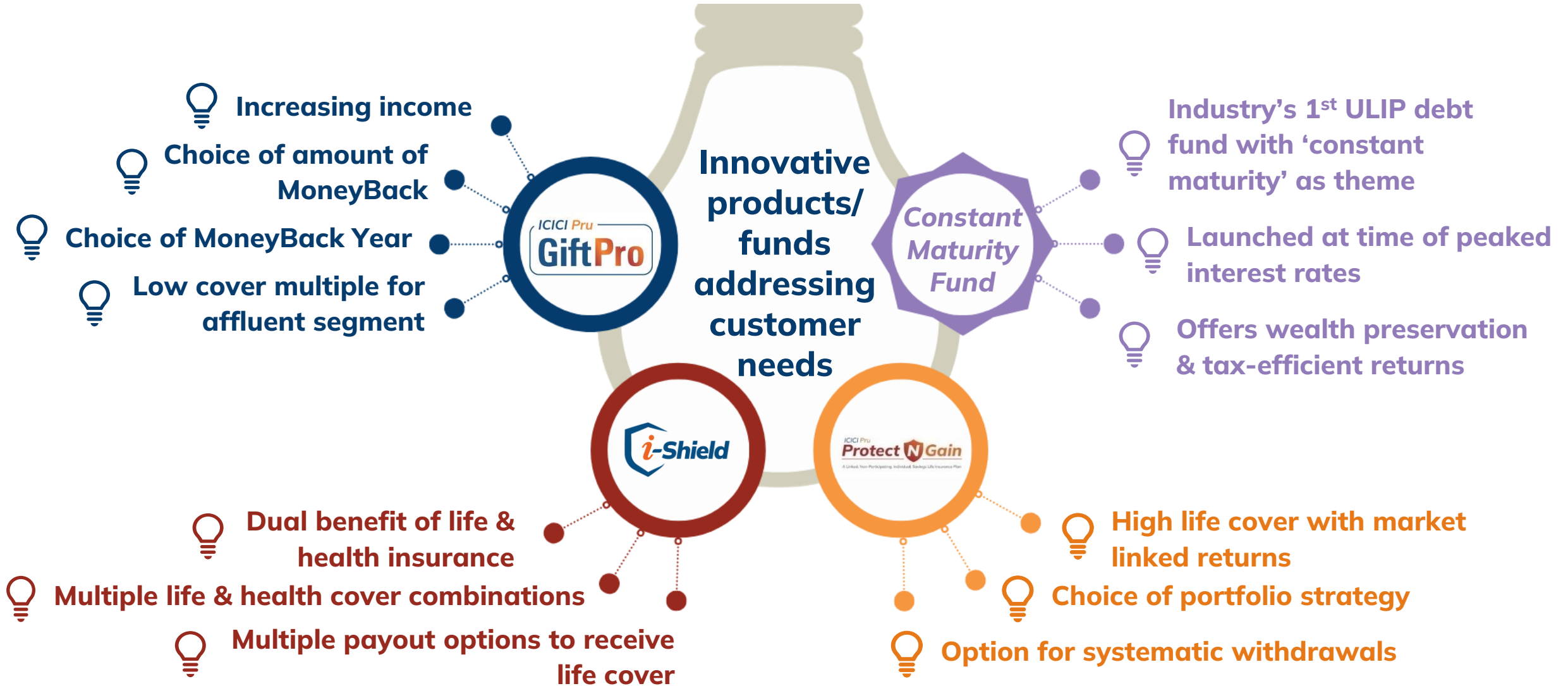


Deliver value proposition to serve varied customer needs



iShield: Launched in partnership with I-Lombard, offers a comprehensive protection proposition that combines the benefits of life & health insurance under one umbrella
 [Dashed Box] New products/riders launched in H1-FY2024

Key initiatives H1-FY2024: Innovation



4D: Digitalisation

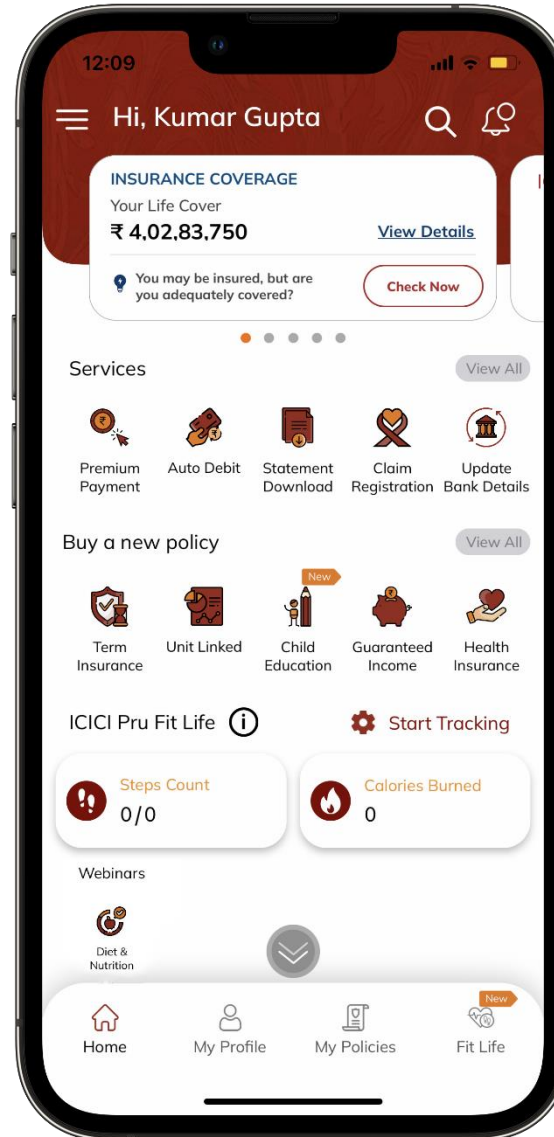
Digital @ICICI Prulife

~3.5 million digital service interactions every month

1.9 million+ app downloads

One of the highly rated app: 4.3 & 4.0 rating on app store & play store respectively

Access to over 45 types of policy transactions



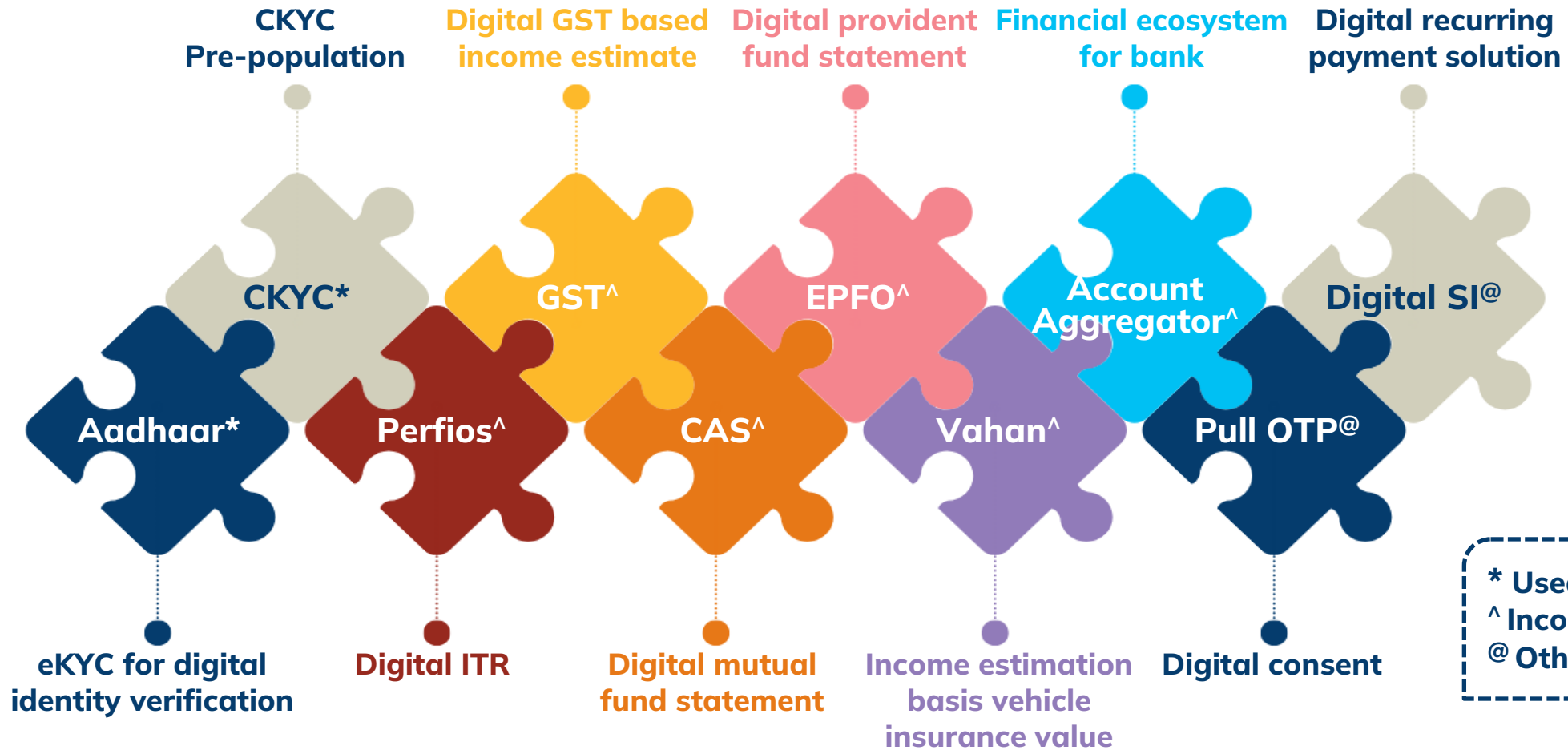
99% digital logins & 100% e-insurance account for eligible base

92.6% service interactions are via self-help / digital modes

98% of pages having a system uptime of 99% & above

Fitness tracker & free health webinars from leading brands

Key initiatives H1-FY2024: Digital infrastructure



Integration with central agencies for simplified digital customer onboarding; ~78% of policies issued utilising digital KYC¹ in Sep'23

New business & growth

Pre-sales

- **Collaboration platform**
Online meetings, joint sales calls, invite experts & share content
- **Lead Management System**
Enabled with enhanced voice capability & geographical tagging
- **Saksham & MyCoach**
On-the-go e-learning platform with AI capabilities to improve pitch
- **Digital demand generation**
Platform to generate interest, qualify leads with nurture framework & funnel management

Onboarding & issuance

- **InstaPlan**
Pre-sales tool to create customised solution for customer by combining multiple products on the go
- **Digital journey**
Smart quote app | End-to-end digital onboarding with form pre-fill Aadhaar & CKYC | Smart doc upload with instant OCR | Video risk verification | Tele & video underwriting | Video welcome kit
- **Leveraging eco system**
Leverage digital public infrastructure by integrating with multiple platforms to get income details for financial underwriting

Partner integration

- **Retail partners:**
Partner integration portal | Easy UI with pre-coded premium quotation pages | Data pre population | Digital payment with SI & digital consent | Video based pre-issuance verification on WhatsApp | Video verification & CKYC as a service enabled
- **Group portal**
End-to-end automated process for on-boarding | Instant certificate of issuance | Instant refund into customer account, in case of cancellation

Customer service

Empowering customers

- **Self service**
 1. ~3.5 mn digital service interactions monthly
 2. 92.6% service interactions are via self-help/ digital modes
- **Renewals**
 1. Flexible premium payment options including multiple UPI
 2. Humanoid : 2-way conversational AI bot with speech recognition capability deployed in customer calls for renewal collection
- **e-Insurance account**

Facility provided to 4mn+ policyholders to access their insurance policy details
- **Quick claim assistance**

Provided through digital claim registration process, real time tracking through chatbot/WhatsApp, and AI-based pre-claim assessment & claim processing

Omni channel

- **Customer mobile application**

1.9mn+ app downloads with best app rating among the peers
- **24x7 chat/voice assistants**

Customers have the flexibility to place service requests & queries 24X7 on LiGo chat bot & WhatsApp bot
- **IVR**

Visual, intuitive and traditional IVRs cater to 64% of eligible customer & thus helps improving productivity
- **Digital Life Verification**

Facility provided for individual annuity customer

4D: Depth in Partnerships

Distribution reach & strategy

40 banks
28%¹ | Bancassurance

Strategy: Build profitability

- 1 new bank added
- Access to >19,900 bank branches
- Protection & Annuity mix 24%

14%¹ | Direct*

Strategy: Digital focused upsell campaigns

- Analytics driven upsell channel
- Protection & Annuity mix 38%

1,013 partnerships

13%¹ | Partnership Distribution

Strategy: Create depth & add width

- 105 partnerships added in H1-FY2024
- Non-linked savings 52% & Protection & Annuity mix 39%

203,000+ advisors

26%¹ | Agency

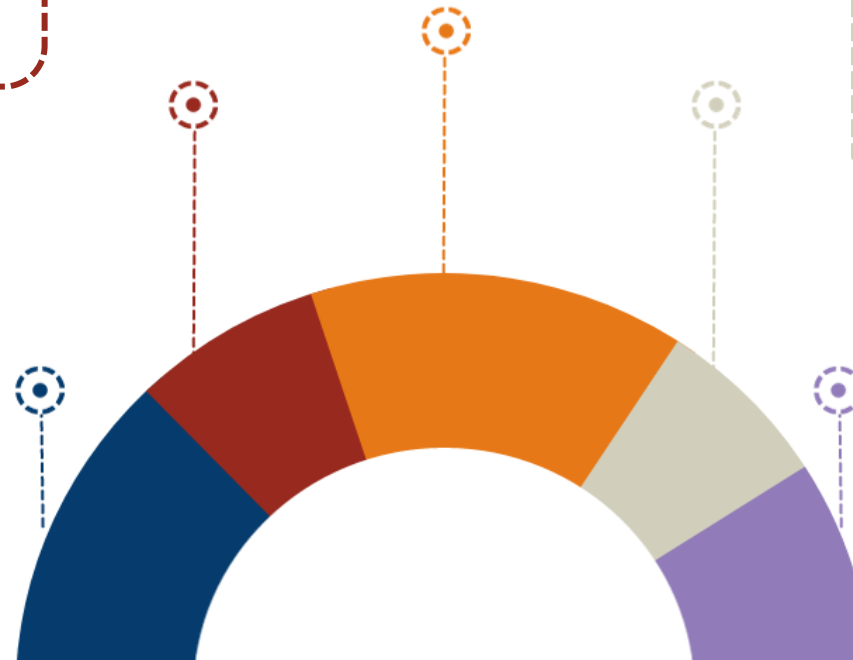
Strategy: Invest & grow

- 18,409 advisors recruited in H1-FY2024
- Linked 42%, Non-Linked savings 31% & Protection & Annuity mix 27%

18%¹ | Group

Strategy: Increase attachment & market share

- Profitable & risk calibrated growth in group protection
- Retail cross sell to members of group policy holders



Awards & Accolades

Awards & Accolades: H1-FY2024

Asia's Best CSR Practices Awards by CMO Asia



Best Sustainability Report

National Awards for Excellence in CSR & Sustainability



Best Overall Sustainable Performance

National Awards for Excellence in CSR & Sustainability



Best Sustainability Report

ASSOCHAM Award



Organisational excellence & contribution to the insurance sector

Customer FEST Awards 2023



Best Data/Analytics Team of the Year

Customer FEST Awards 2023



Best Use of Data & Insights in a Transformation Project

Customer FEST Awards 2023



Best Use of Mobile to Enhance Customer Experience

Customer FEST Awards 2023



Best Data Enablement Campaign in a Loyalty Programme

Reputation Today Awards



Top 30 Top Corporate Communication Teams for 2023



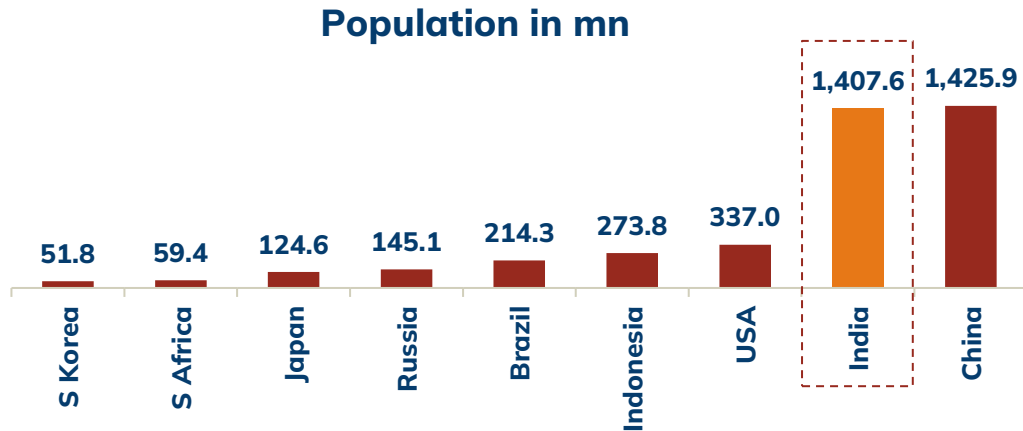
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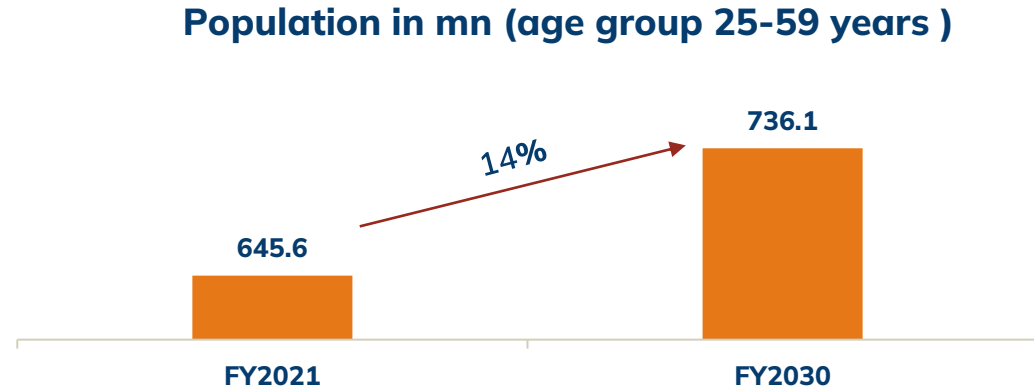


Favorable demography

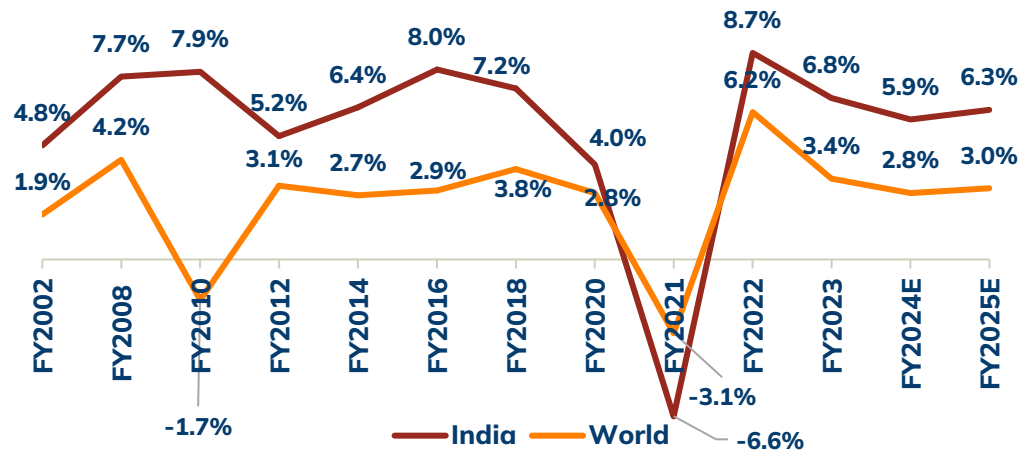
Large & growing population base¹



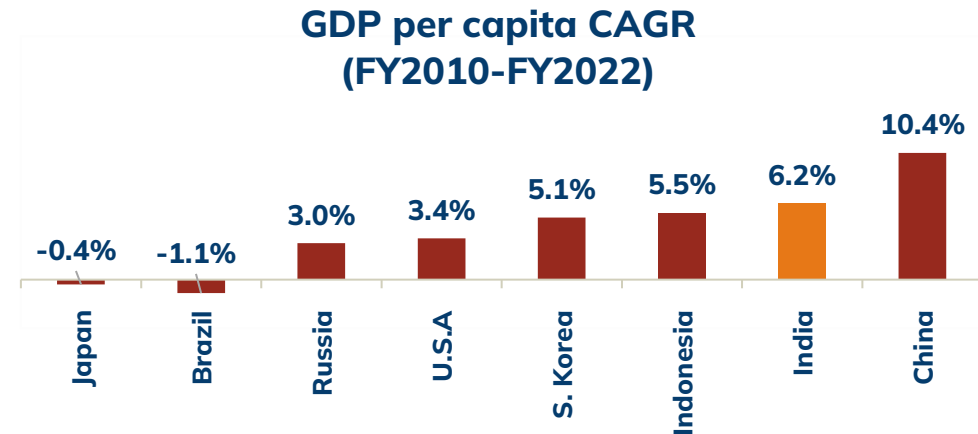
High share of working population¹



Driving GDP growth²



Rising affluence³



¹Source: UN population division at July 2022

²Source: World Economic Outlook update, April 2023

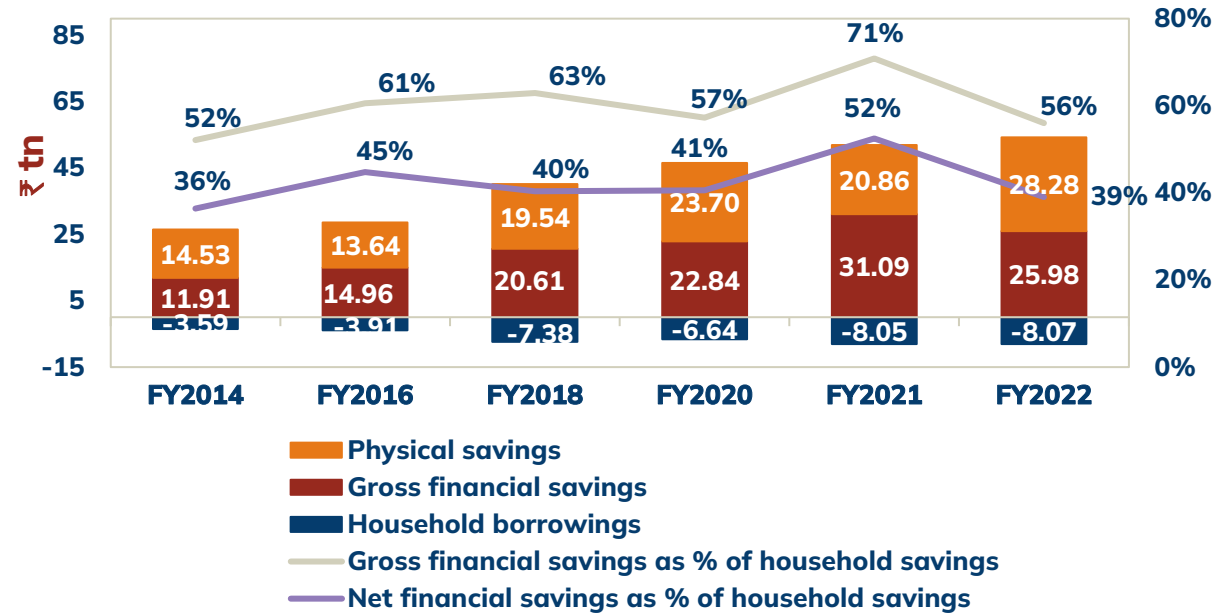
³Source: The World Bank

Compound annual growth rate (CAGR)

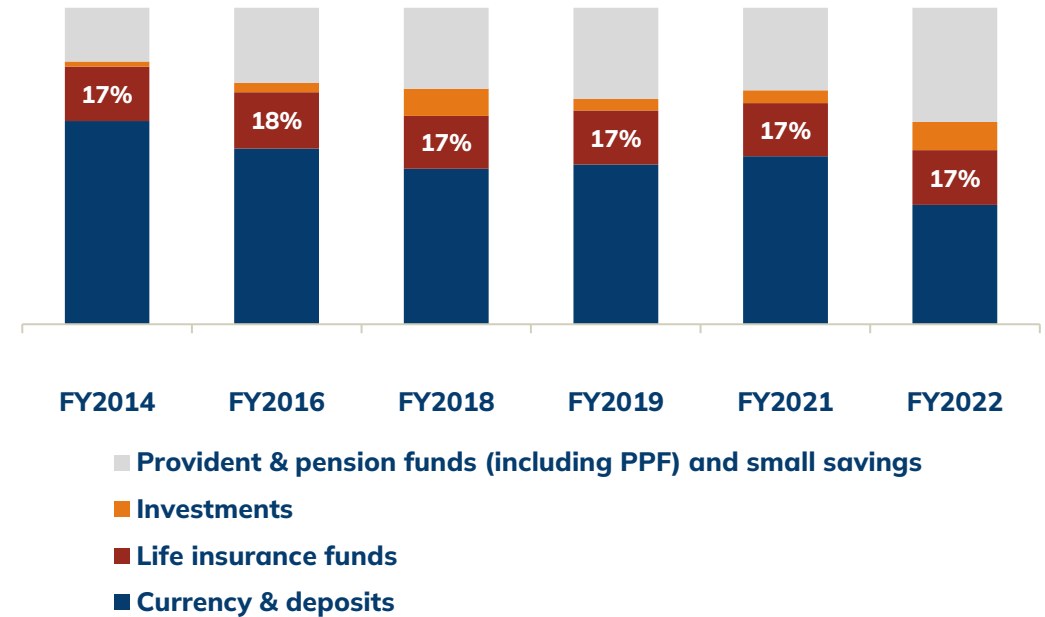
Gross domestic product (GDP)

Financialisation of savings: Opportunity for insurance

Household savings¹



Distribution of financial savings (including currency)²



| | FY2002 | FY2008 | FY2010 | FY2012 | FY2014 | FY2018 | FY2019 | FY2020 | FY2021 | FY2022 |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Life insurance premium ³ as % of GDP | 2.1% | 4.0% | 4.1% | 3.3% | 2.8% | 2.7% | 2.7% | 2.8% | 3.2% | 2.9% |

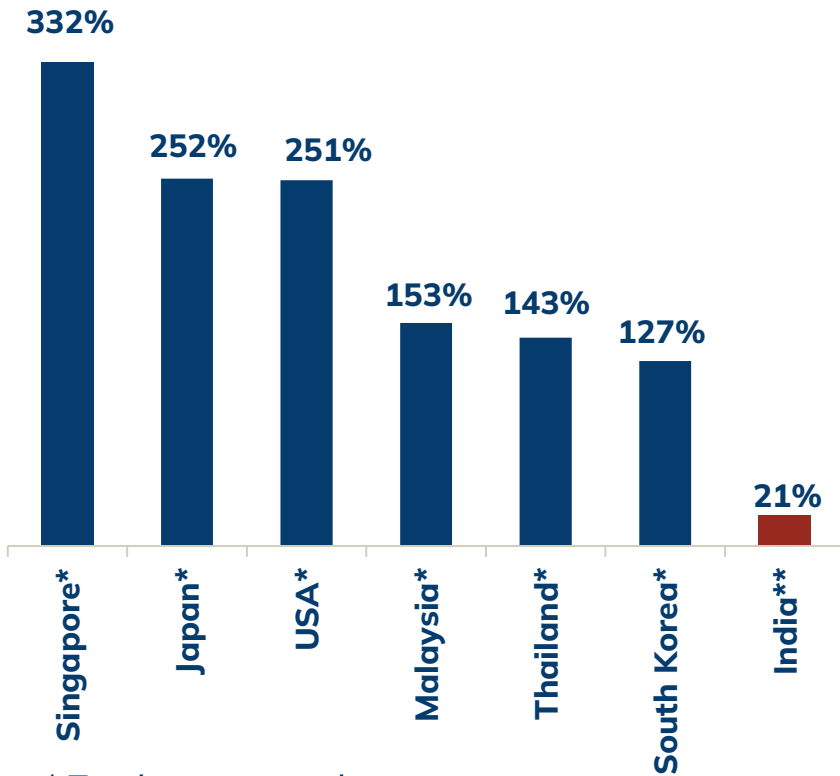
¹Source: RBI & CSO

²Source: RBI

³Total life insurance industry premium including renewal; Source: IRDAI

Protection opportunity: Low penetration

Sum assured as % of GDP^{1,2}



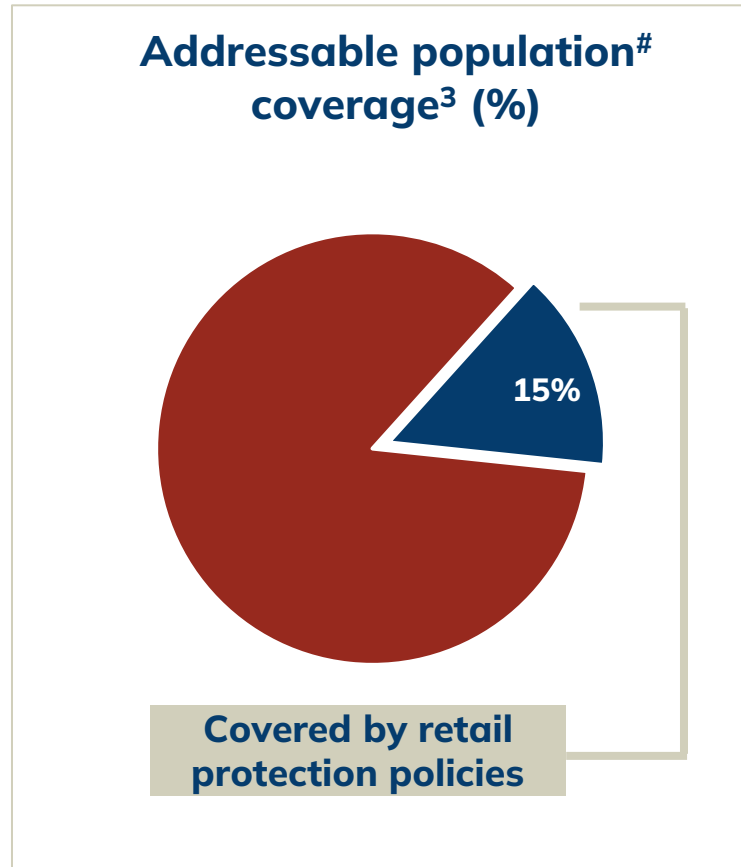
* Total sum assured

** Retail protection sum assured (company estimates)

¹FY2023 for India; Source: NSO & Company estimates

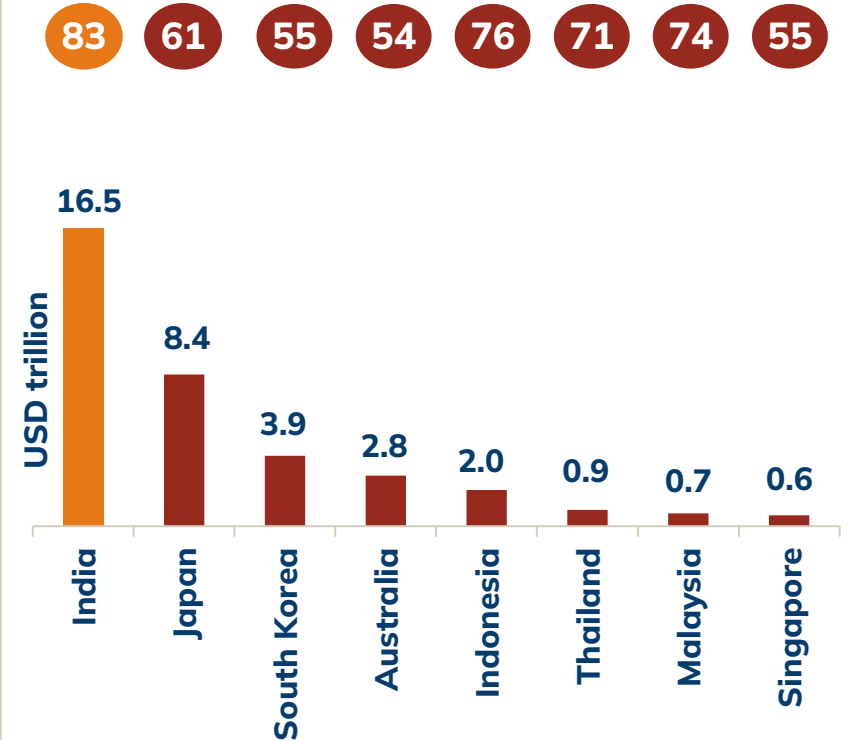
²FY2018 for USA & Japan; FY2020 for other countries; Source: McKinsey estimates

Addressable population[#] coverage³ (%)



³Inforce no. of lives for retail protection/no. of returns with income > ₹ 0.25 mn

Protection gap (%)^{4,5}



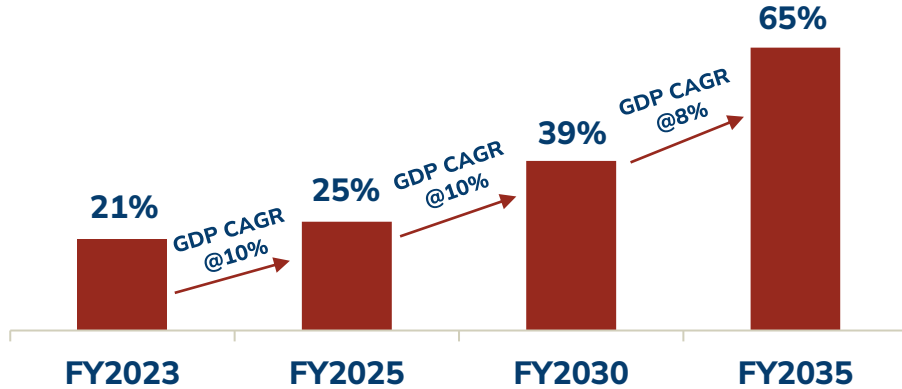
⁴Protection gap (%): Ratio of protection lacking/ protection needed

⁵Source: Swiss Re, Closing Asia's mortality protection gap, 2020

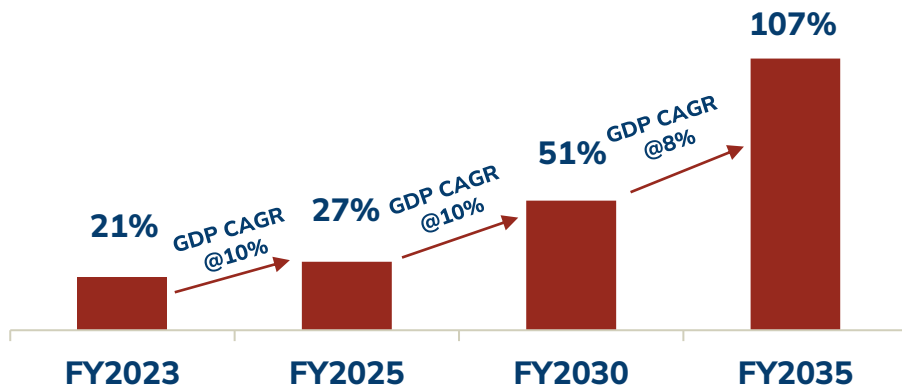
[#]Income tax department data with individual income > ₹ 0.25 mn & company estimates

Protection opportunity: Sum assured (SA) as % of GDP

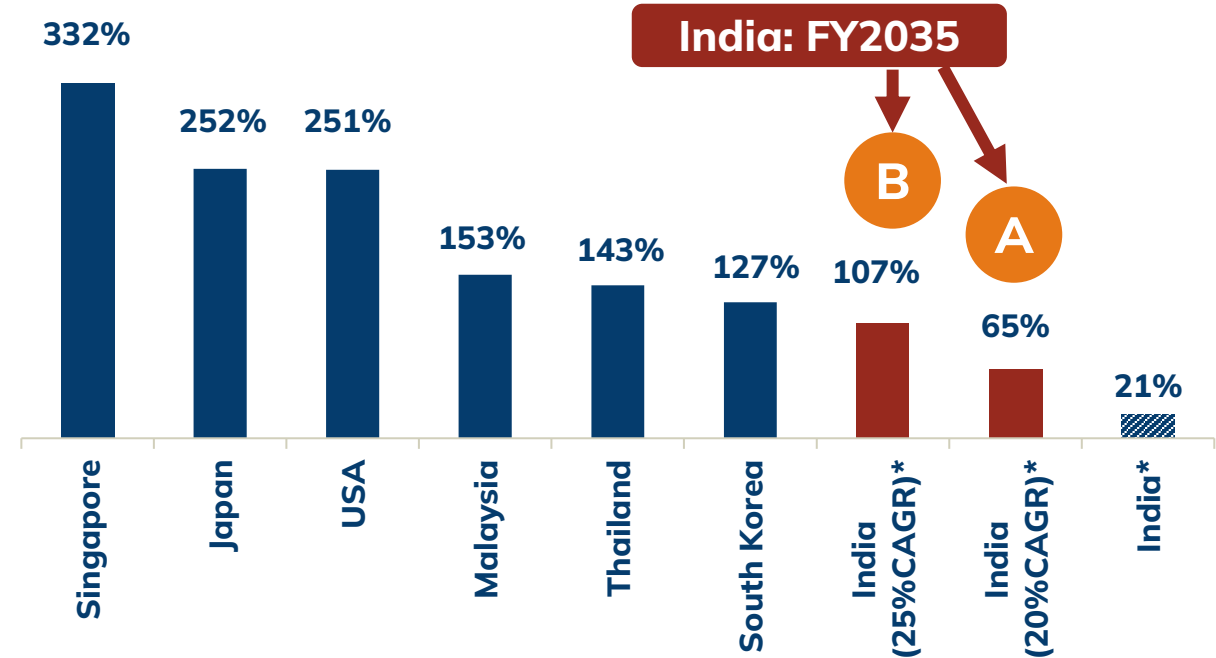
A SA as % of GDP (SA growth @ 20% CAGR)



B SA as % of GDP (SA growth @ 25% CAGR)



SA as % of GDP^{1,2}



¹FY2023 for India; Source: NSO & Company estimates

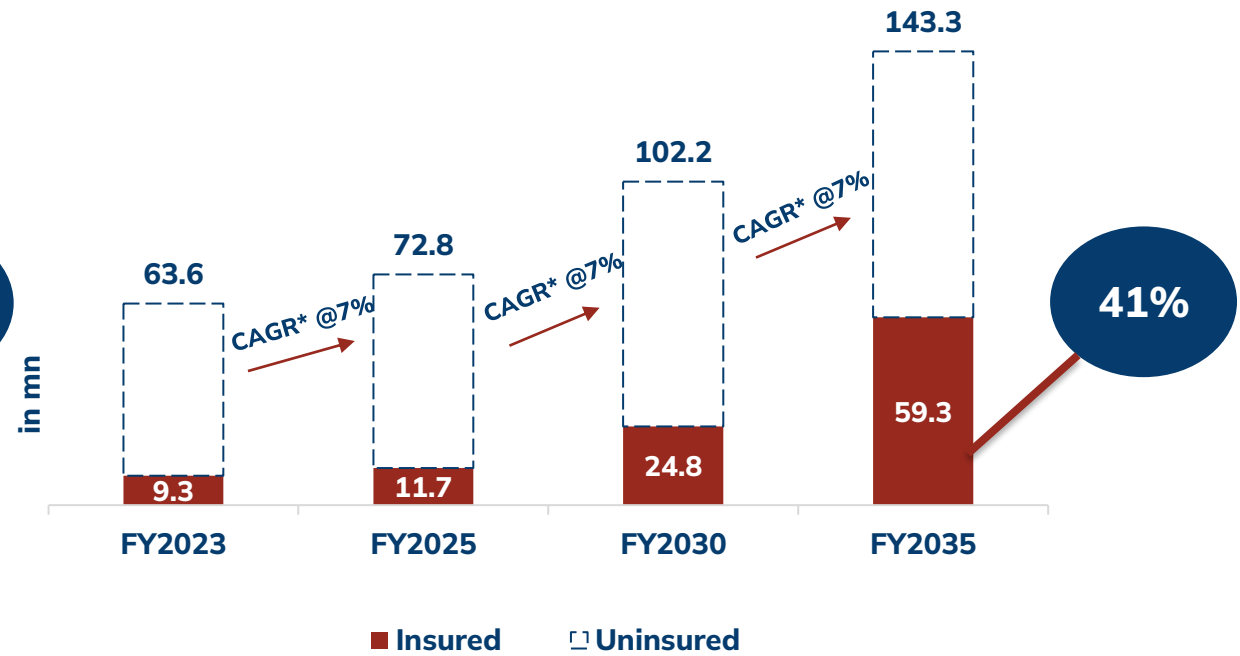
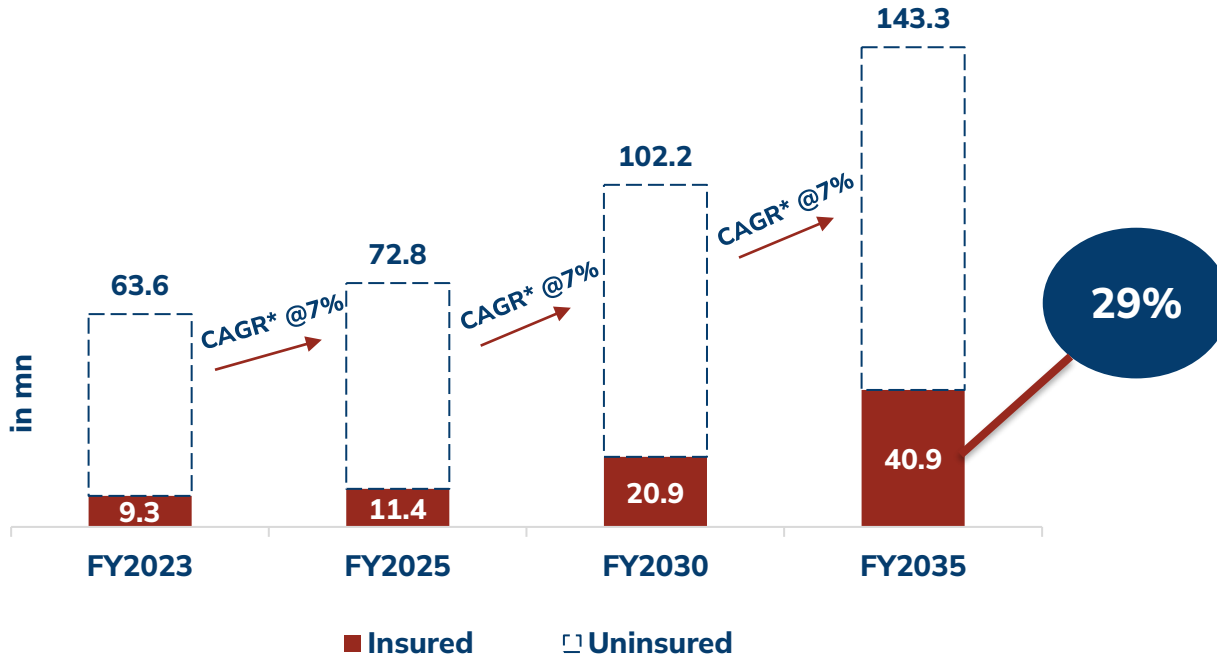
²FY2018 for USA & Japan; FY2020 for other countries; Source: McKinsey estimates

*For retail protection sum assured (company estimates)

Protection opportunity: Addressable population (%)

15% CAGR in new policy count¹

20% CAGR in new policy count¹



~40% of India's addressable population expected to be covered by FY2035²

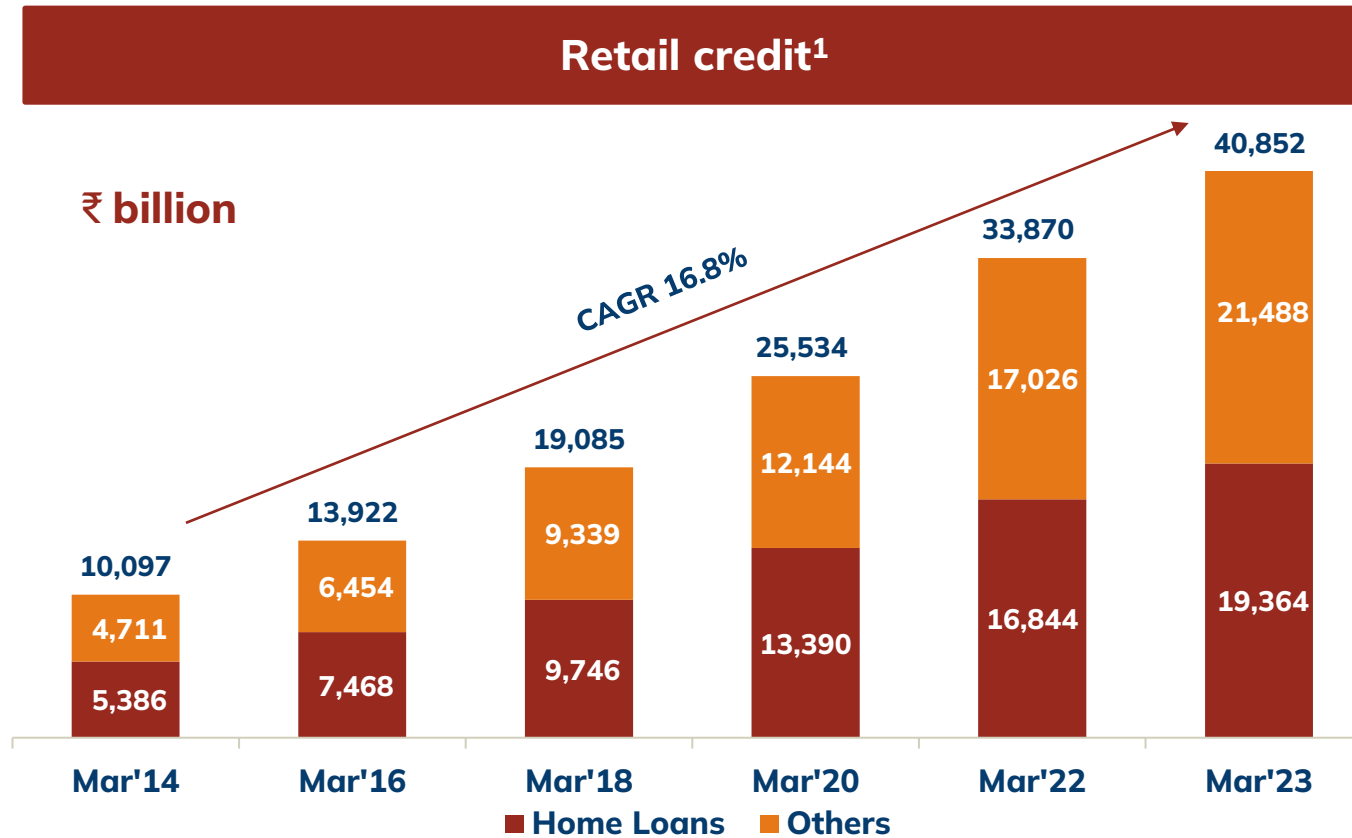
¹Assumed 10% lapse rate for in-force policies each year

²Estimates at accelerated policy growth rates of 20% CAGR

Compound annual growth rate (CAGR)

*Industry opportunity size

Indicators of protection opportunity



- Healthy growth in retail credit
- Credit life is voluntary

Health & motor²

| Gross direct premium (₹ billion) | FY2023 |
|----------------------------------|---------------|
| Health | 906.68 |
| Motor | 812.92 |
| Motor own damage (OD) | 317.84 |
| Motor third party (TP) | 495.08 |

¹Source: RBI: Deployment of Gross Bank Credit by Major Sector

²Source: General Insurance Council

Components may not add up to the totals due to rounding off

Agenda

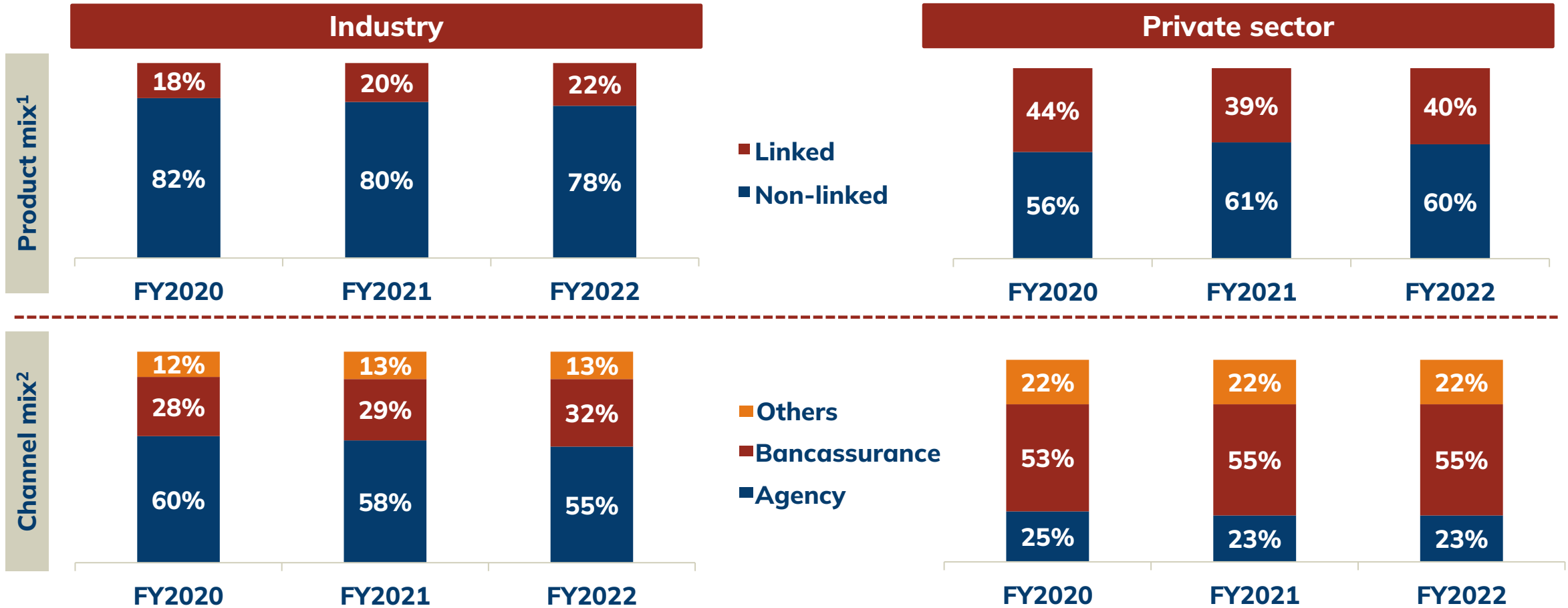
- Company strategy and performance
- Opportunity
- Industry overview



Evolution of life insurance industry in India

| | FY2002 | FY2010 | FY2015 | FY2022 |
|--|--------|--------|--------|--------|
| New business premium ¹ (₹ bn) | 116 | 550 | 408 | 876 |
| | | 21.5% | (5.8%) | 11.5% |
| Total premium (₹ bn) | 501 | 2,654 | 3,281 | 6,917 |
| | | 23.2% | 4.3% | 11.2% |
| Penetration (as % to GDP) | 2.1% | 4.1% | 2.6% | 2.9% |
| Assets under management (₹ tn) | 2.3 | 12.9 | 23.4 | 52.5 |
| | | 24.0% | 12.6% | 12.3% |
| In-force sum assured ² (₹ tn) | 11.8* | 37.5 | 78.1 | 205.5 |
| | | 15.5% | 15.8% | 14.8% |
| In-force sum assured (as % to GDP) | 50.1% | 57.9% | 62.7% | 86.8% |

Industry overview



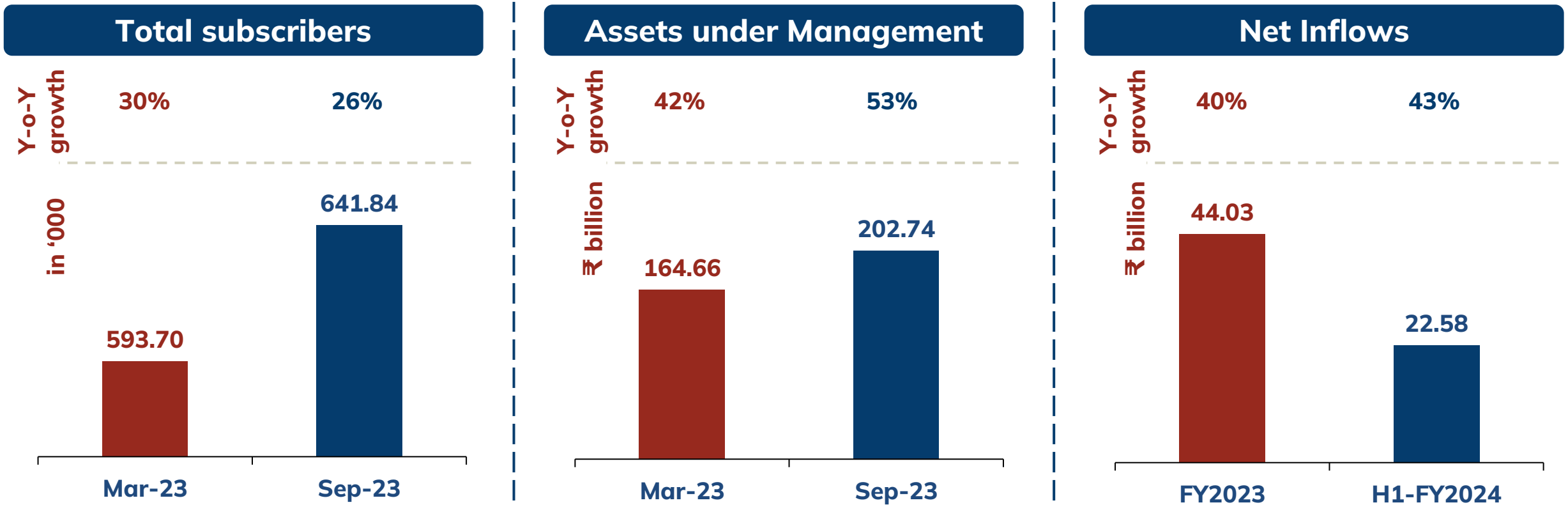
Well developed banking sector enables bancassurance to be largest channel for private players



¹Based on new business weighted premium
²Based on individual new business premium
 Source: Life insurance council

Annexures

Retirement focus: ICICI Pru PFM opportunity



40% of NPS retirement corpus mandated for annuity conversion, significantly enhances insurance industry's annuity growth outlook

Interest rate risk management

Guaranteed return savings product

- **Combination of cash instruments & derivatives used to lock in yields for future premiums**
- **Underlying bonds for derivatives selected based on tenure of liability**

Retail protection business

- **Asset liability duration matching using derivatives**

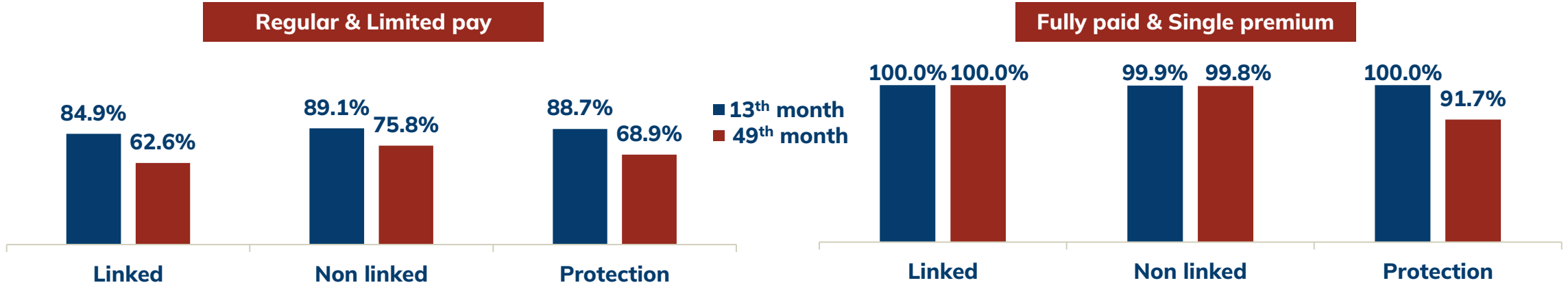
Annuity products

- **Duration matching & cash flow matching**
- **Derivatives undertaken to lock in yields for future premiums & match asset liability durations**

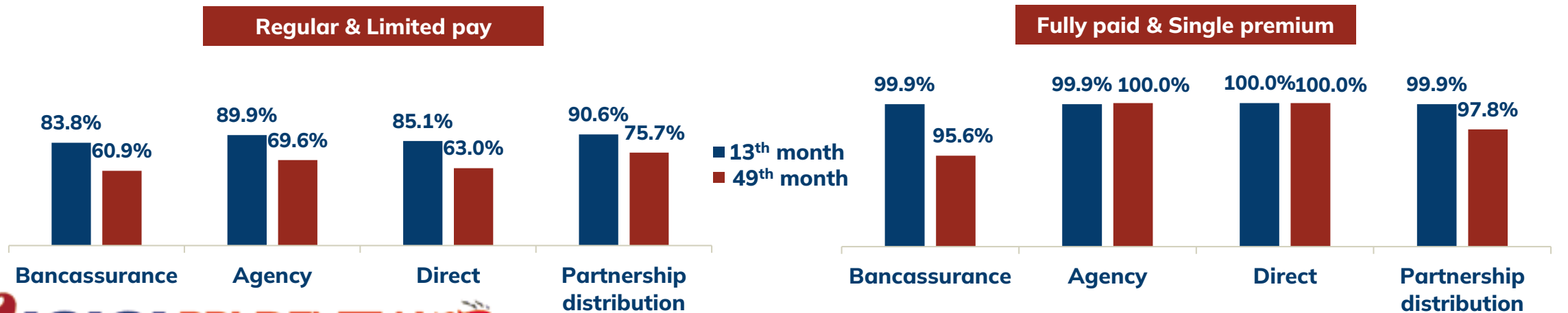
Review of pricing based on current interest rate environment

Retail persistency: FY2023

Persistency¹ across product categories



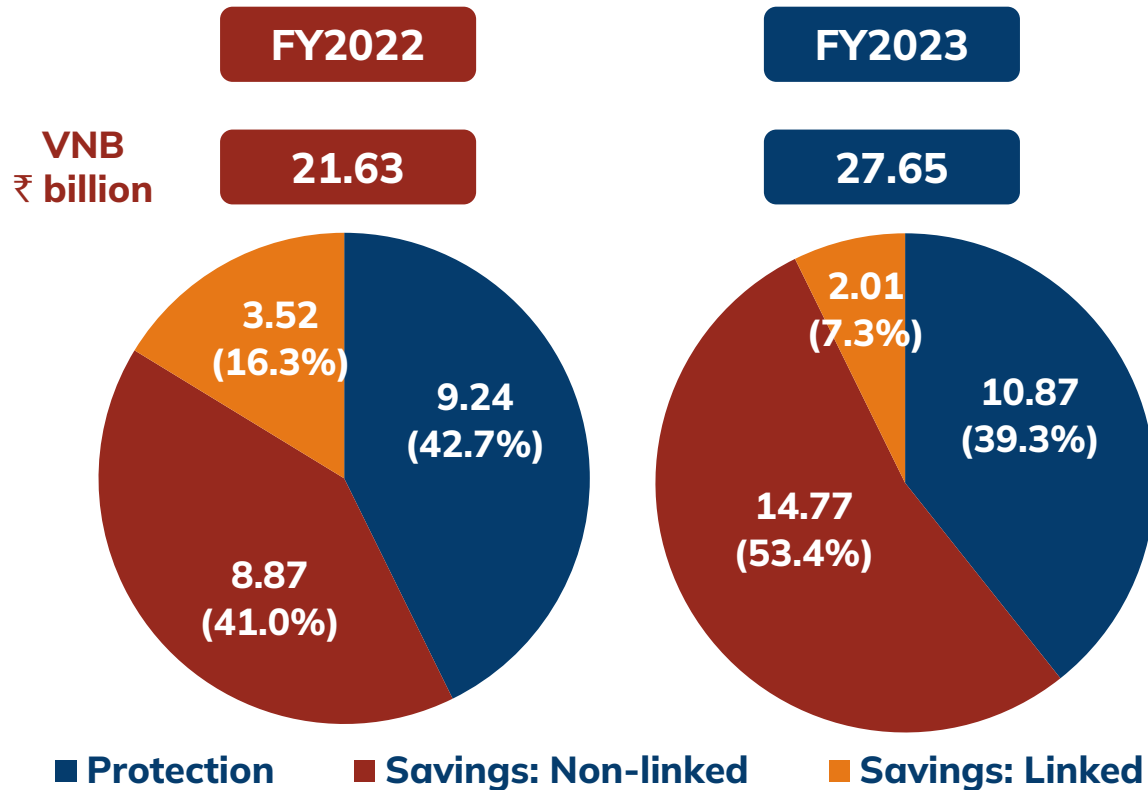
Persistency¹ across channel categories



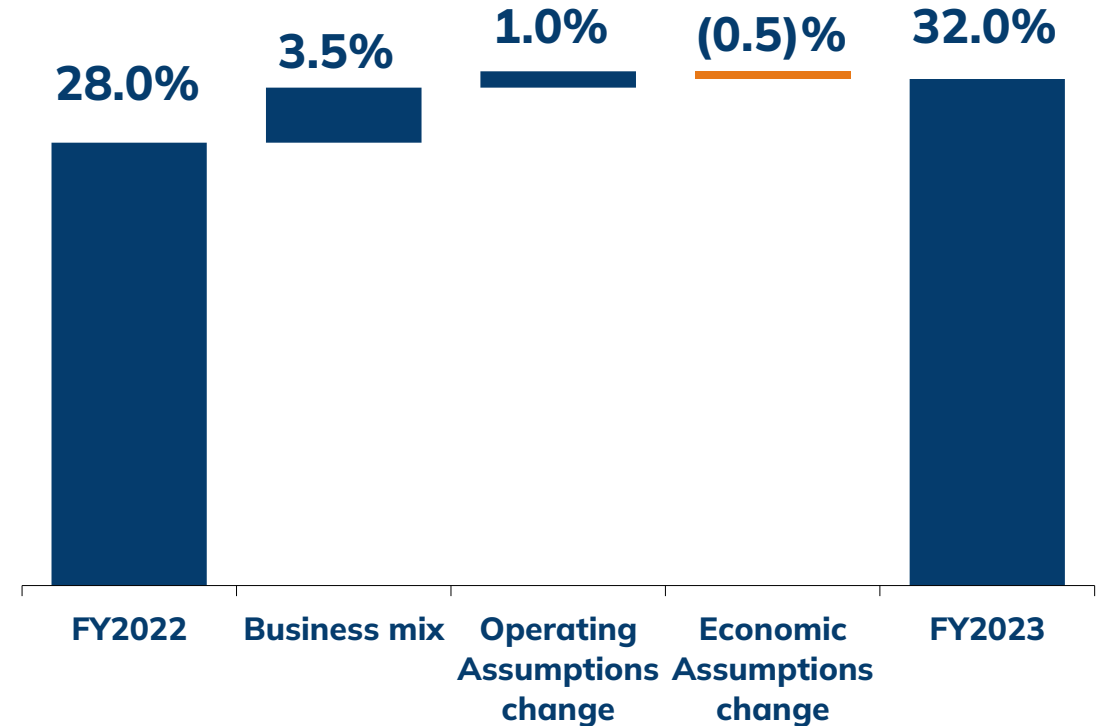
¹Persistency in accordance with IRDAI circular on 'Public Disclosures by Insurers' dated September 30, 2021

Value of New Business (VNB)

VNB contribution*



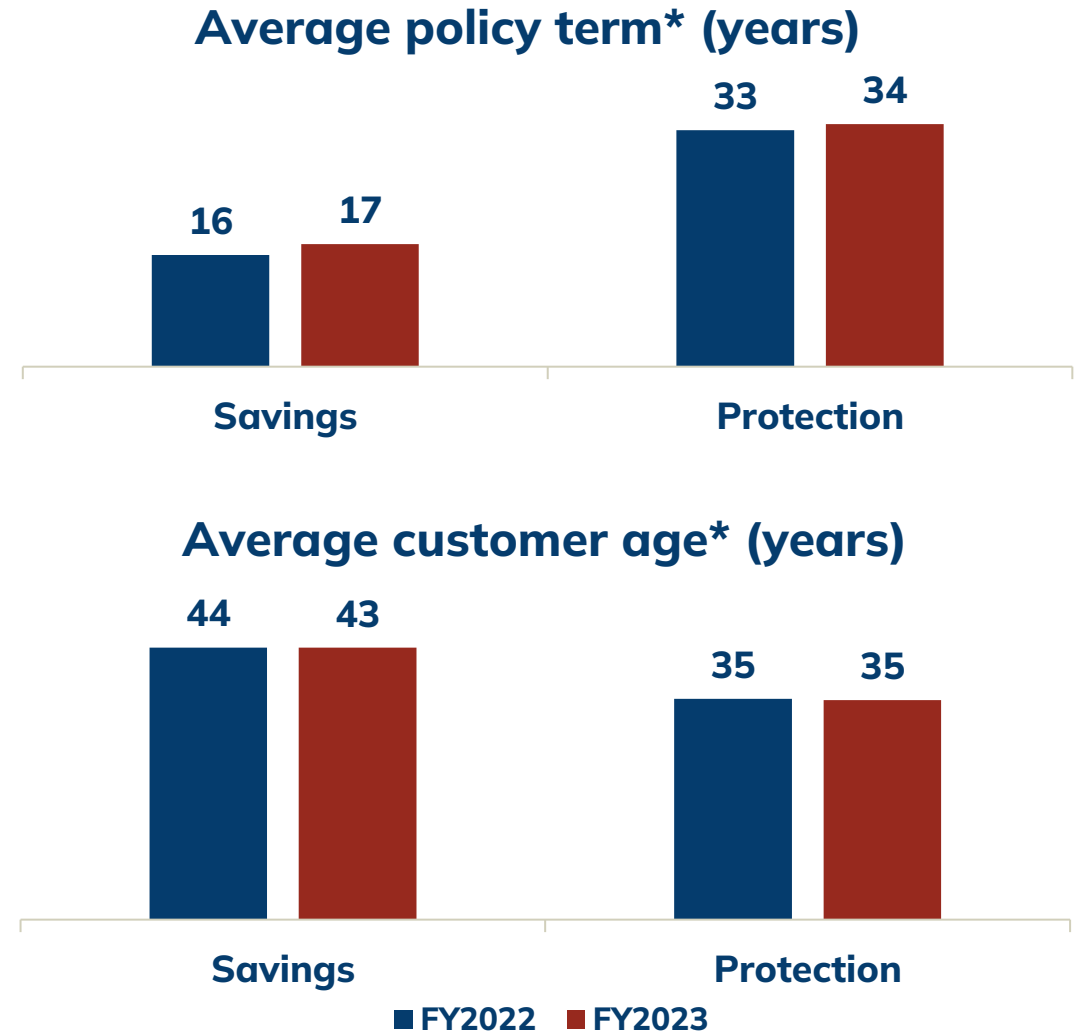
VNB margin movement



Well diversified pools of profit

Average APE by product categories

| Segment (₹) | FY2022 | FY2023 |
|--------------------|----------------|----------------|
| ULIP | 163,770 | 177,057 |
| Non-linked savings | 94,925 | 119,748 |
| Protection | 22,608 | 23,086 |
| Total | 100,407 | 118,928 |



Channel wise product mix¹

| Channel category | Product category | FY2021 | FY2022 | FY2023 |
|--------------------------|--------------------|---------------|---------------|---------------|
| Bancassurance | ULIP | 73.3% | 70.7% | 57.0% |
| | Non-linked savings | 11.6% | 19.2% | 31.7% |
| | Annuity | 4.3% | 4.9% | 7.3% |
| | Protection | 10.9% | 5.2% | 4.0% |
| | Total | 100.0% | 100.0% | 100.0% |
| Agency | ULIP | 33.3% | 42.6% | 35.6% |
| | Non-linked savings | 57.0% | 48.8% | 55.4% |
| | Annuity | 2.1% | 3.9% | 6.4% |
| | Protection | 7.7% | 4.7% | 2.6% |
| | Total | 100.0% | 100.0% | 100.0% |
| Direct | ULIP | 61.4% | 73.4% | 69.0% |
| | Non-linked savings | 21.2% | 13.6% | 17.4% |
| | Annuity | 7.8% | 6.6% | 8.4% |
| | Protection | 9.6% | 6.4% | 5.3% |
| | Total | 100.0% | 100.0% | 100.0% |
| Partnership distribution | ULIP | 13.1% | 13.7% | 8.8% |
| | Non-linked savings | 70.5% | 71.8% | 75.8% |
| | Annuity | 2.9% | 2.1% | 6.7% |
| | Protection | 13.5% | 12.4% | 8.5% |
| | Total | 100.0% | 100.0% | 100.0% |

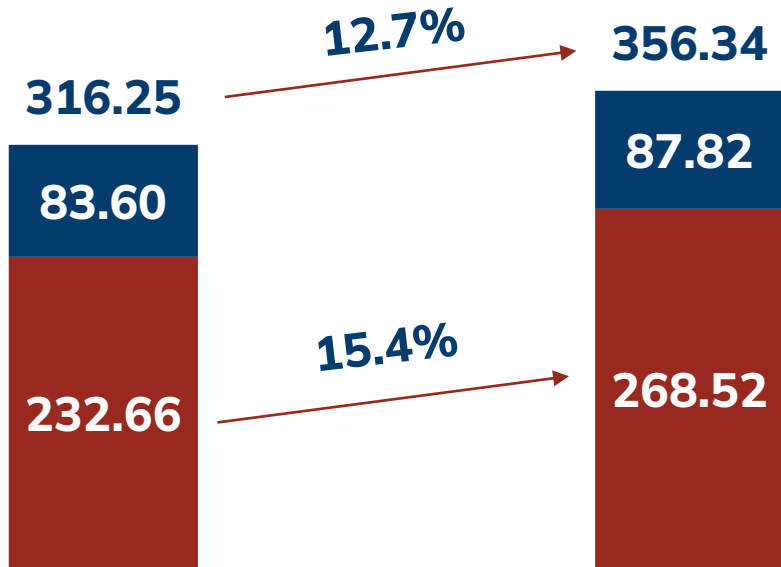
Product wise channel mix¹

| Product category | Channel category | FY2021 | FY2022 | FY2023 |
|--------------------|--------------------------|---------------|---------------|---------------|
| ULIP | Bancassurance | 64.9% | 57.0% | 46.6% |
| | Agency | 16.6% | 20.8% | 26.1% |
| | Direct | 16.1% | 19.6% | 23.7% |
| | Partnership distribution | 2.5% | 2.6% | 3.6% |
| | Total | 100.0% | 100.0% | 100.0% |
| Non-linked savings | Bancassurance | 17.8% | 27.3% | 25.0% |
| | Agency | 49.3% | 42.1% | 39.1% |
| | Direct | 9.7% | 6.4% | 5.7% |
| | Partnership distribution | 23.3% | 24.1% | 30.1% |
| | Total | 100.0% | 100.0% | 100.0% |
| Annuity | Bancassurance | 51.1% | 49.1% | 36.5% |
| | Agency | 14.0% | 23.8% | 28.8% |
| | Direct | 27.5% | 22.0% | 17.6% |
| | Partnership distribution | 7.4% | 5.1% | 17.0% |
| | Total | 100.0% | 100.0% | 100.0% |
| Protection | Bancassurance | 51.9% | 39.6% | 31.0% |
| | Agency | 20.6% | 21.7% | 18.4% |
| | Direct | 13.6% | 16.2% | 17.2% |
| | Partnership distribution | 13.8% | 22.5% | 33.4% |
| | Total | 100.0% | 100.0% | 100.0% |

Embedded value

EV & ROEV composition

EV composition

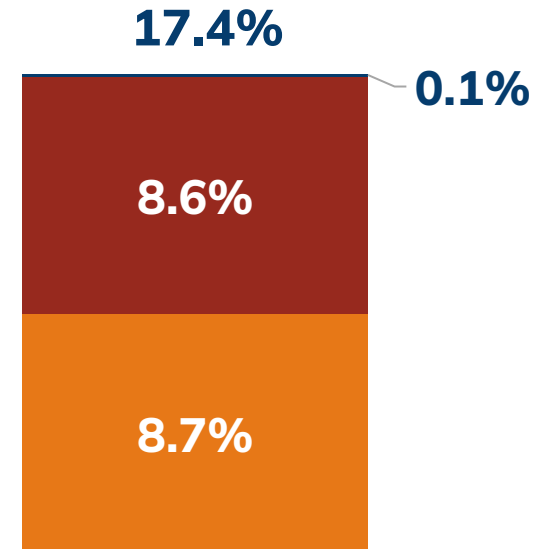


Mar-22

Mar-23

- Adjusted net worth (ANW)
- Value of Inforce (VIF)

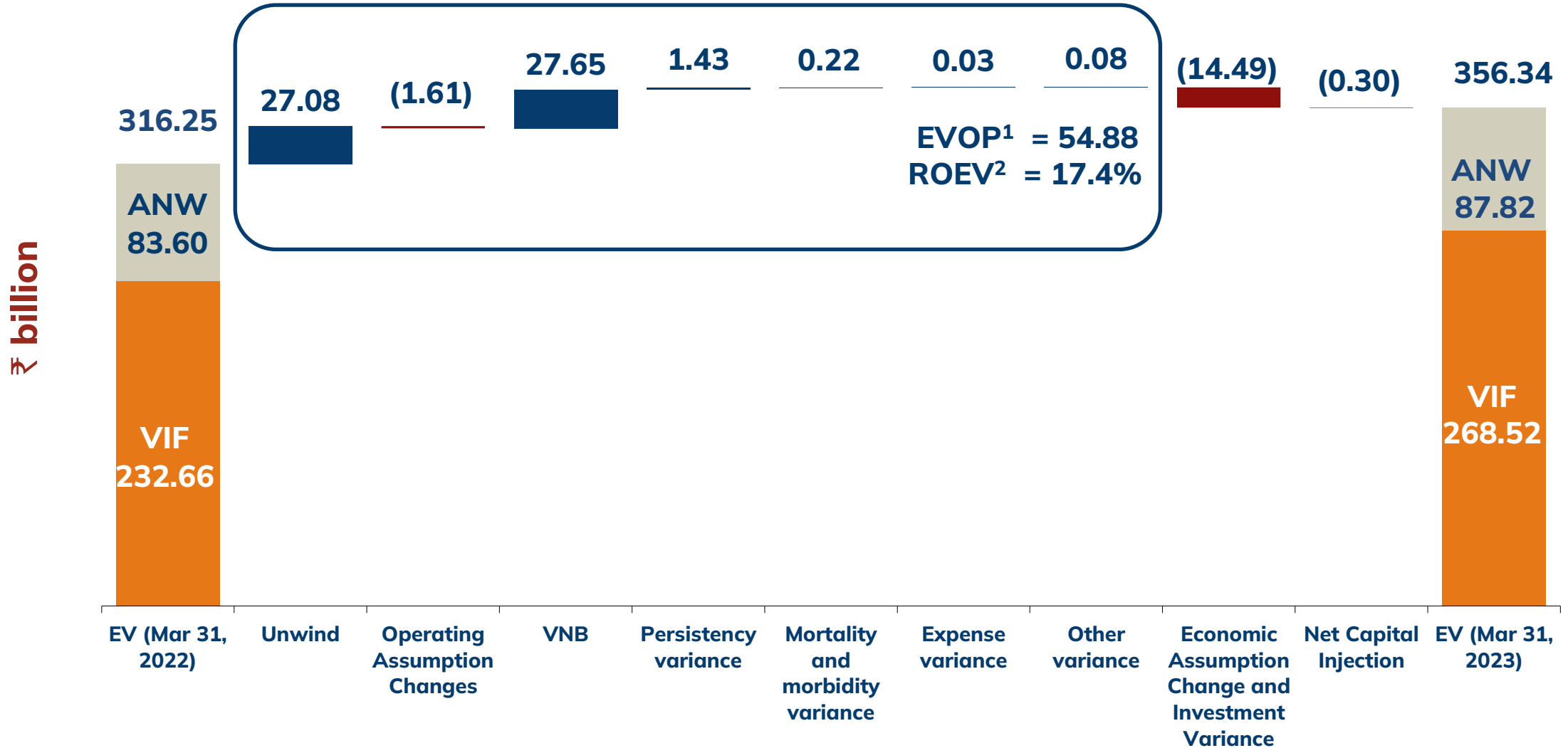
ROEV composition



FY2023

- Operating assumption change and variance
- Unwind
- VNB

Analysis of movement in EV



¹ EVOP is the embedded value operating profit net of tax

² ROEV is the return on embedded value net of tax

EV results prepared as per APS 10 and reviewed by Milliman Advisors LLP

ANW: Adjusted new worth; VIF: Value of inforce; EV: Embedded value; VNB; Value of new business 67

Analysis of movement in EV¹

| ₹ billion | FY2019 | FY2020 | FY2021 | FY2022 | FY2023 |
|--|---------------|---------------------------|---------------------------|----------------------------|---------------|
| Opening EV | 187.88 | 216.23 | 230.30 | 291.06 | 316.25 |
| Unwind | 15.84 | 17.25 | 16.61 | 20.85 | 27.08 |
| Value of New Business (VNB) | 13.28 | 16.05 | 16.21 | 21.63 | 27.65 |
| Operating assumption changes + Operating variance | 8.89 | (0.42) | 2.24 | (10.56) | 0.15 |
| <i>Operating assumption changes</i> | <i>4.20</i> | <i>(2.25)²</i> | <i>3.09</i> | <i>(0.91)</i> | <i>(1.61)</i> |
| <i>Operating variance</i> | <i>4.69</i> | <i>1.83</i> | <i>(0.85)</i> | <i>(9.64)</i> | <i>1.76</i> |
| <i>Persistency variance</i> | <i>2.66</i> | <i>0.85</i> | <i>1.10</i> | <i>1.51</i> | <i>1.43</i> |
| <i>Mortality and morbidity variance</i> | <i>1.97</i> | <i>0.42</i> | <i>(2.37)³</i> | <i>(11.87)³</i> | <i>0.22</i> |
| <i>Expense variance</i> | <i>0.04</i> | <i>0.01</i> | <i>0.01</i> | <i>0.07</i> | <i>0.03</i> |
| <i>Other variance</i> | <i>0.02</i> | <i>0.56</i> | <i>0.41</i> | <i>0.64</i> | <i>0.08</i> |
| EVOP | 38.01 | 32.88 | 35.05 | 31.92 | 54.88 |
| Return on embedded value (ROEV) | 20.2% | 15.2% | 15.2% | 11.0% | 17.4% |
| Economic assumption change and investment variance | (1.22) | (14.76) | 25.67 | (4.37) | (14.49) |
| Net capital injection | (8.43) | (4.05) | 0.04 | (2.36) | (0.30) |
| Closing EV | 216.23 | 230.30 | 291.06 | 316.25 | 356.34 |

¹As per Indian Embedded Value (IEV) method

²Negative impact of ₹ 5.49 billion due to change in effective tax rate

³Mortality variance includes the negative impact of COVID claims
Components may not add up to the totals due to rounding off

Sensitivity analysis

| Scenario | % change in VNB | | % change in EV | |
|--|-----------------|--------|----------------|--------|
| | FY2022 | FY2023 | FY2022 | FY2023 |
| Increase in 100 bps in the reference rates | (3.5) | (4.2) | (4.2) | (3.5) |
| Decrease in 100 bps in the reference rates | 3.2 | 4.8 | 4.6 | 3.7 |
| 10% increase in the discontinuance rates | (4.9) | (3.4) | (1.0) | (0.5) |
| 10% decrease in the discontinuance rates | 5.3 | 3.6 | 1.0 | 0.6 |
| 10% increase in mortality/morbidity rates | (8.3) | (10.0) | (1.9) | (1.9) |
| 10% decrease in mortality/morbidity rates | 8.4 | 10.1 | 1.9 | 2.0 |
| 10% increase in acquisition expenses | (10.1) | (11.8) | Nil | Nil |
| 10% decrease in acquisition expenses | 10.1 | 11.8 | Nil | Nil |
| 10% increase in maintenance expenses | (2.3) | (2.3) | (0.7) | (0.8) |
| 10% decrease in maintenance expenses | 2.3 | 2.3 | 0.7 | 0.8 |
| Tax rates increased to 25% | (10.3) | (10.4) | (6.3) | (6.4) |
| 10% increase in equity values | 0.6 | 0.4 | 1.9 | 1.7 |
| 10% decrease in equity values | (0.6) | (0.4) | (1.9) | (1.7) |

Economic assumptions underlying EV & VNB

| Tenor (years) | Reference rates | |
|---------------|-----------------|--------------------|
| | March 31, 2023 | September 30, 2023 |
| 1 | 7.2% | 7.2% |
| 5 | 7.5% | 7.4% |
| 10 | 7.6% | 7.5% |
| 15 | 7.7% | 7.7% |
| 20 | 7.7% | 7.8% |
| 25 | 7.7% | 7.8% |
| 30 | 7.7% | 7.9% |

Glossary (1/2)

- **Annualized Premium Equivalent (APE):** APE is the sum of the annualized first year premiums on regular premium policies, & ten percent of single premiums, from both individual & group customers
- **Retail Weighted Received Premium (RWRP):** Premiums actually received by the insurers under individual products & weighted at the rate of ten percent for single premiums
- **Total Weighted Received Premium (TWRP):** Measure of premiums received on both retail & group products & is the sum of first year & renewal premiums on regular premium policies & ten percent of single premiums received during any given period
- **Sum Assured:** The amount that an insurer agrees to pay on the occurrence of a stated contingency
- **Cost Ratio:** Cost ratio is a measure of the cost efficiency of a Company. Expenses are incurred by the Company on new business as well as renewal premiums. Cost ratio is computed as a ratio of all expenses incurred in a period comprising commission, operating expenses, provision for doubtful debts & bad debts written off to total weighted received Premium (TWRP)
- **Persistency Ratio:** Persistency ratio is the percentage of policies that have not lapsed & is expressed as 13th month, 49th month persistency etc. depicting the persistency level at 13th month (2nd year) & 49th month (5th year) respectively, after issuance of contract

Glossary (2/2)

- **Value of New Business (VNB):** VNB is used to measure profitability of the new business written in a period. It is present value of all future profits to shareholders measured at the time of writing of the new business contract. Future profits are computed based on long-term assumptions which are reviewed annually. VNB is also referred to as NBP (new business profit). VNB margin is computed as VNB for the period/APE for the period. It is similar to profit margin for any other business
- **Embedded Value (EV):** EV represents the present value of shareholders' interests in the earnings distributable from the assets allocated to the business after sufficient allowance for the aggregate risks in the business
- **Embedded Value Operating Profit (EVOP):** EVOP is a measure of the increase in the EV during any given period due to matters that can be influenced by management
- **Return on Embedded Value (RoEV):** RoEV is the ratio of EVOP for any given period to the EV at the beginning of that period
- **Solvency Ratio:** Solvency ratio is calculated as ratio of Available Solvency Margin (ASM) over Required Solvency Margin (RSM)
- **Assets Under Management (AUM):** AUM refers to the carrying value of investments managed by the company & includes loans against policies & net current assets pertaining to investments

Safe harbor

Except for the historical information contained herein, statements in this release which contain words or phrases such as 'will', 'would', 'indicating', 'expected to' etc., and similar expressions or variations of such expressions may constitute 'forward-looking statements'. These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, our growth and expansion in business, the impact of any acquisitions, technological implementation and changes, the actual growth in demand for insurance products and services, investment income, cash flow projections, our exposure to market risks, policies and actions of regulatory authorities; impact of competition; experience with regard to mortality and morbidity trends, lapse rates and policy renewal rates; the impact of changes in capital, solvency or accounting standards, tax and other legislations and regulations in the jurisdictions as well as other risks detailed in the reports filed by ICICI Bank Limited, our holding company, with the United States Securities and Exchange Commission. ICICI Prudential Life Insurance undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date thereof.



Thank you