



Performance update: FY2023

April 20, 2023

Agenda

- Company strategy and performance
- Opportunity
- Industry overview



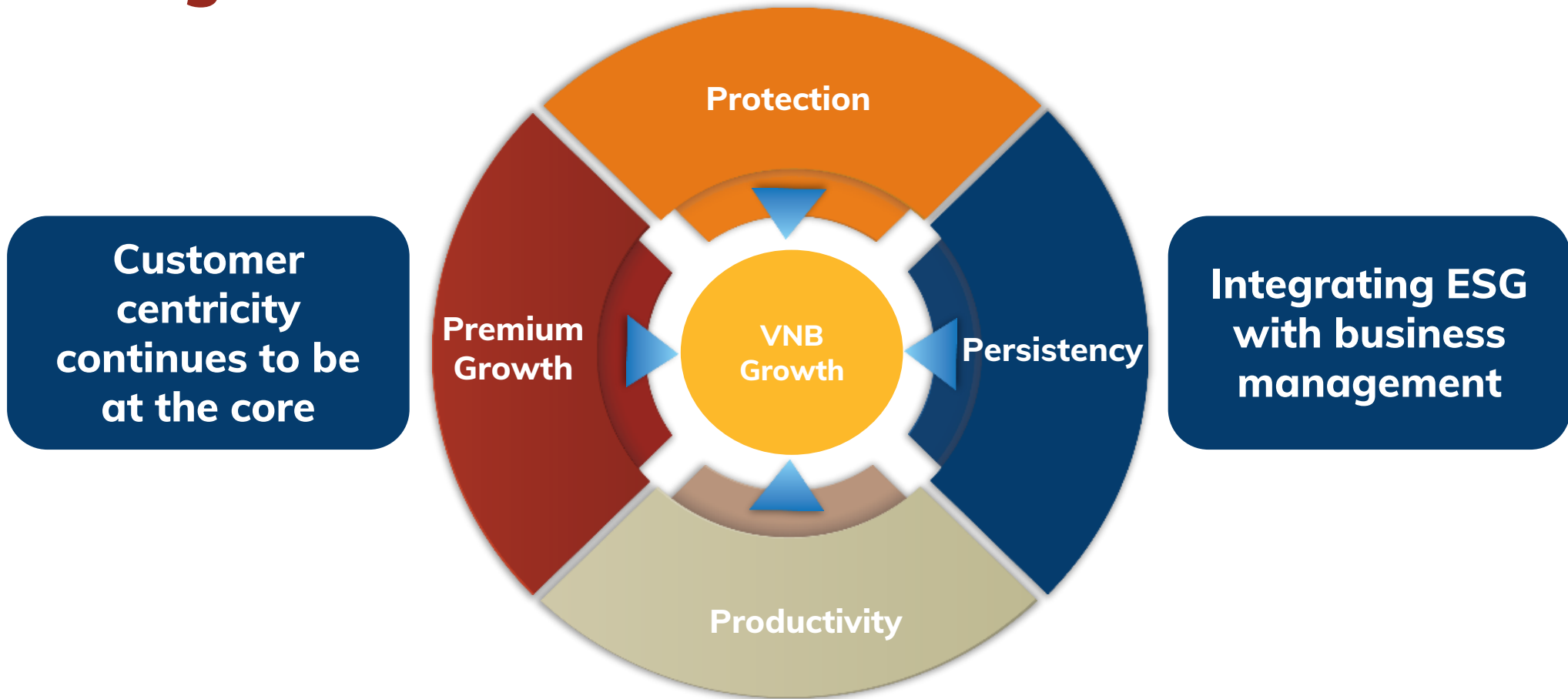
Agenda

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



Value of new business (VNB) journey

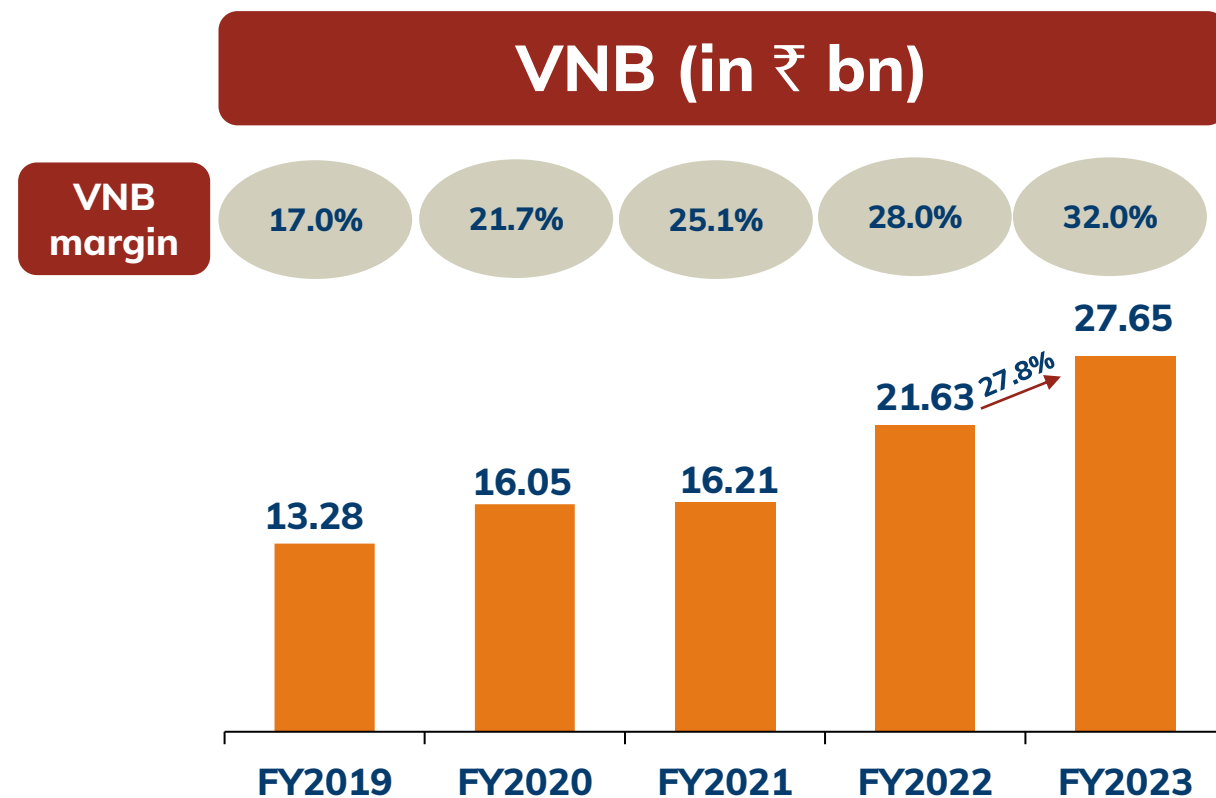
Key strategic elements



Aspiration to double the FY2019 VNB in four years

FY2023: 2x FY2019 VNB

₹ billion	FY2019	FY2023
VNB	13.28	27.65
VNB Y-o-Y growth	3.3%	27.8%
VNB margin	17.0%	32.0%



Doubled the FY2019 VNB at a CAGR of 20.1% in four years

**Customer centricity
continues to be at the core**



**Integrating ESG with
business management**

Organisational capabilities

People

Process

**Technology &
Analytics**

**Distribution &
Product**

Organisational capabilities: People

Capacity

Strengthened capacity for risk-calibrated business growth & profitability

- Employee strength increased by 15% to capacitate for growth
- Invested in building skill depth in specialist roles
- High-quality leadership team¹
 - 82% leadership stability
 - 96% leadership depth
 - 97% leadership cover

Capability

Developed capability to address skill gaps, and built future-ready talent

- Structured phygital learning programs for onboarding and functional & behavioural skills
- Skill mapping and professional certifications for specialist roles
- 1.3+ million learning hours; 12,000+ employees certified

Culture

Built competitive advantage through a culture of empowerment & inclusion

- 90%+ VoE score² on advocacy & alignment
- D&I policy & framework instituted; Diversity Council formalised; Gender diversity: 29% (FY2022: 27%)
- Enabled physical, mental & financial well-being for employees

Organisational capabilities: Process

Onboarding

External ecosystems integrated

Touchpoint

Digital first, anytime anywhere

Renewal

Payments through new-age digital channels enabled

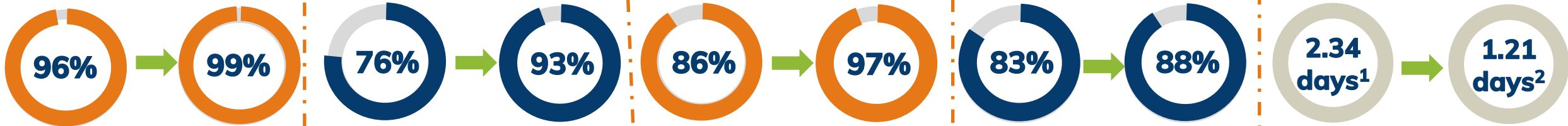
Payout

Digital payout experience

Claims

Claimant centric approach

Steady increase in digital adoption % (FY2019-FY2023)



Significant improvement in NPS Customer Experience scores (Q3-FY2021-Q4-FY2023)



Ranked no. 1 in the industry wide Customer Experience NPS study by Hansa research

¹ At March 2019; ² At March 2023

NPS: Net Promoter Score is a trusted and a popular customer loyalty metric used by brands to measure the health of customer relationships

Organisational capabilities: Technology & analytics

Technology

Scalability

Implemented seamless onboarding & servicing journey with scalable architecture

Resilience

Ensured high system availability & performance through failover architecture

Security

Enforced multi factor authentication & zero trust security across applications and infrastructure layer

Analytics

Customer journey

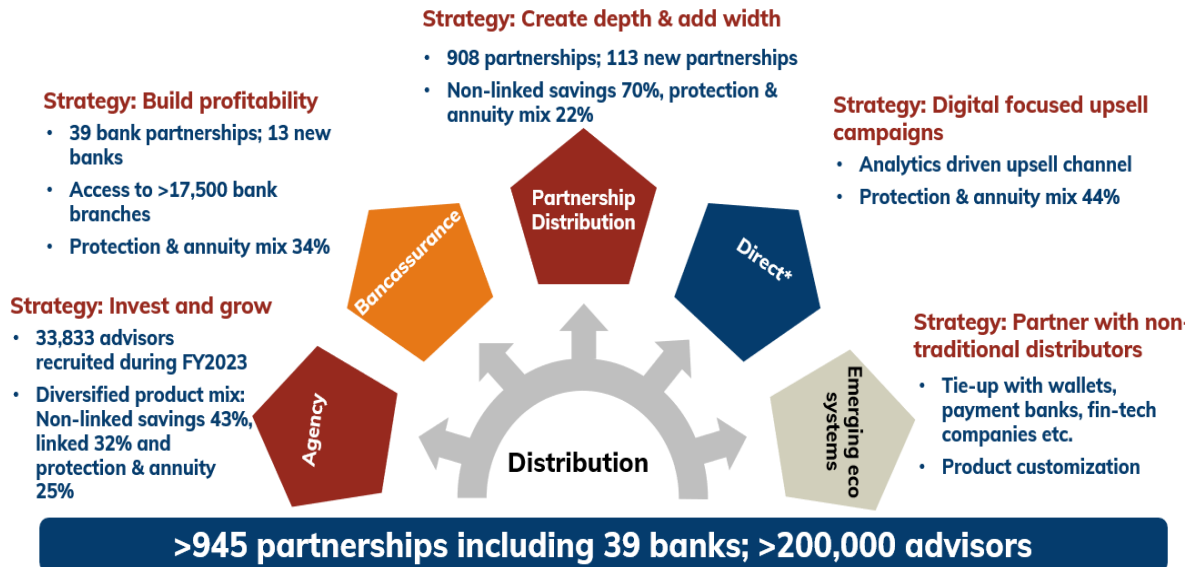
- Strengthened data analytics at every phase of customer journey
- Developed machine learning models to analyze customer behavior, preferences & needs
- Data-driven personalised experience

Productivity

- Deployed robust machine learning models to enhance productivity & risk management
- Streamlined claims process & reduced fraudulent activity

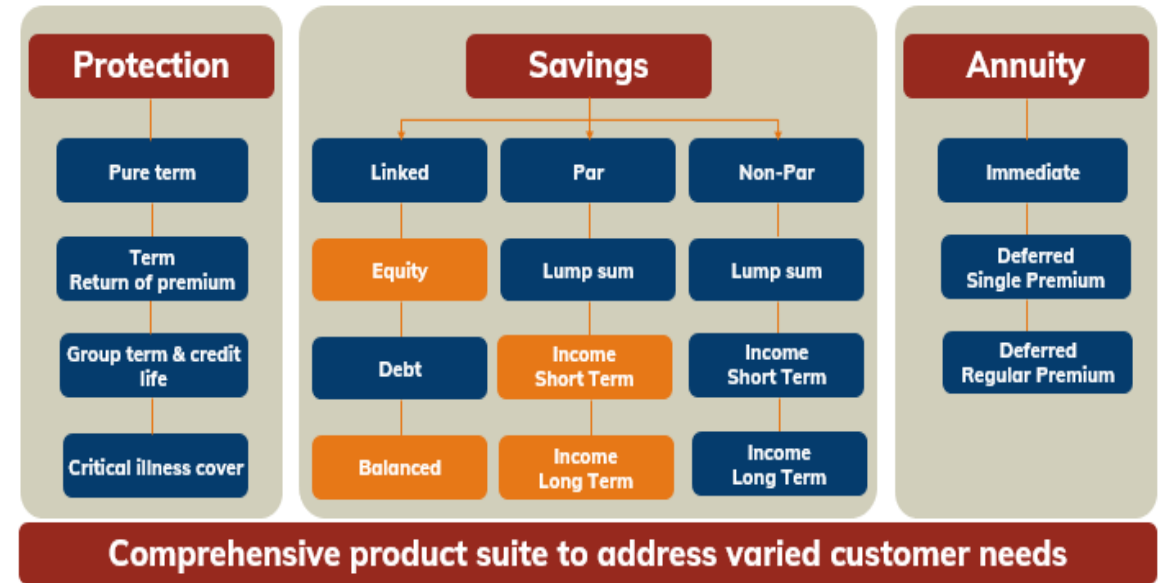
Organisational capabilities: Distribution & Product

Extensive distribution footprint



Figures mentioned are for FY2023
Product mix based on new business premium (retail)
*Direct comprises sales through own website & employees on roll

Comprehensive product suite



Segments where new products or new funds introduced in FY2023 are highlighted in orange

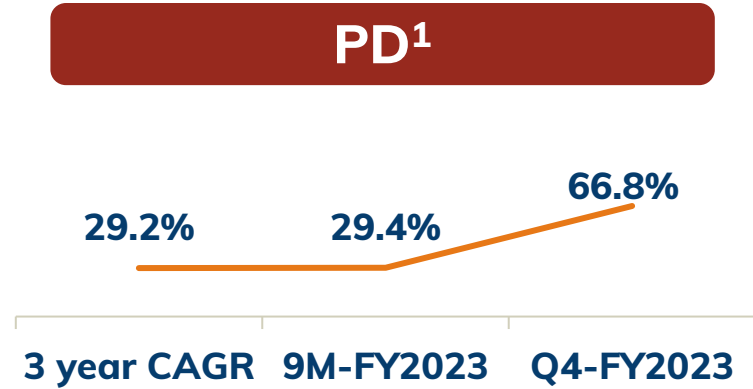
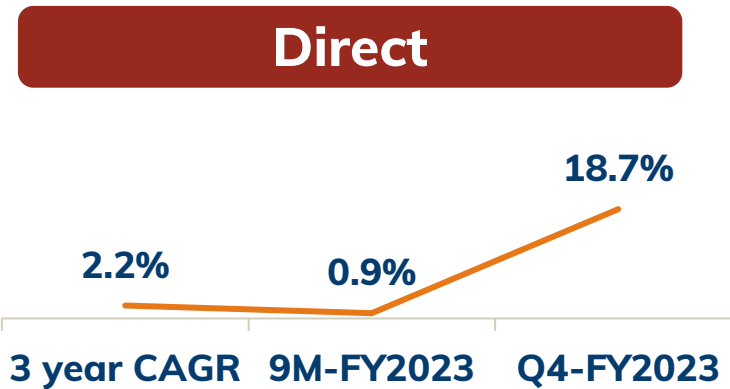
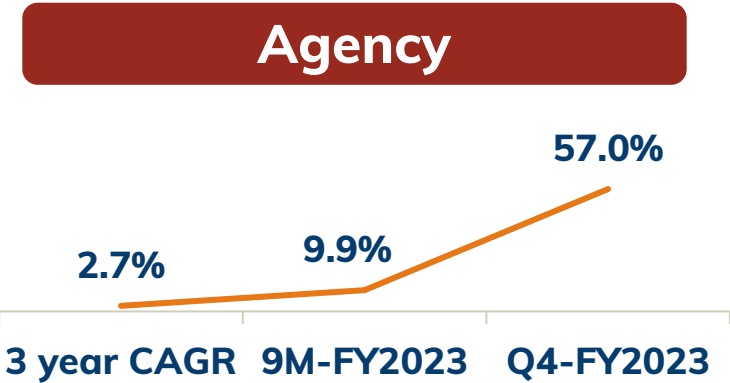
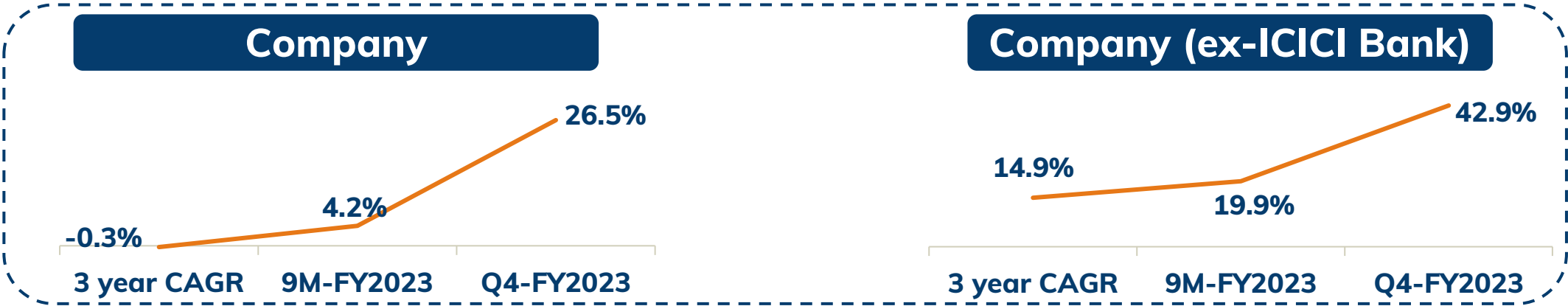


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* Direct comprises sales through own website & employees on roll

Accelerated growth across channels

Premium growth

- Focus on agency & direct to consumer channels
- Continue to expand bank partnerships
- Sustain growth in annuity line of business



18.1% CAGR² of Company APE (ex- ICICI Bank) over four years



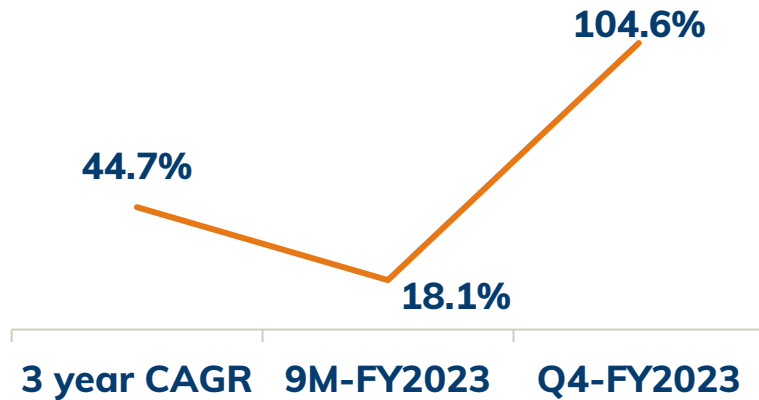
CAGR: Compounded annual growth rate
 3-years CAGR: FY2019 to FY2022; y-o-y growth for 9M-FY2023 & Q4-FY2023
¹PD: Partnership distribution including Bancassurance (other than ICICI Bank); ²Based on 4-year CAGR from FY2019 to FY2023; Growth based on annualised premium equivalent

Strong growth across products

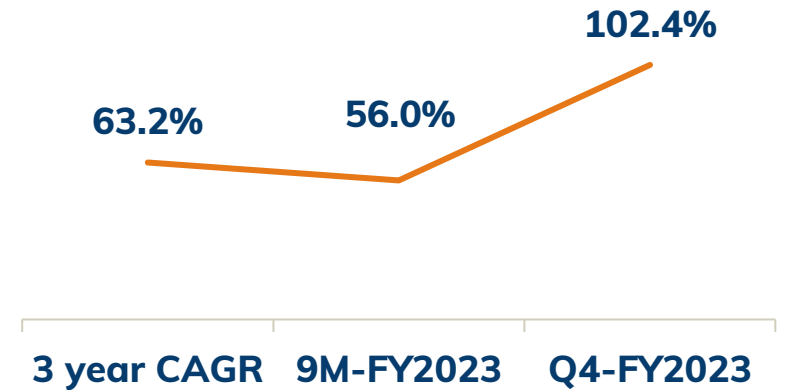
Premium growth

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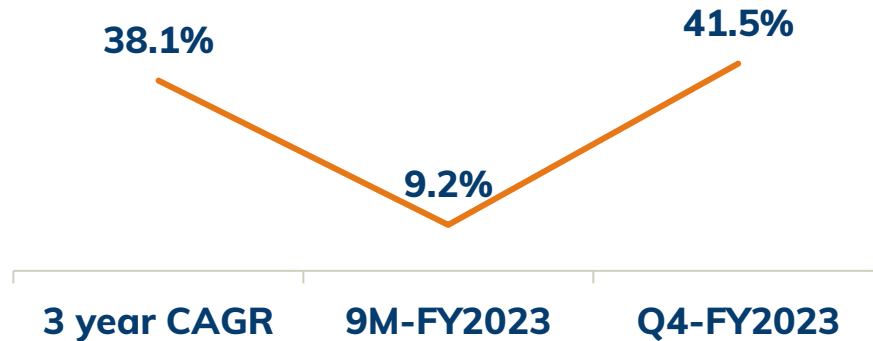
Non-linked savings



Annuity



Group funds



36.6% CAGR¹ across products (ex-linked)¹ over four years



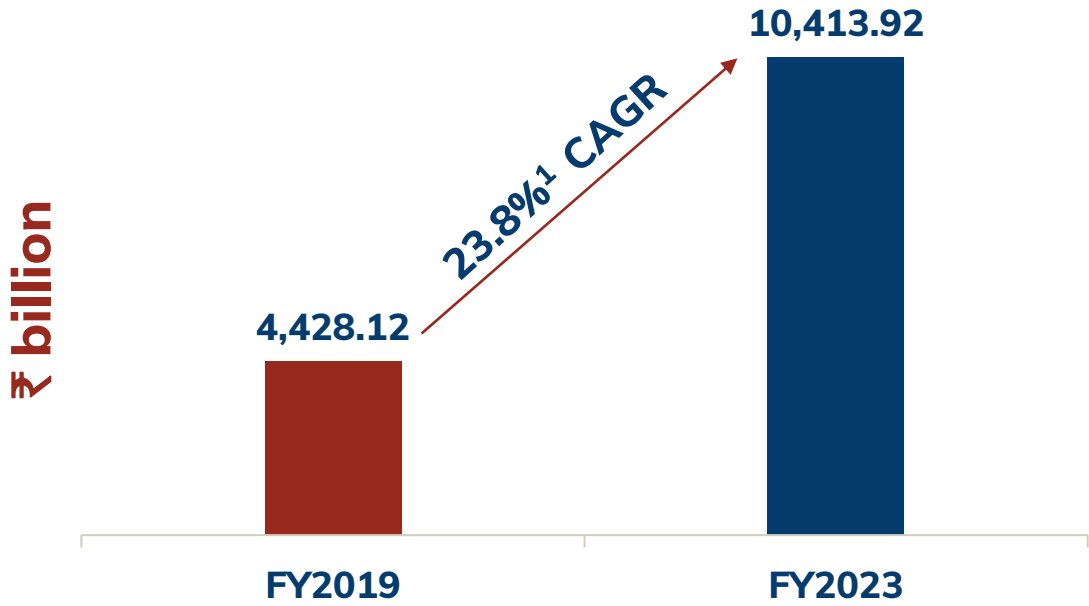
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¹Based on 4-year CAGR APE from FY2019 to FY2023
 Growth based on APE (annualised premium equivalent)

Robust protection growth

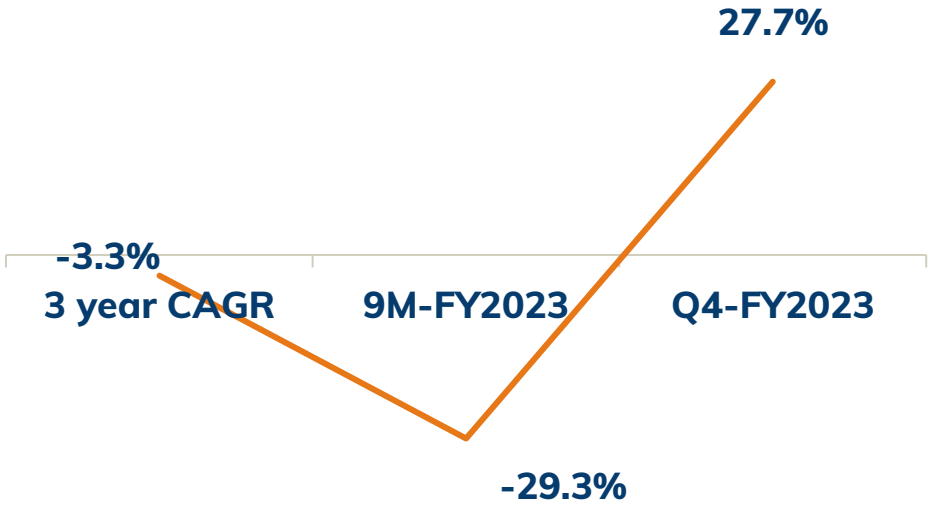
Protection focus

- Continue to leverage opportunity in group protection
- Focus on retail protection growth
- Increase risk retention for greater flexibility in a calibrated manner

New business sum assured



Retail protection



**Return to growth for retail protection, leveraged opportunity in group protection
20.2% four-year CAGR¹ for overall protection APE**



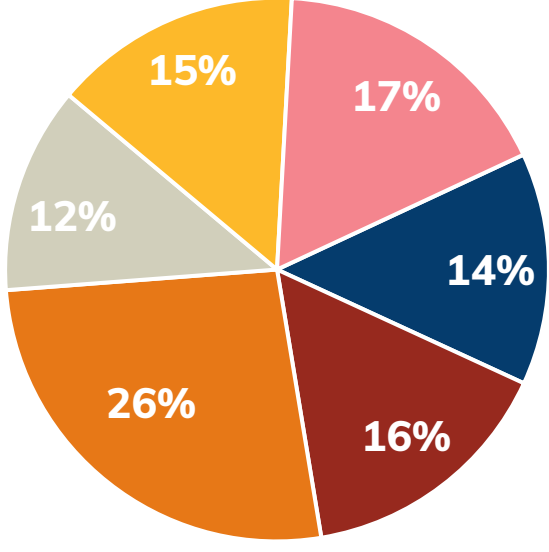
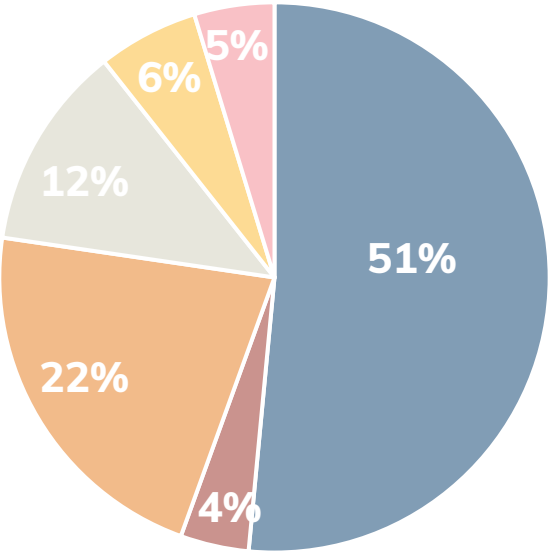
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¹Based on 4-year CAGR from FY2019 to FY2023
 Growth based on annualised premium equivalent

Resulting in diversified business mix

Distribution mix

FY2019

FY2023



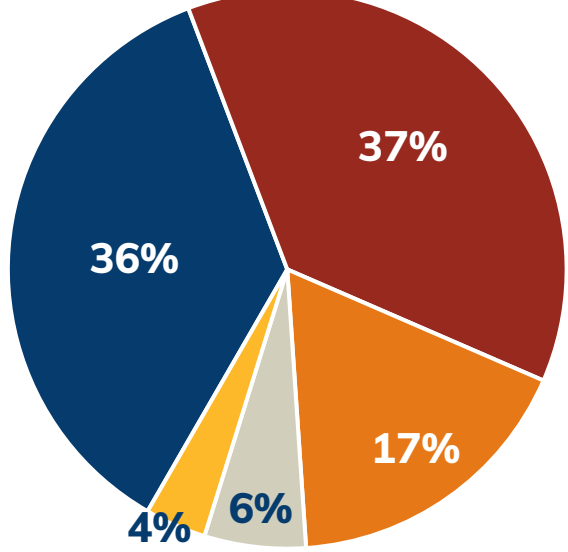
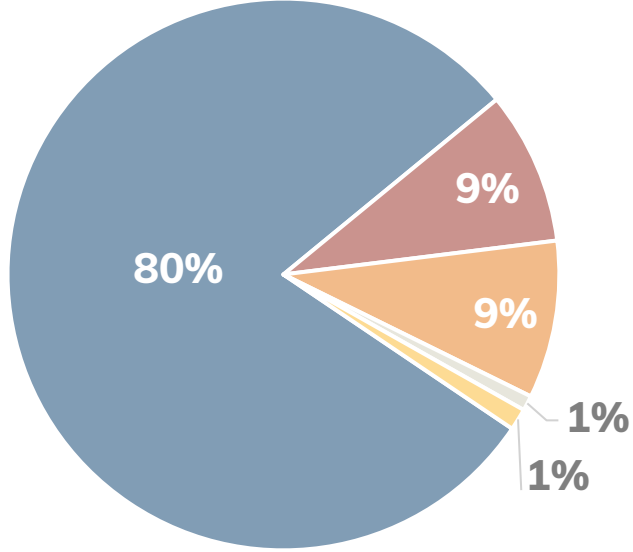
- Banca-ICICI Bank
- Agency
- Partnership Distribution

- Banca-Ex ICICI Bank
- Direct
- Group

Product mix

FY2019

FY2023



- Linked
- Annuity
- Non-linked
- Group
- Protection

Well positioned to deliver sustainable growth in the future



Based on annualised premium equivalent (APE)

Resilience across risks, capital & profitability

Insurance & investment risks

- Insurance risk
 - Emerging mortality experience is consistent with expectation
- High asset quality
 - 97.3% of fixed income in sovereign or AAA; 0.3% of fixed income below AA
 - Zero NPA since inception
- Prudent ALM
 - 74.4% of liabilities largely pass on market performance to customers
 - Non par guaranteed savings: FRA to hedge interest rate risks

Strong solvency ratio

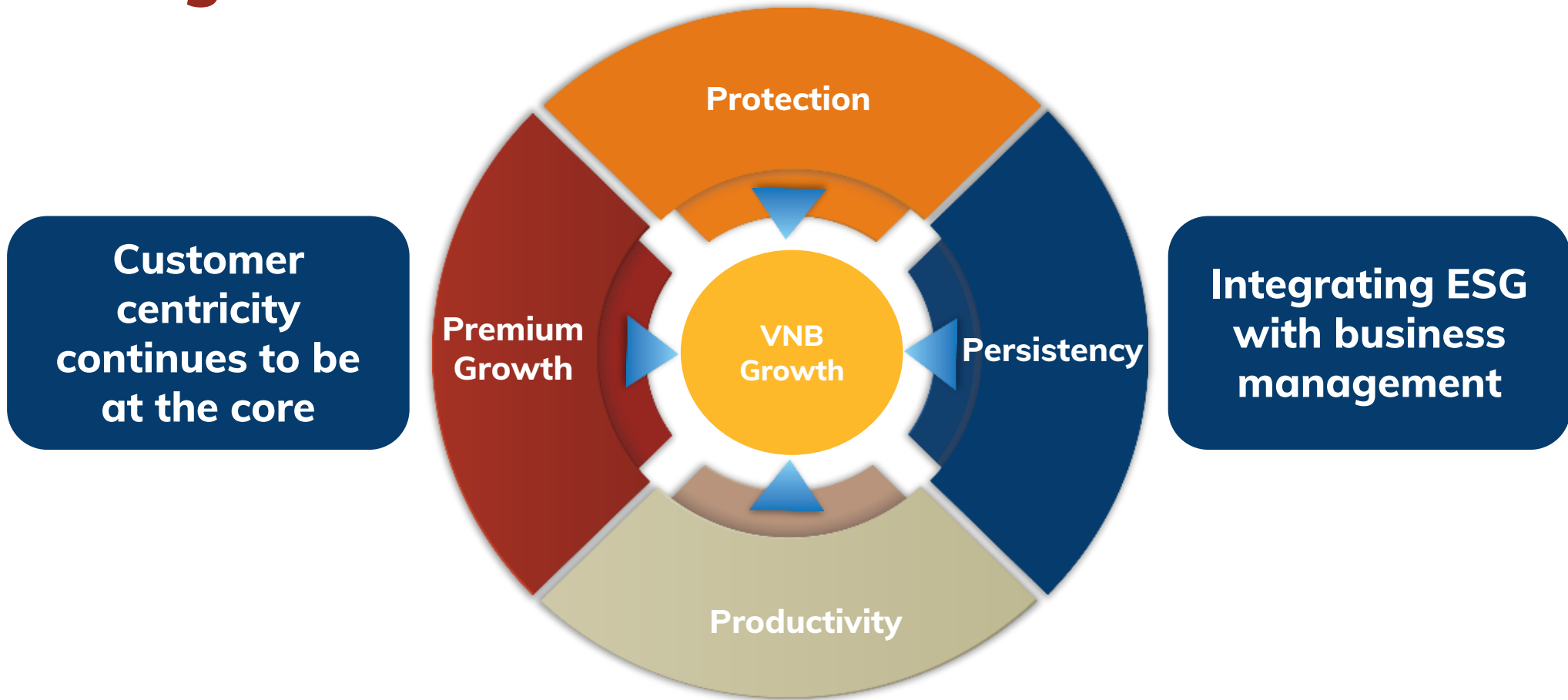
- Solvency ratio of 208.9% at March 31, 2023
- Ability to raise additional sub debt
- Economic solvency ratio¹ of 385% at December 31, 2022

Profitability

- Focus on absolute VNB
 - VNB CAGR of 20.1% over 4 years
- Improvement in VNB margins; industry leading

FY2023 performance

Key strategic elements



Aspiration to double the FY2019 VNB in four years

Extensive distribution footprint

Strategy: Create depth & add width

- 908 partnerships; 113 new partnerships
- Non-linked savings 70%, protection & annuity mix 22%

Strategy: Digital focused upsell campaigns

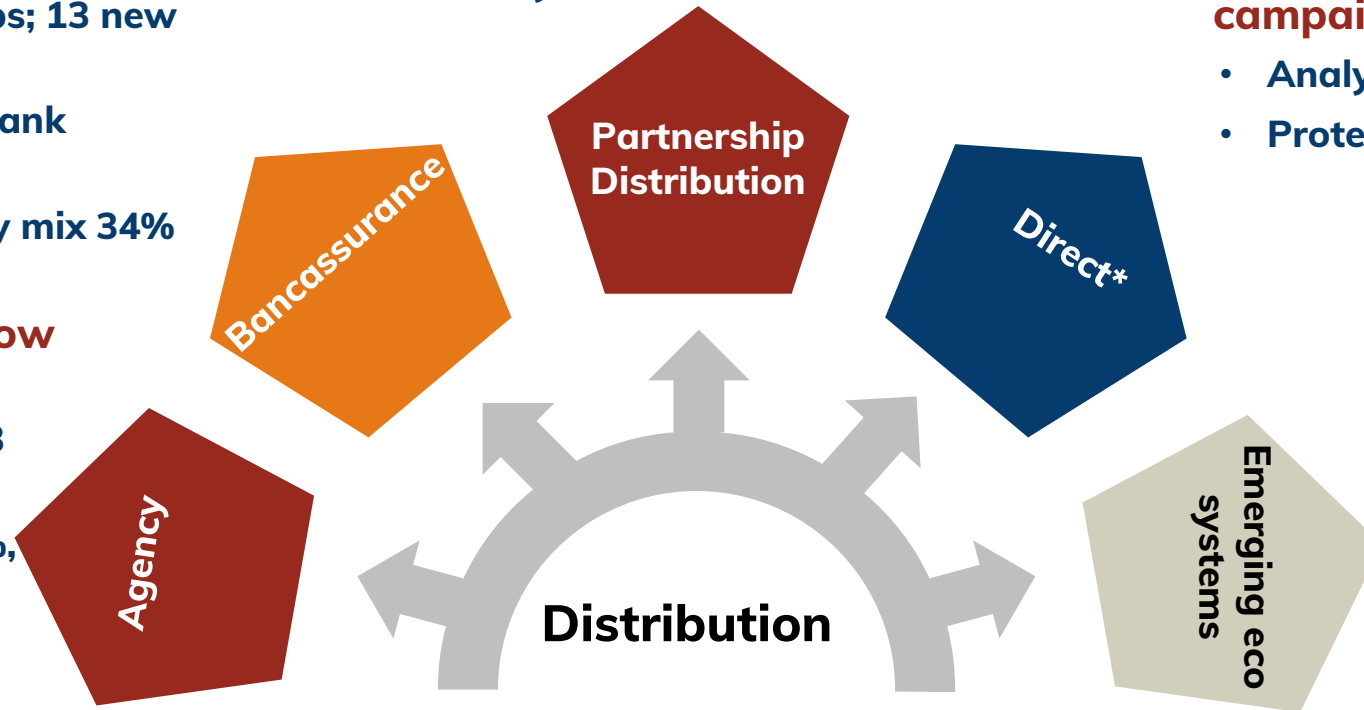
- Analytics driven upsell channel
- Protection & annuity mix 44%

Strategy: Build profitability

- 39 bank partnerships; 13 new banks
- Access to >17,500 bank branches
- Protection & annuity mix 34%

Strategy: Invest and grow

- 33,833 advisors recruited during FY2023
- Diversified product mix: Non-linked savings 43%, linked 32% and protection & annuity 25%



Strategy: Partner with non-traditional distributors

- Tie-up with wallets, payment banks, fin-tech companies etc.
- Product customization

>945 partnerships including 39 banks; >200,000 advisors

Premium growth (1/2)

Premium growth

- Focus on agency & direct to consumer channels
- Continue to expand bank partnerships
- Sustain growth in annuity line of business

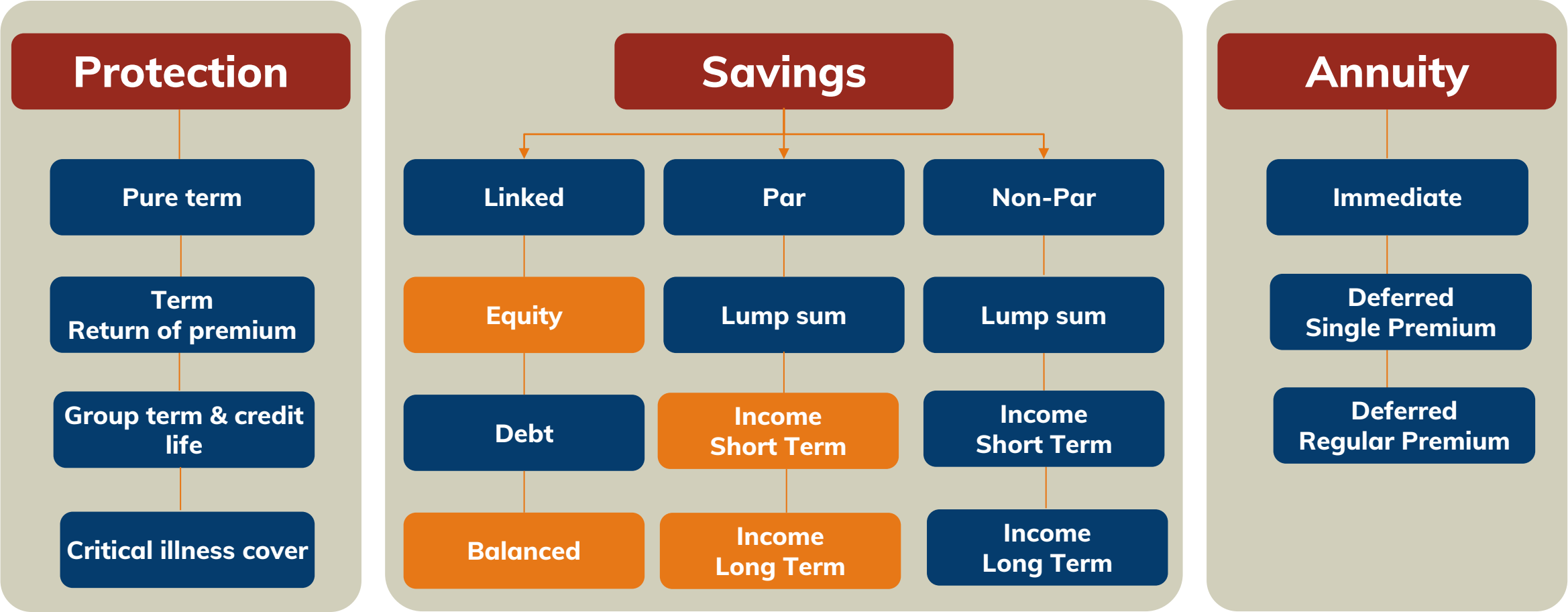
Channels	FY2022	FY2023	Y-o-Y growth (%)
Agency	18.28	22.81	24.8%
Banca (ex-ICICI Bank)	10.85	13.41	23.6%
Direct	9.97	10.64	6.7%
Partnership distribution	7.16	12.76	78.2%
Group	11.80	14.85	25.8%
Sub-total	58.06	74.46	28.2%
ICICI Bank	19.26	11.94	(38.0%)
Total APE	77.33	86.40	11.7%

Strong performance across channels



APE: Annualised Premium Equivalent, Y-o-Y: Year on year
Total may not add up due to rounding off

Comprehensive product suite



Comprehensive product suite to address varied customer needs



Segments where new products or new funds introduced in FY2023 are highlighted in orange

Products across all categories



Non-linked

Savings

Linked

Savings with guarantee and equity participation

Guaranteed savings; Immediate/ Deferred Annuity

ULIP: Suite of funds for Equity and Debt

ULIP: with capital guarantee



Retail

Protection

Group

Pure term, term with accident cover

Critical illness, Disease specific

Pure term, Micro insurance, Credit insurance, Critical illness



New products launched in FY2023

Premium growth (2/2)

Premium growth

- Focus on agency & direct to consumer channels
- Continue to expand bank partnerships
- Sustain growth in annuity line of business

Product segments	FY2022	FY2023	Y-o-Y growth (%)
Savings	64.20	71.36	11.2%
<i>Linked</i>	<i>37.38</i>	<i>31.02</i>	<i>(17.0%)</i>
<i>Non-linked</i>	<i>21.21</i>	<i>32.21</i>	<i>51.9%</i>
<i>Annuity</i>	<i>3.00</i>	<i>5.07</i>	<i>69.0%</i>
<i>Group funds</i>	<i>2.61</i>	<i>3.06</i>	<i>17.2%</i>
Protection	13.13	15.04	14.5%
Total APE	77.33	86.40	11.7%

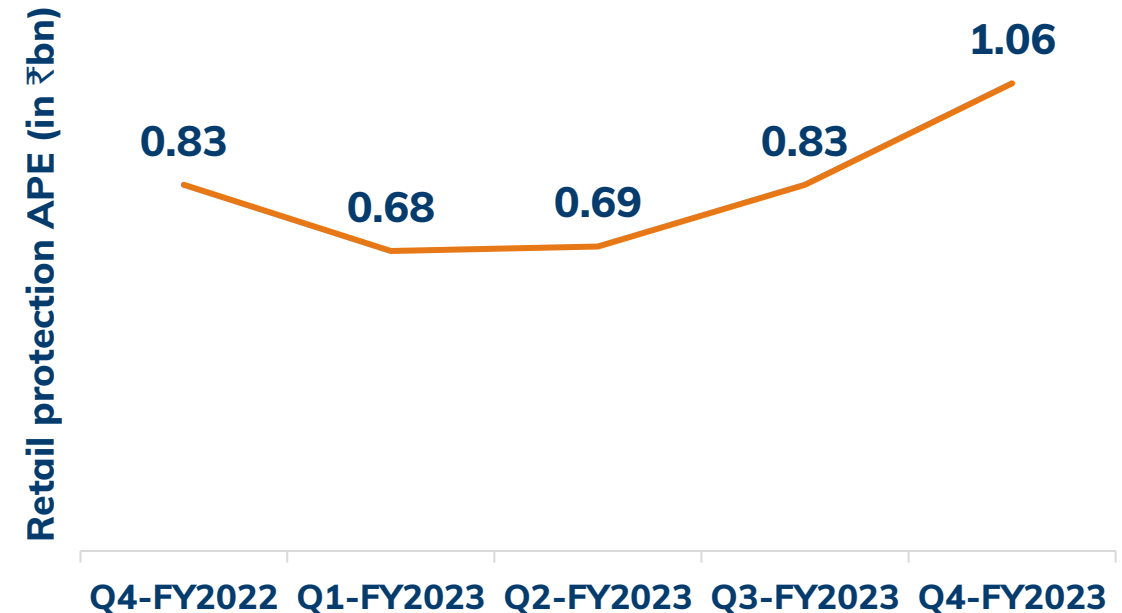
Growth across all segments other than linked business

Protection growth

Protection focus

- Continue to leverage opportunity in group protection
- Focus on retail protection growth
- Increase risk retention for greater flexibility in a calibrated manner

₹ billion	FY2022	FY2023
Protection APE ¹	13.13	15.04
Y-o-Y growth	25.5%	14.5%
Protection mix ²	17.0%	17.4%
SA market share (%)	13.4%	15.0% ³



**Return to growth for retail protection;
28.2% y-o-y growth in group protection for FY2023**



¹Includes term with return of premium; FY2022: ₹ 0.14 bn, Q1-FY2023: ₹ 0.12 bn; Q2-FY2023: ₹ 0.13 bn, Q3-FY2023: ₹ 0.24 bn, Q4-FY2023: ₹ 0.25 bn; FY2023: ₹ 0.74 bn

²As % of total APE (retail & group combined); ³SA market share for 11M-FY2023

APE: Annualised Premium Equivalent, Y-o-Y: Year on year; SA: Sum assured based on overall new business

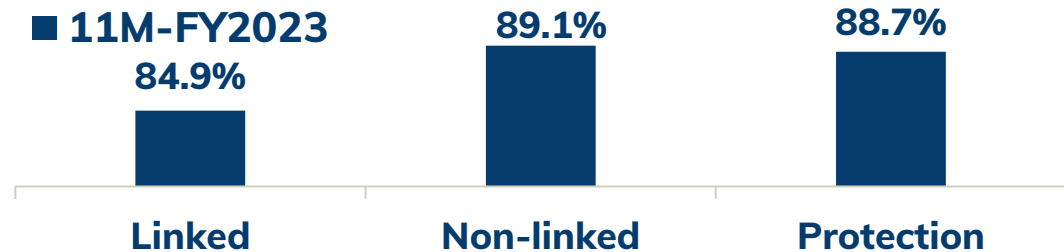
Persistency improvement

Persistency

Continue to focus on improving persistency across all cohorts

Persistency ¹	11M-FY2022	11M-FY2023	Y-o-Y
13 th month	85.7%	86.6%	↑ 90 bps
25 th month	77.2%	77.8%	↑ 60 bps
37 th month	67.1%	71.3%	↑ 420 bps
49 th month	63.7%	64.2%	↑ 50 bps
61 st month	54.4%	65.7%	↑ 1130 bps

13th month persistency across product categories



Significant improvement in persistency across all cohorts



¹ Regular & limited pay persistency in accordance with IRDAI circular on 'Public disclosures by insurers' dated September 30, 2021; 12 month rolling persistency

Productivity improvement

Productivity

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

₹ billion	FY2022	FY2023	Y-o-Y growth
APE	77.33	86.40	11.7%
Total expenses	53.63	64.75	20.7%
Cost/TWRP ¹ (%)	18.6%	21.5%	-
Cost/TWRP ¹ (savings LOB) (%)	12.8%	14.2%	-

Building for sustainable growth in the future

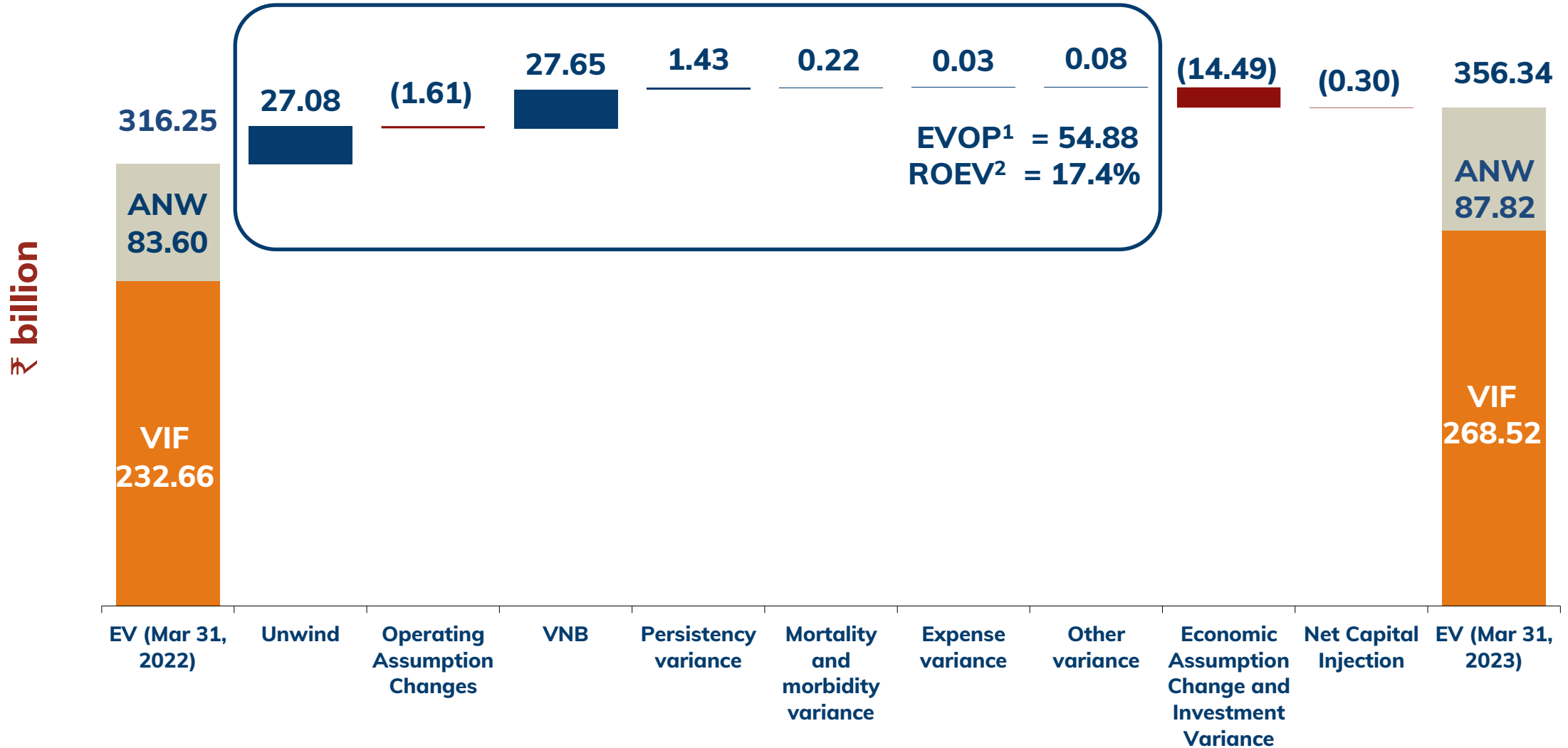
VNB growth levers update (4P)

₹ billion	FY2022	FY2023	Y-o-Y growth
Value of New Business (VNB)	21.63	27.65	27.8%
VNB margin	28.0%	32.0%	-

₹ billion	FY2022	FY2023	Y-o-Y growth
Premium growth (APE)	77.33	86.40	11.7%
Protection growth (APE)	13.13	15.04	14.5%
Persistency (13th month) ¹	85.7%	86.6%	-
Persistency (49th month) ¹	63.7%	64.2%	-
Productivity (Cost/TWRP: Savings) ²	12.8%	14.2%	-

Financial update

Analysis of movement in EV



¹ EVOP is the embedded value operating profit net of tax

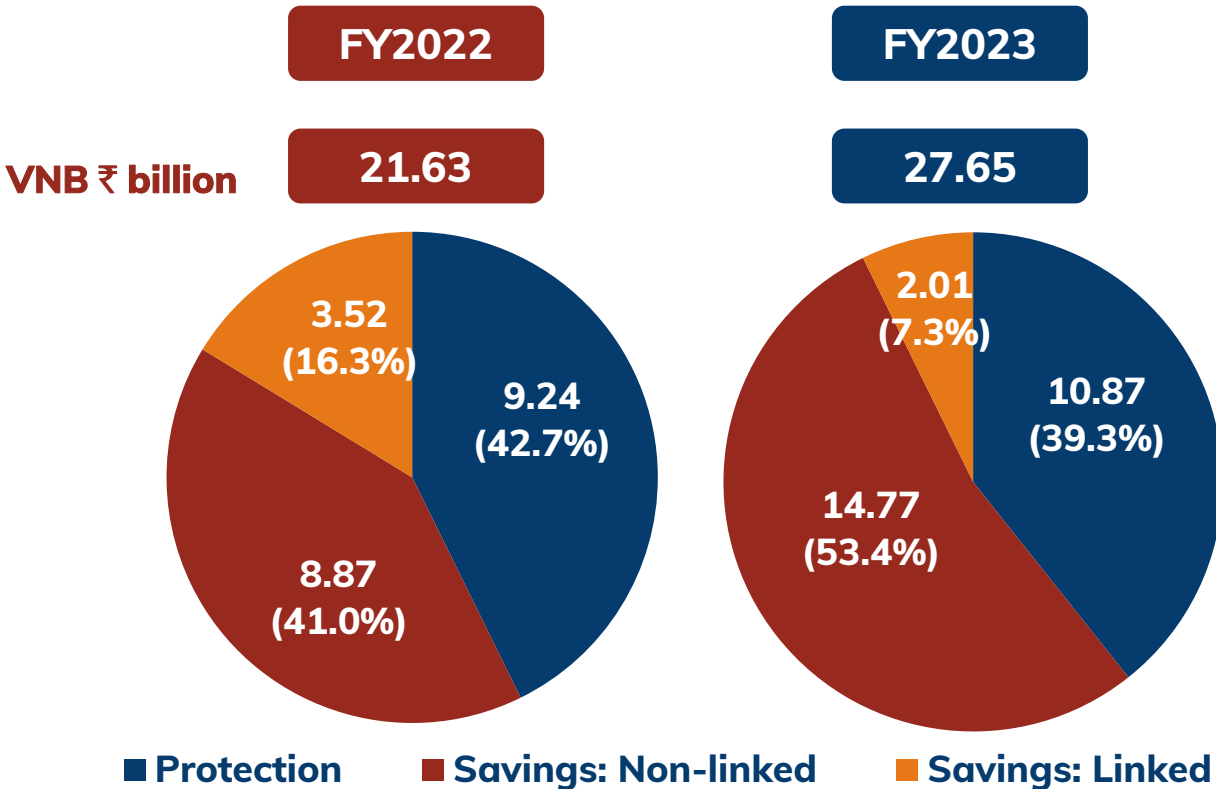
² ROEV is the return on embedded value net of tax

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

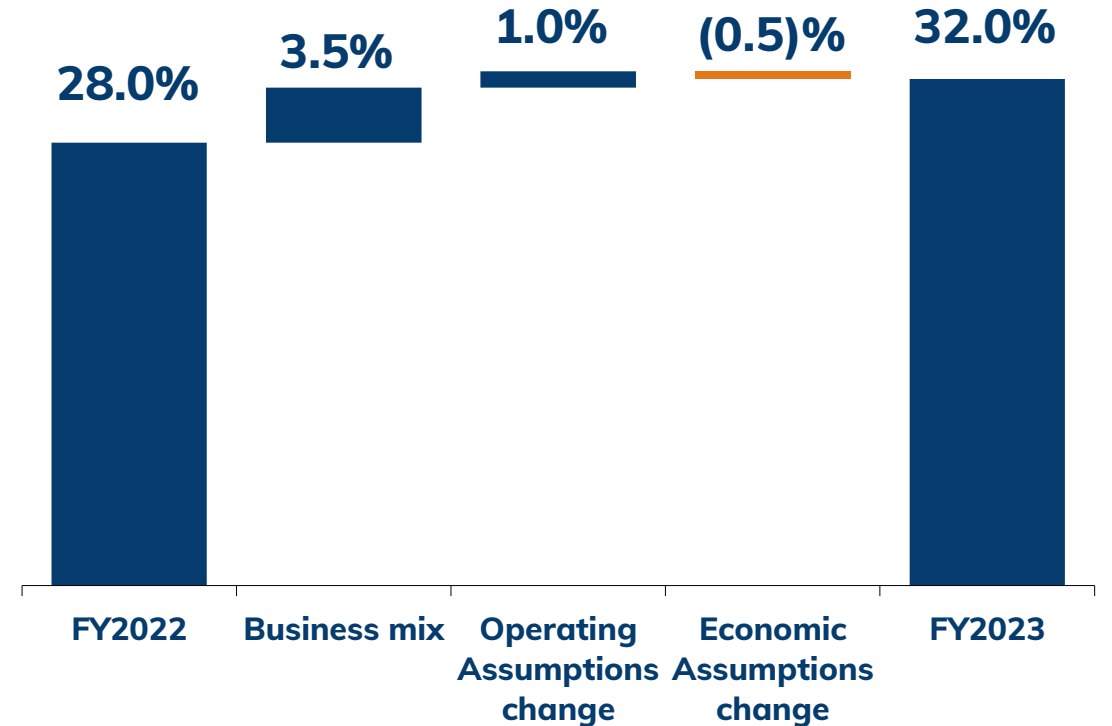
ANW: Adjusted new worth; VIF: Value of inforce; EV: Embedded value; VNB; Value of new business

Value of New Business (VNB)

VNB contribution*



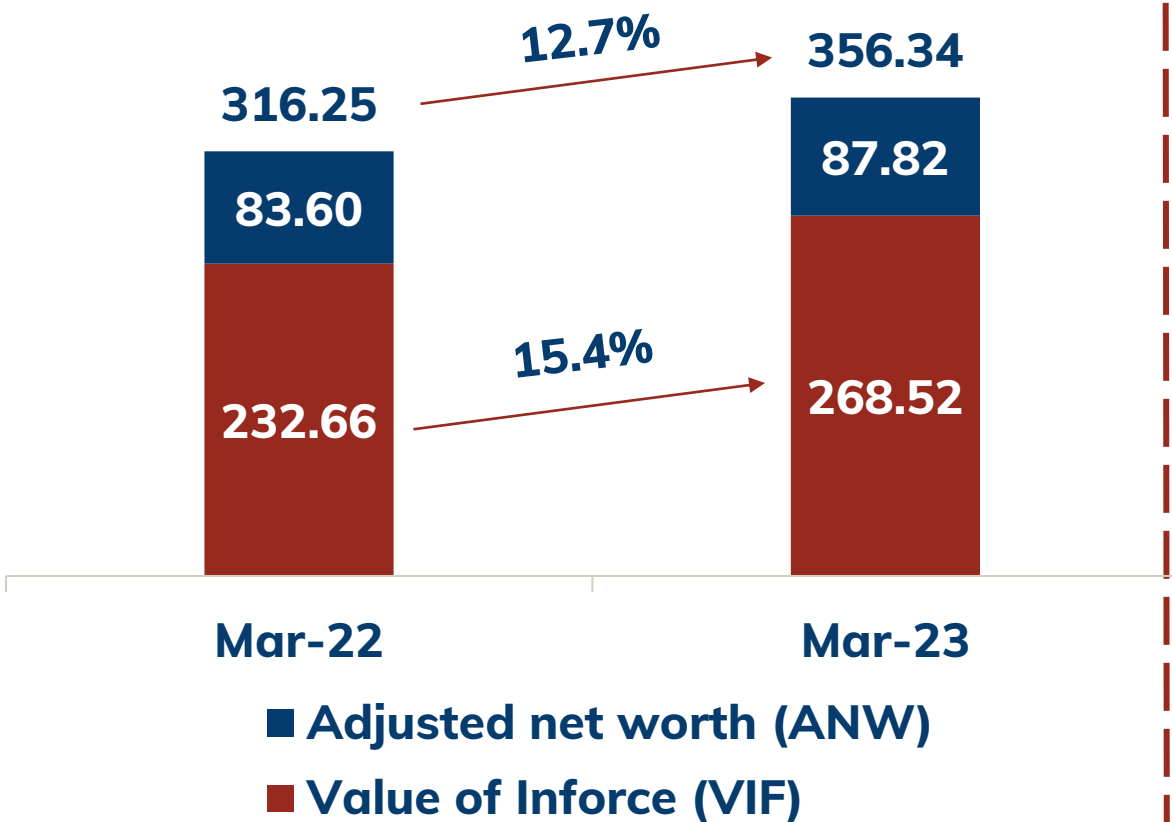
VNB margin movement



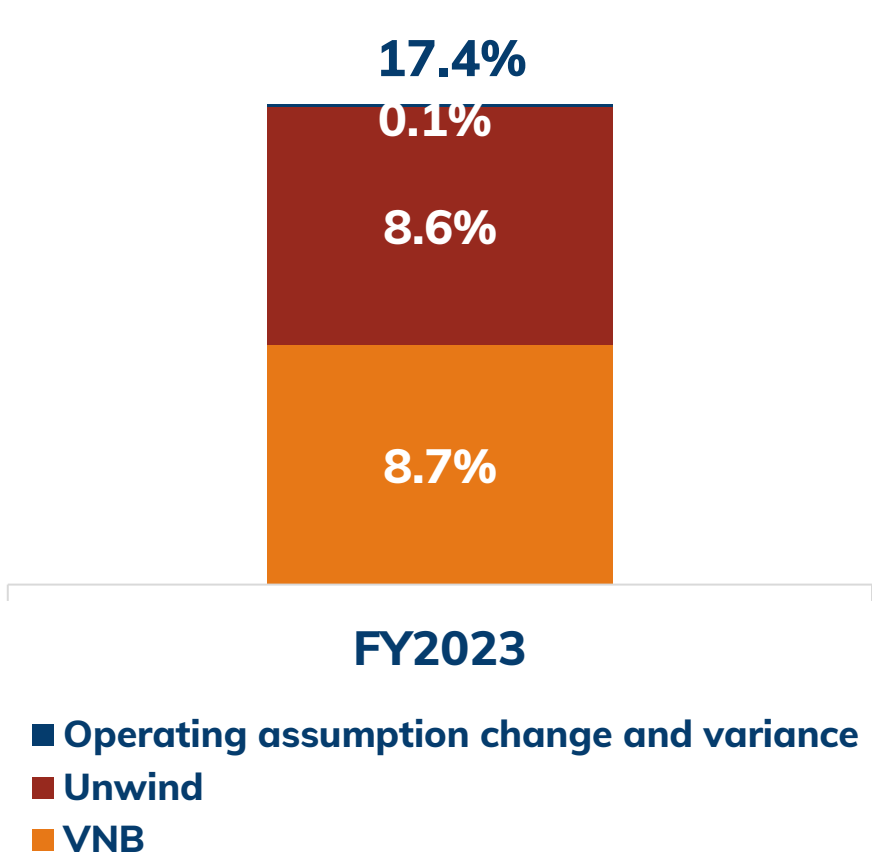
Well diversified pools of profit

EV & ROEV composition

EV composition



ROEV composition



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)

Financial metrics

₹ billion	FY2022	FY2023
Profit after Tax	7.54	8.11
Solvency ratio	204.5%	208.9%
AUM	2,404.92	2,511.91

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 approach

- Analysis of assessment by ESG research firms on each parameter
- Benchmarking of ESG disclosures by companies with good scores
- Introduction of initiatives & disclosures based on gap analysis
- *Outcome: Continue to maintain rank as highest rated Indian insurance company according to two well known ESG rating agencies; Improvement in ESG score by FTSE Russell in Q1-FY2023*
- *Conferred with the 'Corporate Governance' award at the 'Dun & Bradstreet ESG Leadership Summit 2023'*

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 13,035 tonnes in FY2023 compared to 14,559 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

Innovation @ICICI Prulife

Grounds-up & an outside-in approach to innovation

Identifying opportunities



Employee ideas



External scanning



Customer feedback



Innovation partner program



Converting ideas to impact



Driving projects to streamline processes, address immediate business challenges and explore new growth areas for business

Building a culture of innovation by encouraging every employee to share ideas



powerful ideas
infinite possibilities

A simple & accessible digital portal is available to employees across the organisation for sharing ideas



Business challenges
to solve on-ground
business challenges



**Brainstorming &
co-creation workshops**
with cross-functional teams



Employee recognition
in internal and
external forums

More than 1,200 employees have actively participated and shared ideas

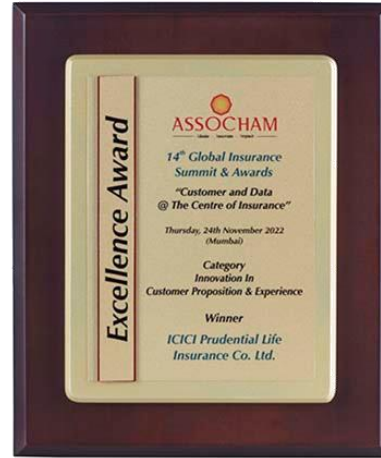


These ideas are reviewed and prioritized through a structured process for implementation by cross-functional teams

Recognised in various external forums



ICICI Prudential Life Insurance wins Jury Award for **'Best Innovation and Diversification** introduced by a Company' at the 3rd Emerging Asia Awards 2021 by the Indian Chamber of Commerce (ICC)



ICICI Prudential Life wins Excellence Award for **'Innovation in Customer Proposition and Experience'** in the ASSOCHAM 14th Global Insurance Summit & Awards FY 2022



ICICI Prudential Life wins **'Most Innovative Insurer – Life Category'** at the FICCI Insurance Industry Awards 2022

Technology @ICICI Prulife

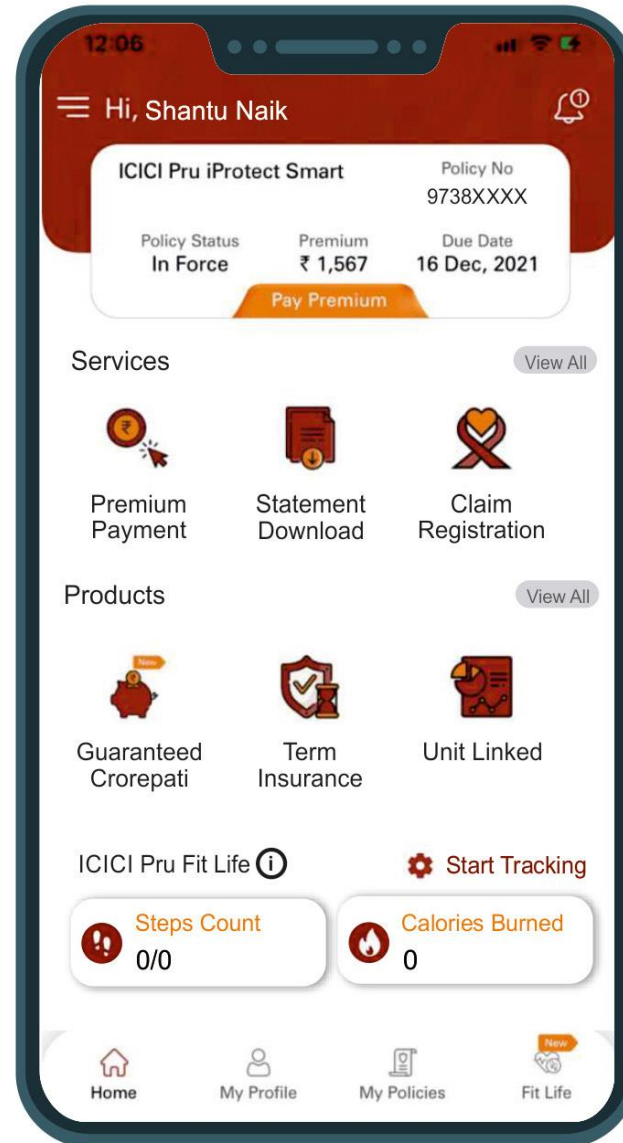
Digital @ICICI Prulife

~3.4 million digital service interactions every month

1.5 million+ app downloads

Best rated app: 4.4 and 4.5 rating on app store & play store respectively

Access to over 45 types of policy transactions



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

>92.5% 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

New business & growth

Pre-sales

Collaboration platform

Online meetings, joint sales calls, invite experts, share content 

24x7 cognitive bots

24x7 query resolution using chat bots viz. Chat Buddy, PSF Guru, Tara

Lead Management System

Enhanced with voice capability and geographical tagging 

Learner's Box and MyCoach

On-the-go e-learning modules with AI capabilities to improve pitch


Demand generation

Digital platform to generate interest, qualify leads with nurture framework and funnel management

Onboarding & issuance

InstaPlan - A pre-sales tool to create a customized solution for the customer by combining multiple products on the go

Digital journey

- ❖ End to end digital onboarding
- ❖ Form pre-fill with OCR of KYC document
- ❖ 3-click PASA onboarding
- ❖ Term by invite – pre approved offers
- ❖ Smart doc upload with instant OCR 
- ❖ E-Quote app
- ❖ Video risk verification
- ❖ Tele & video underwriting


Leveraging eco system

- ❖ Partner and third party data for pre-population and process de-congestion
- ❖ Account aggregator integration to get income details for financial underwriting

Partner integration

- ❖ Partner integration portal
- ❖ Easy UI – Pre-coded premium quotation pages
- ❖ Data pre population
- ❖ No KYC document, digital payment with SI and digital consent

Video based Pre -issuance verification on WhatsApp

- ❖ Instant certificate of issuance
- ❖ Instant refund into customer account, in case of cancellation 
- ❖ Video verification and CKYC as a service enabled for partners
- ❖ End-to-end digital journey for group partners

Group portal - An end to end automated process for on-boarding group customers

Customer service



Empowering customers

Self service

- ❖ ~3.4 mn digital service interactions monthly
- ❖ >92.5% service interactions are via self-help / digital modes



Renewals

- ❖ **Flexible premium payment options** including multiple UPI
- ❖ **Humanoid** - Two way conversational AI bot with speech recognition capability deployed in customer calls for renewal premium collection; provides superior customer experience and scalability



e-Insurance account facility provided to 4 mn+ policyholders to access their insurance policy details

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



Omni channel

Mobile application

- ❖ 1.5 mn+ app downloads with best app rating among the peers



24x7 chat/voice assistants

- ❖ LiGo chat bot; WhatsApp bot; E-mail bot



IVR

- ❖ Visual, intuitive and traditional IVRs cater to 64% of eligible customer, thus improving productivity

Digital Life Verification for Individual Annuity Customer



Digital experience



Personalization

Hyper personalization

Personalised messages to handhold customers throughout journey

Segmented targeting

Reaching the customer by mapping their interests/affinities



Interactive banners

Banners with built-in calculators for instant and customised quotes



Search engine optimization –

Use of Machine Learning (ML) to rank ICICI Pru higher on search engines



Actionable insights

Nudge engine/ Actionable insights - Data analytics based system which suggests the best suited action to achieve the next goal



Smart solutions – Pre-approved personalized best offers for instant issuance and persistency backed by data

Modular data integration approach to meet partner requirements



Use of AI & ML to analyze structured & unstructured data

Cognitive automation – End-to-end process automation using intelligent and cognitive automation tools

Key initiatives taken in FY2023



Humanoid

Humanoid calling for activating inactive agents. Humanoid bot calls the advisor for

- ❑ Identifying reason for being inactive
- ❑ Sharing key benefits of being actively associated with us
- ❑ Setting up follow up meeting with options like face to face and over online platforms
- ❑ Information passed onto central team for assigning regional UM for activating the advisor



Empowering Partners

Micro services for powering partner systems for enhanced customer experience

- ❑ Customers can now initiate service requests like frequency change, modify premium payment option, and place other service requests on partner website or mobile app
- ❑ Pre-login nudge on document and underwriting requirement for first time right
- ❑ Account number validation for payout mandate using penny drop services



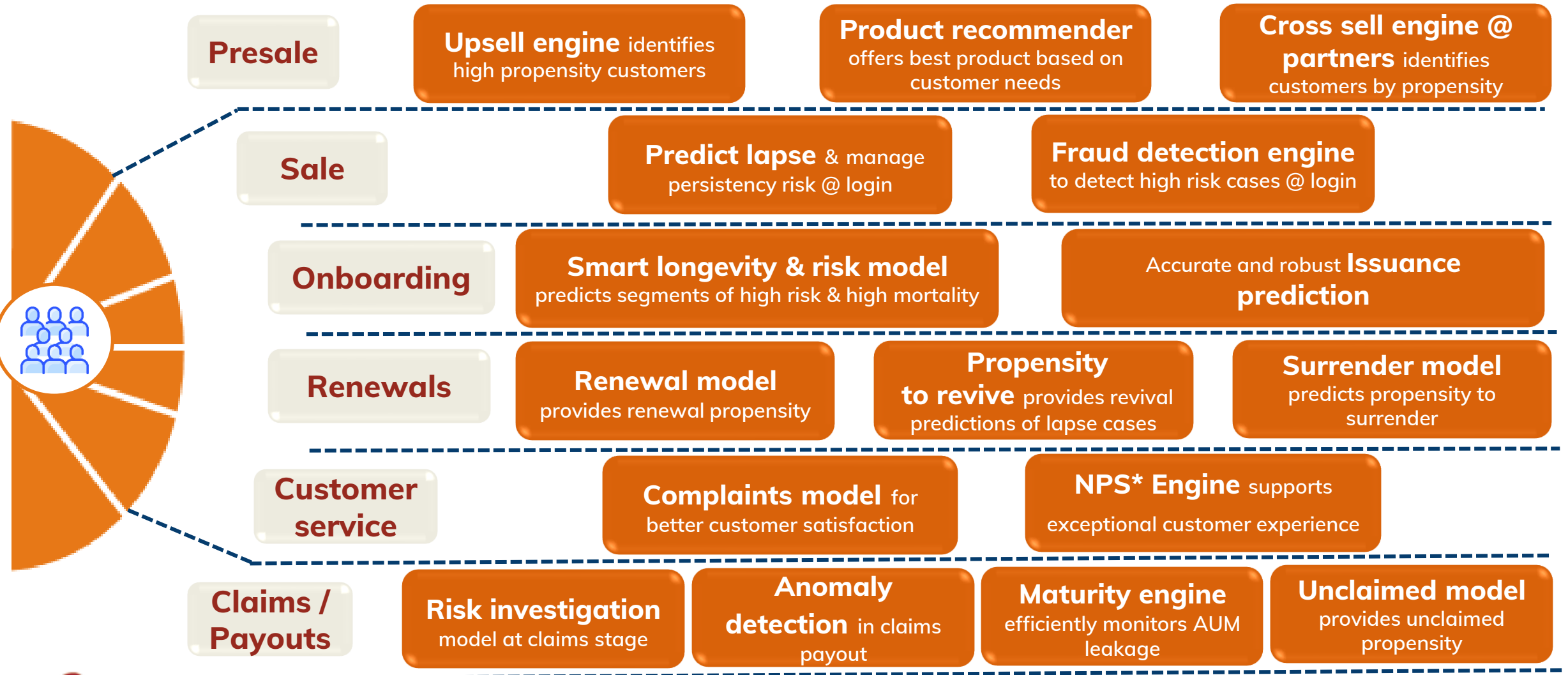
Seamless journey

Prefilling application and instant closure of KYC document requirement with CERSAI integration

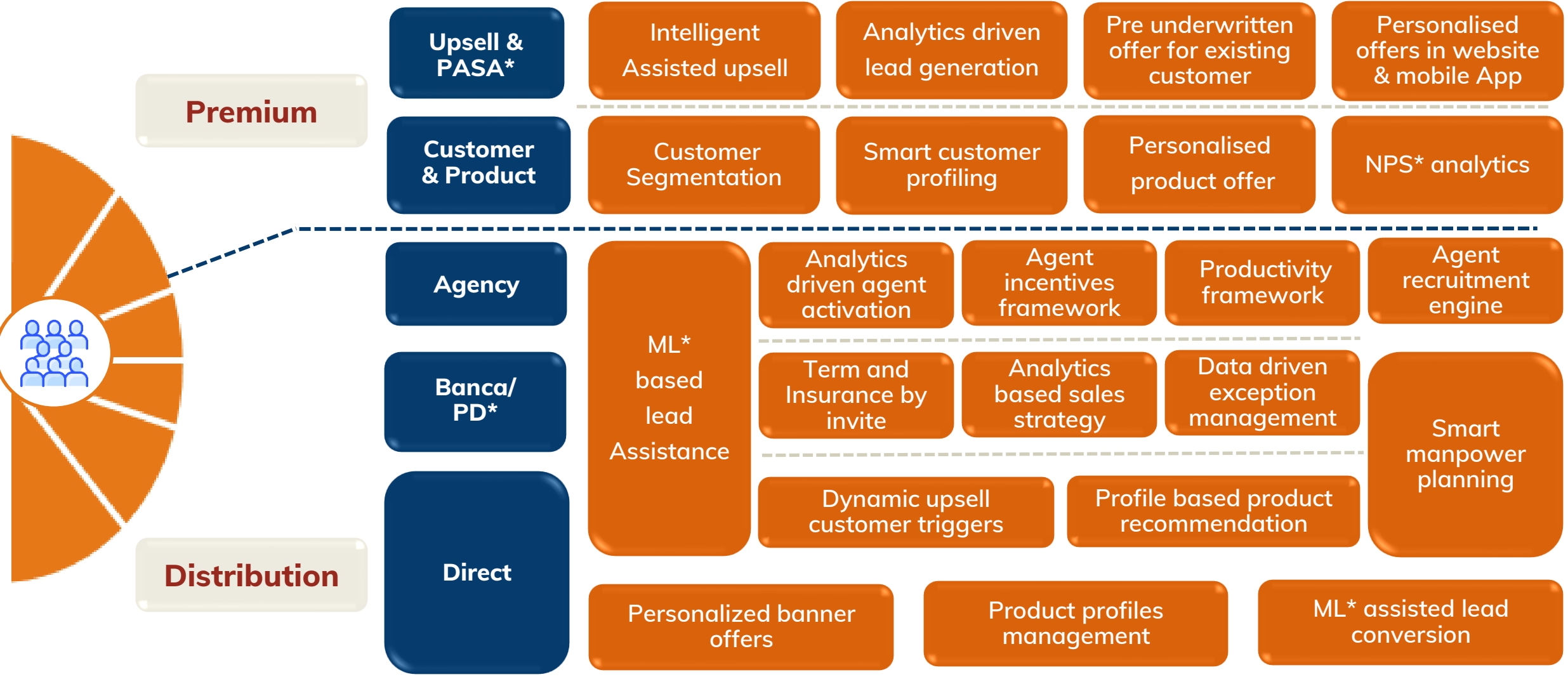
- ❑ In the digital application journey customer can opt for Central KYC
- ❑ Data is fetched basis PAN, mobile number and date of birth and displayed for customer confirmation
- ❑ Document received from CKYC is stored; instant closure of address, identity and age proof

Data science & analytics @ICICI Prulife

Data excellence at every phase of customer journey



Analytics engine at every stage of process & distribution



Analytics engine at every stage of process & distribution



Operations	Servicing	Servicing & complaint prediction	ML* driven customer retention	Contact management framework	ML* based upsell triggers at touch points	Customer satisfaction management
	Underwriting	ML* assisted A/E* prediction		ML* assisted longevity & risk prediction		ML* assisted issuance prediction
	Claim	Algo. assisted investigation trigger	Claims data mart	Claims fraud score	ML* assisted fraud detection	
	Persistency	ML* assisted renewal management	ML assisted deep lapse management	Data driven campaigns	Analytics based customer interventions	
Productivity	Risk	Algorithm based fraud detection		Analytics based additional due diligence		
	Others	Employee good order index score	Framework for employee recruitment	ML* assisted surrender management	Algorithm based maturity upsell	Unclaimed prediction framework

*ML: Machine Learning
*A/E: Actual to Exposure ratio

Awards

Awards & Accolades: FY2023

Awards for Most Innovative Insurer



FICCI Insurance Industry Awards 2022

Award for Excellence in Driving Distribution in Digital



FICCI Insurance Industry Awards 2022

Excellence Award - Innovations in Customer Propositions and Experience



Associated Chambers of Commerce and Industry of India (ASSOCHAM)

Gold Award from League of American Communications Professional (LACP)



LACP – 2022 Spotlight Awards (for the Annual Report)

'Sales Champion' in Life Insurance - Large category



The Economic Times Insurance Summit & Awards – FY2022

Excellence in Financial Reporting for Commercial Annual Report



ICAI Awards for the year 2021-22

Winner in the Life Insurance category



Outlook Money Awards – 2021 (Awarded in December 2022)

Corporate Governance



Dun & Bradstreet ESG Awards 2023

Silver in the BFSI category for the Campaign "Protect & Save"



The Campaign India PR Award 2022

Best Contact Centre of the Year



India Customer Excellence Summit and Awards - 2022

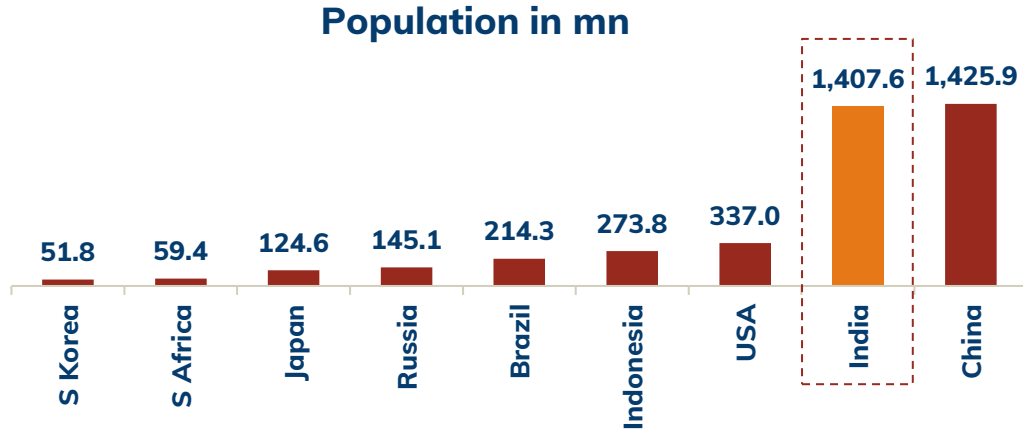
Agenda

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

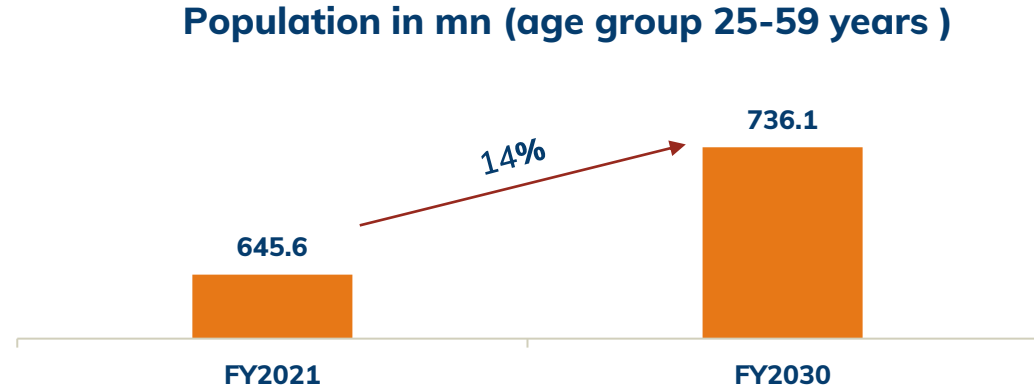


Favorable demography

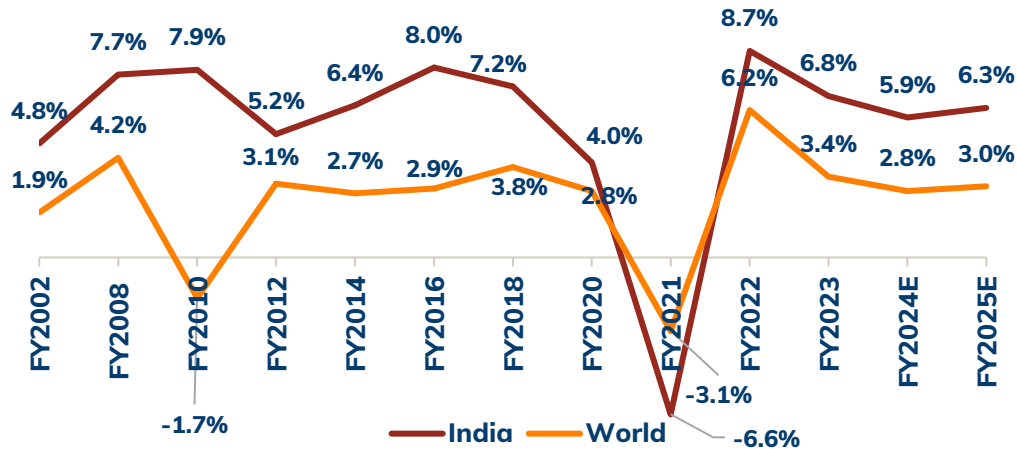
Large & growing population base¹



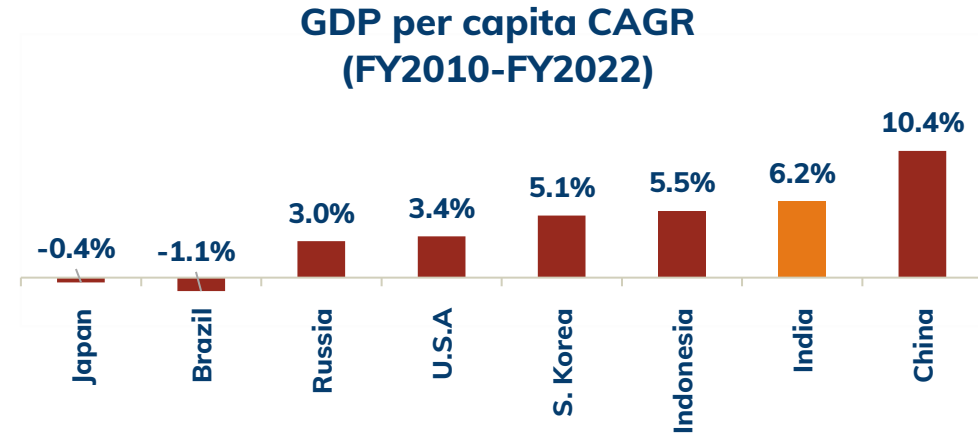
High share of working population¹



Driving GDP growth²



Rising affluence³



¹Source: UN population division at July 2022

²Source: WEO update, April 2023

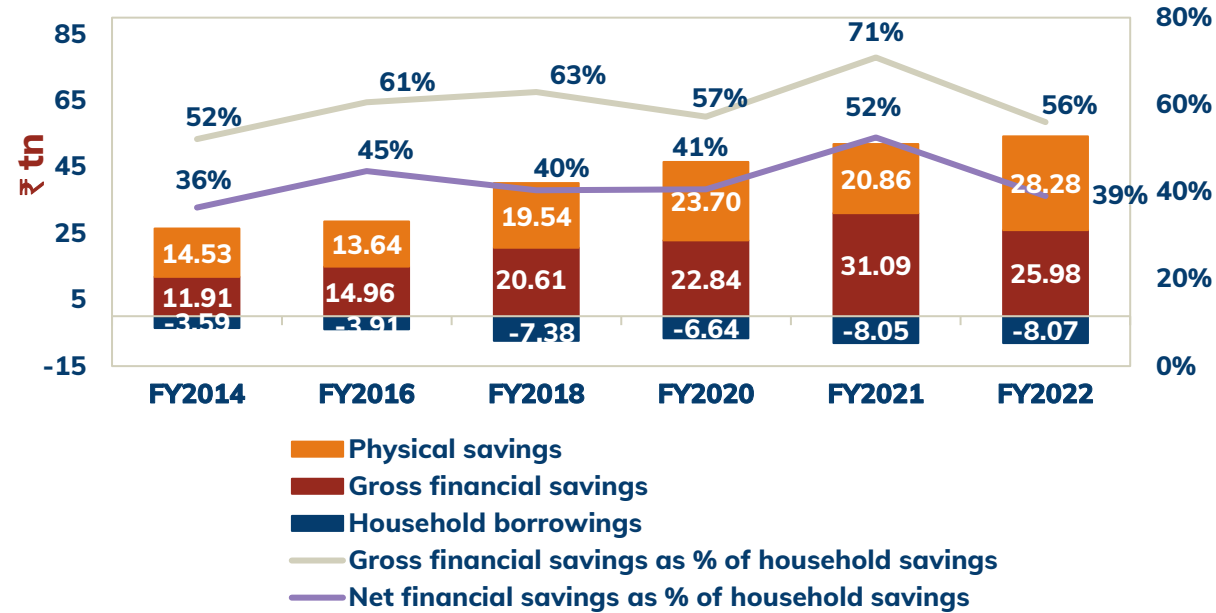
³Source: The World Bank

Compound annual growth rate (CAGR)

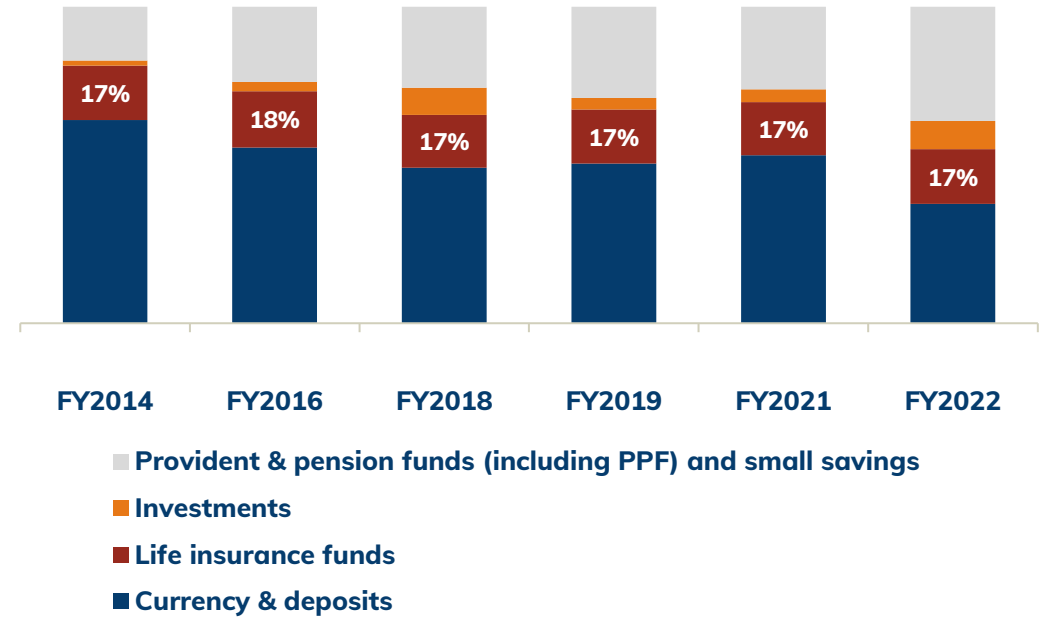
Gross domestic product (GDP)

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 premium³ as % of GDP

2.1% 4.0% 4.1% 3.3% 2.8% 2.7% 2.7% 2.8% 3.2% 2.9%

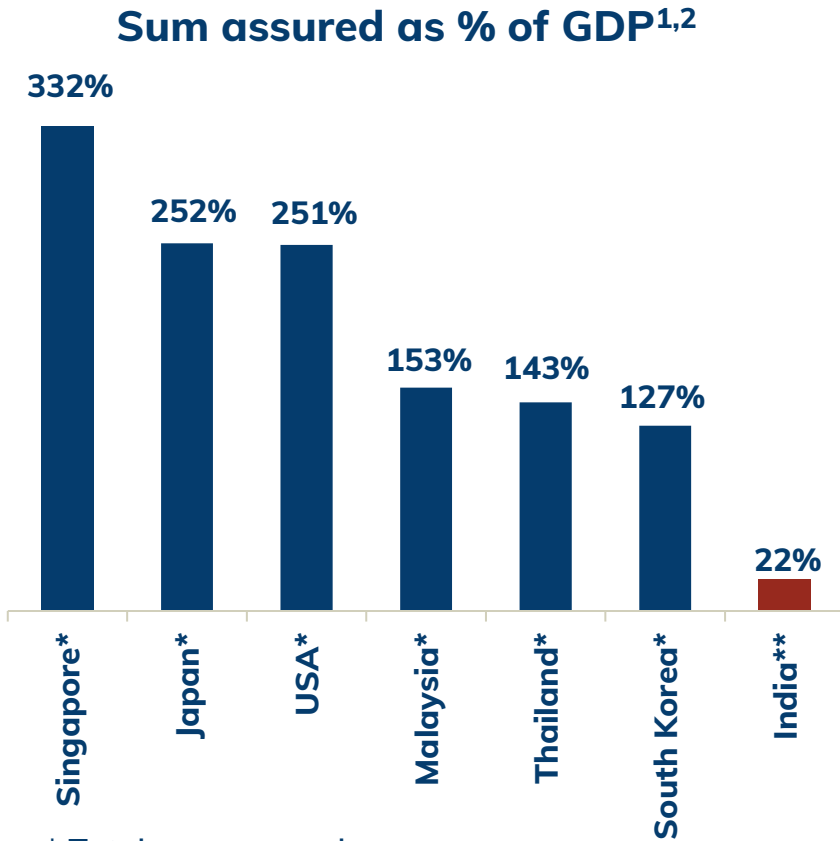


¹Source: RBI & CSO

²Source: RBI

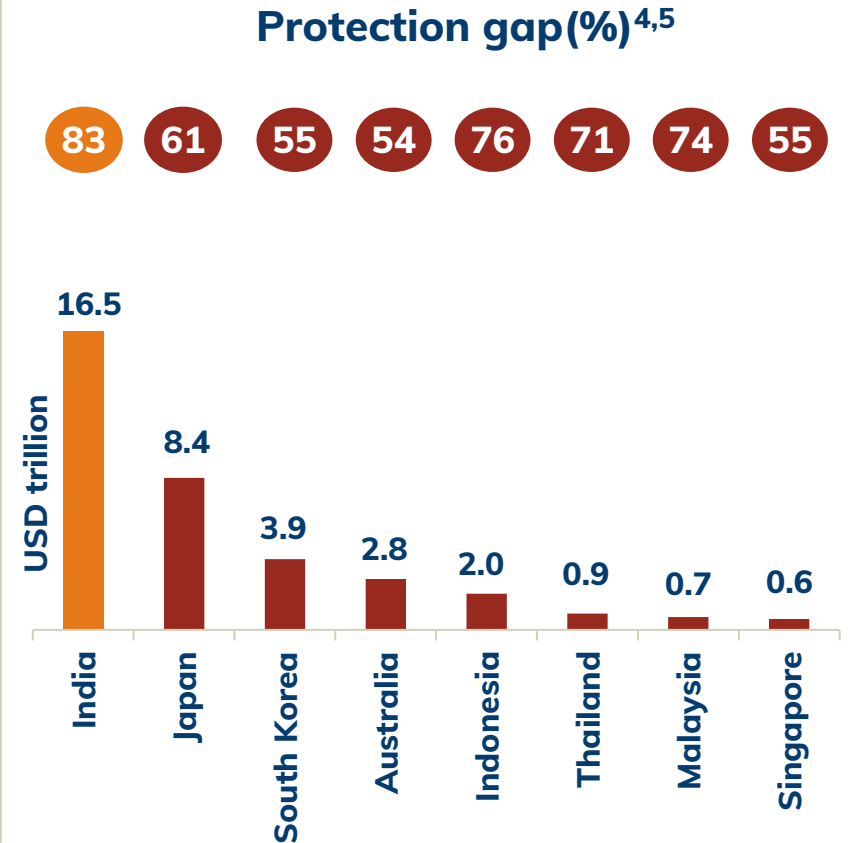
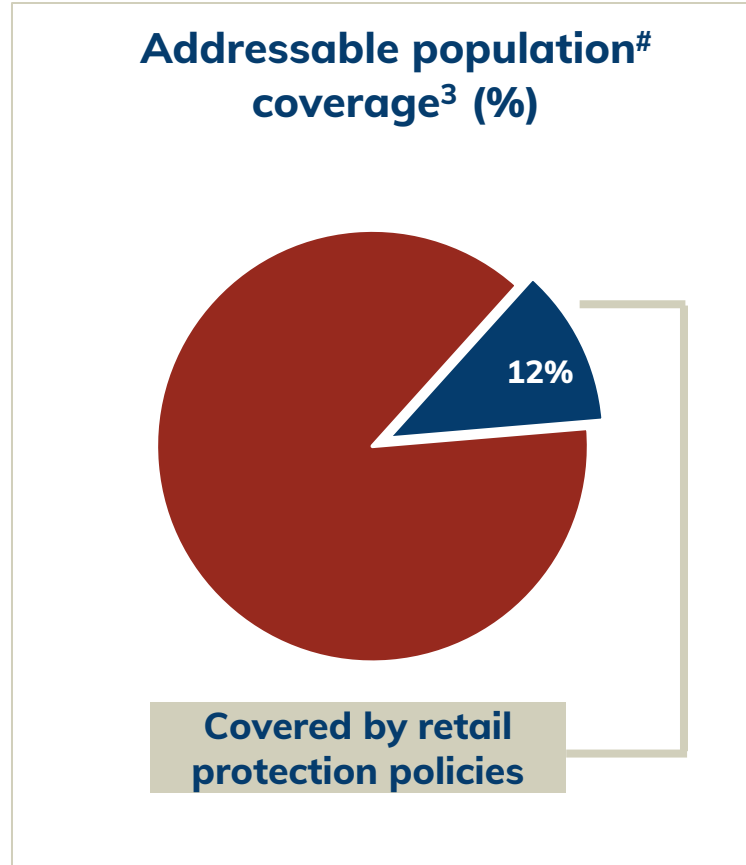
³Total life insurance industry premium including renewal; Source: IRDAI

Protection opportunity: Low penetration



* Total sum assured

** Retail protection sum assured (company estimates)



¹FY2022 for India, GDP Source: National statistics office

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

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

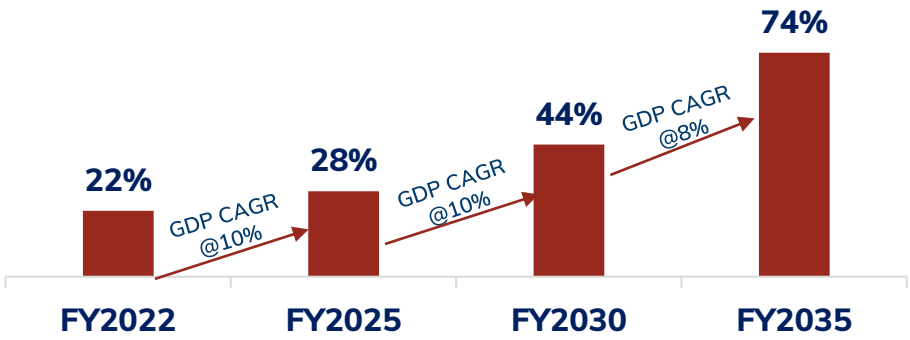
⁴Protection gap (%): Ratio of protection lacking/protection needed

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

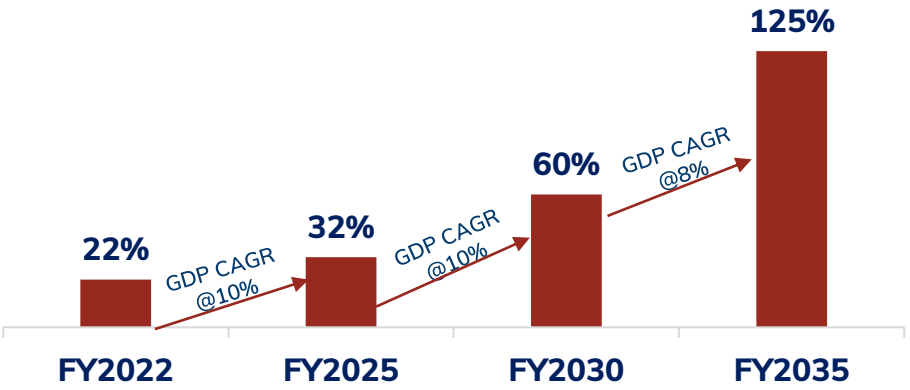
#Income tax department data with individual income > ₹ 0.25 mn & company estimates

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

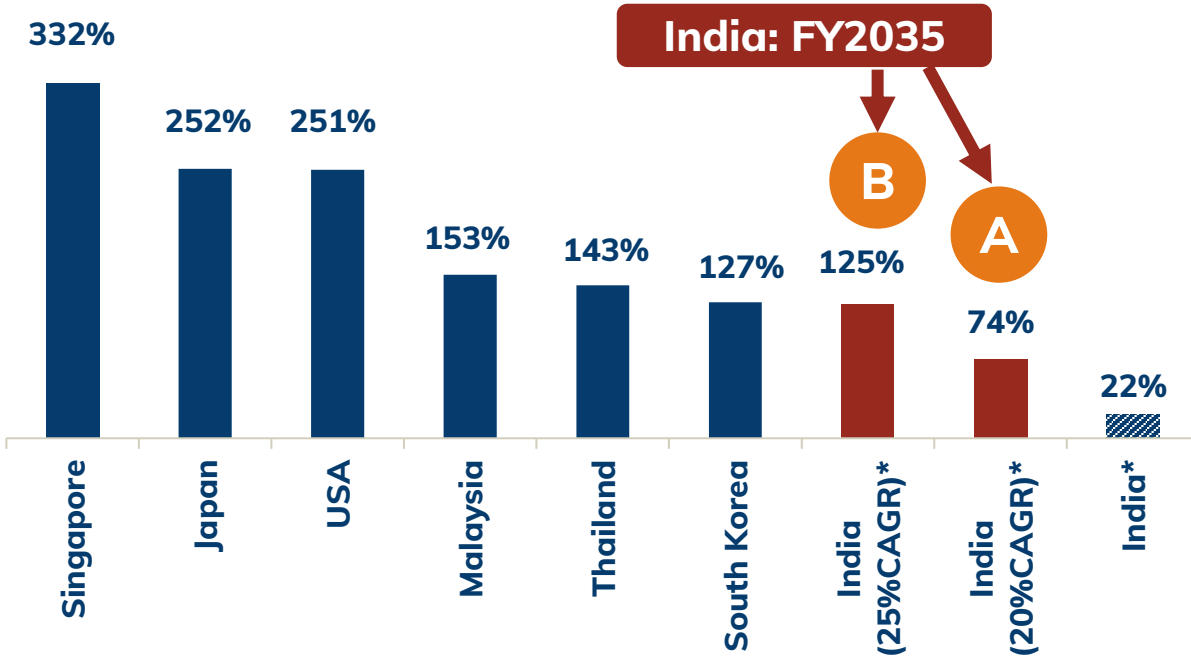
A SA as % of GDP (SA growth @ 20% CAGR)



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



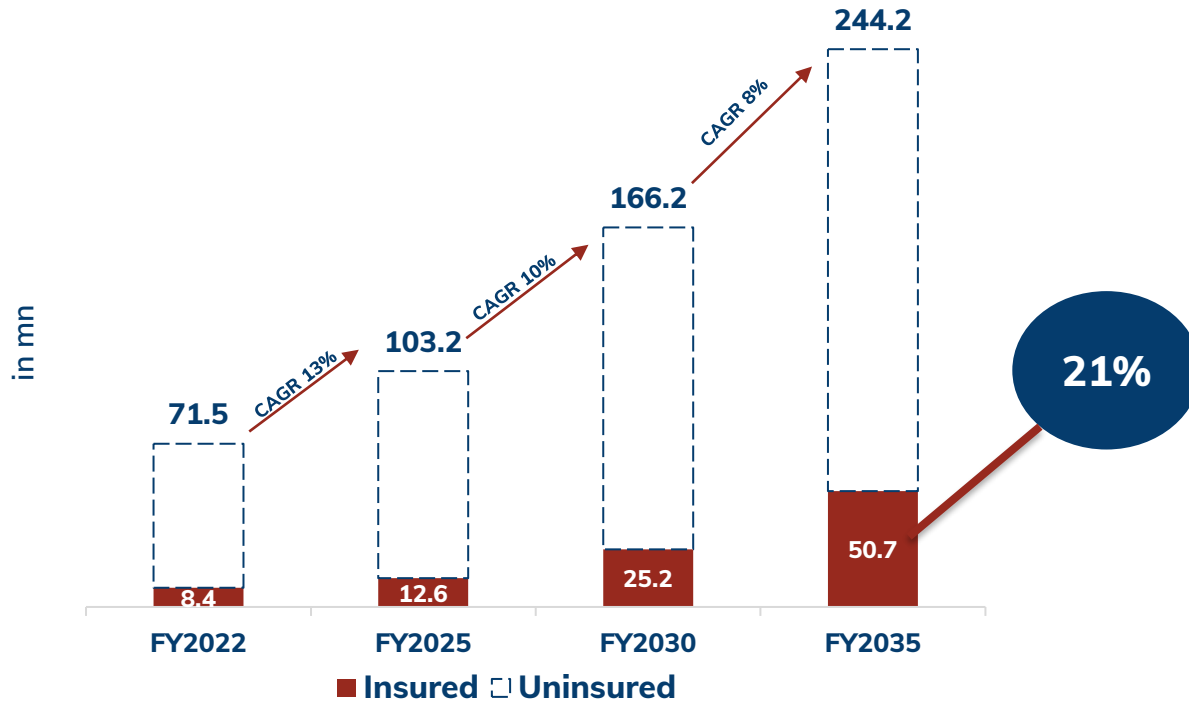
SA as % of GDP^{1,2}



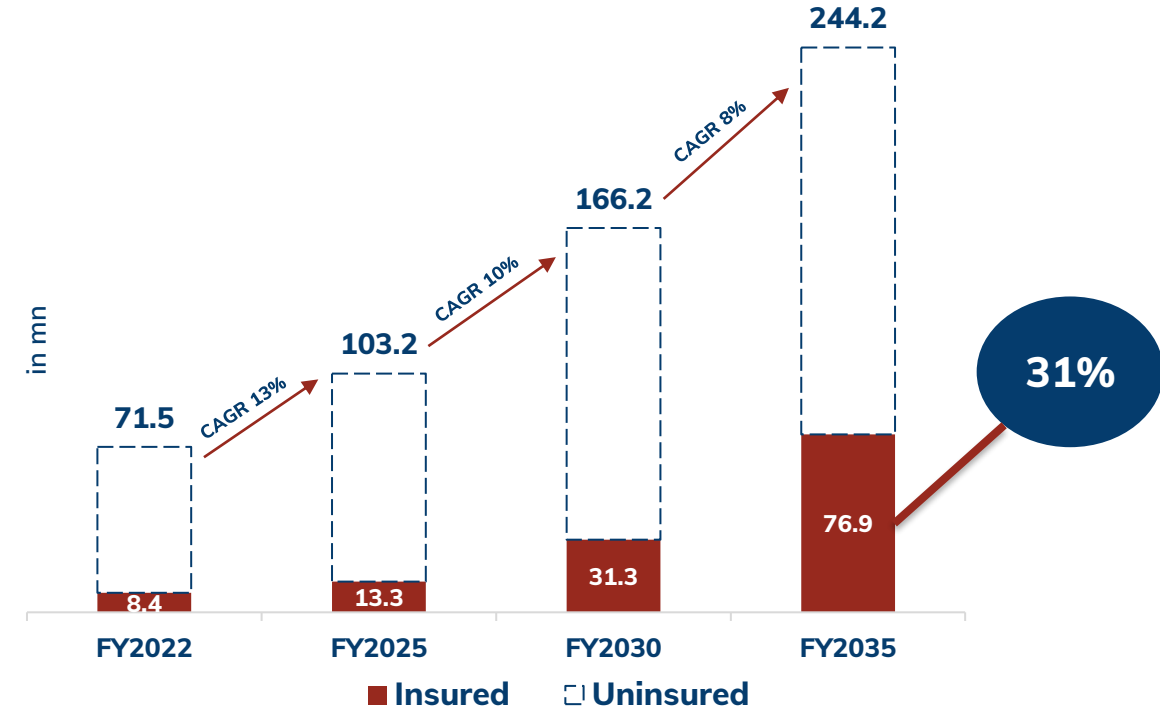
¹FY2022 for India; GDP source: National statistics office
²FY2020 for USA & FY2018 for Japan; Source: McKinsey estimates
 *For retail protection sum assured (company estimates)

Protection opportunity: Addressable population (%)

15% CAGR in new policy count¹



20% CAGR in new policy count¹



~30% of India's addressable population expected to be covered by FY2035²

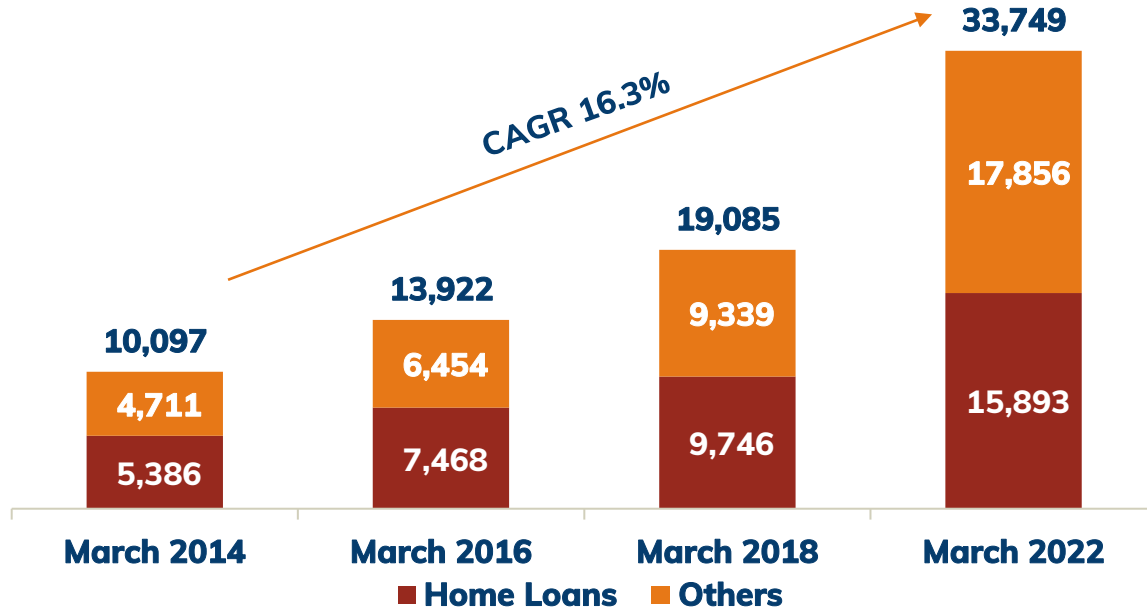
¹Assumed 10% lapse rate for in-force policies each year

²Estimates at accelerated policy growth rates of 20% CAGR
Compound annual growth rate (CAGR)

Indicators of protection opportunity

Retail credit¹

₹ billion



- Healthy growth in retail credit
- Credit life is voluntary

Health & motor²

Gross direct premium
(₹ billion)

FY2022

Health

735.82

Motor

704.33

Motor own damage (OD)

271.78

Motor third party (TP)

432.55

¹Source: RBI

²Source: General Insurance Council

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

Agenda

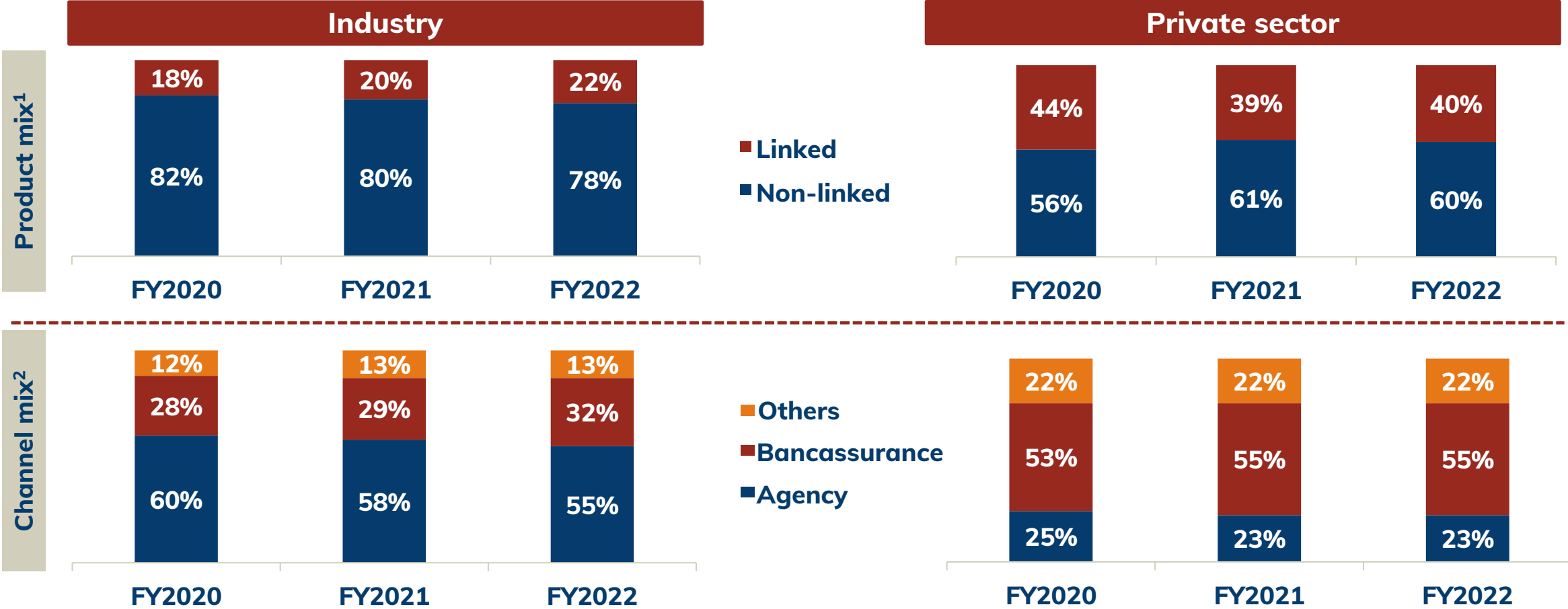
- Company strategy and performance
- Opportunity
- Industry overview



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

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

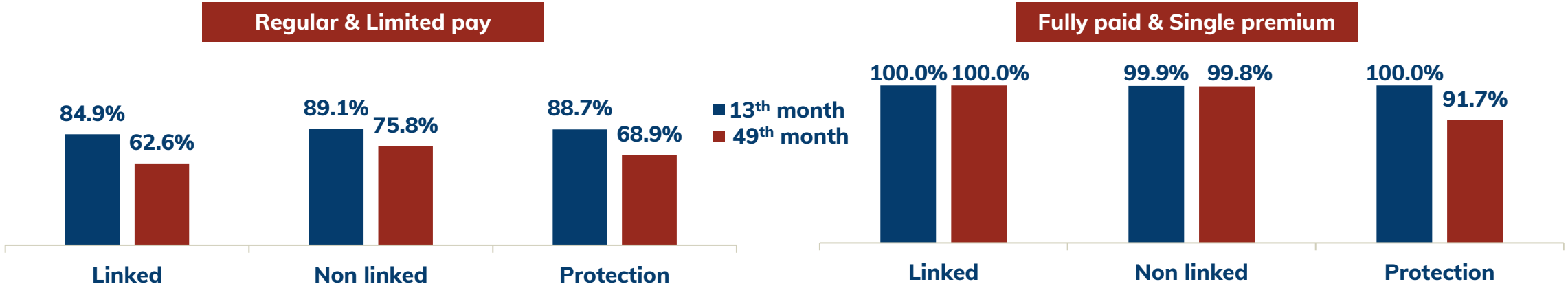
Annuity products

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

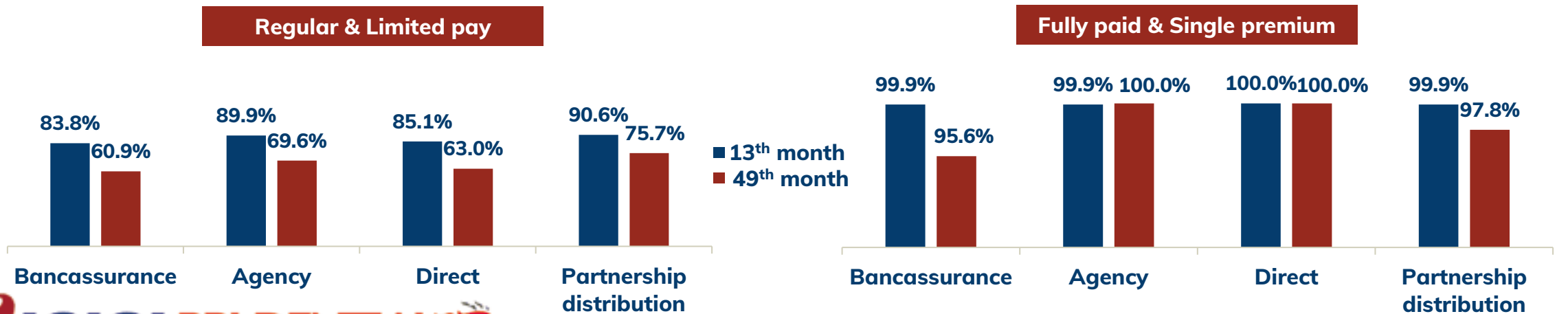
Review of pricing based on current interest rate environment

Retail persistency: FY2023

Persistency¹ across product categories



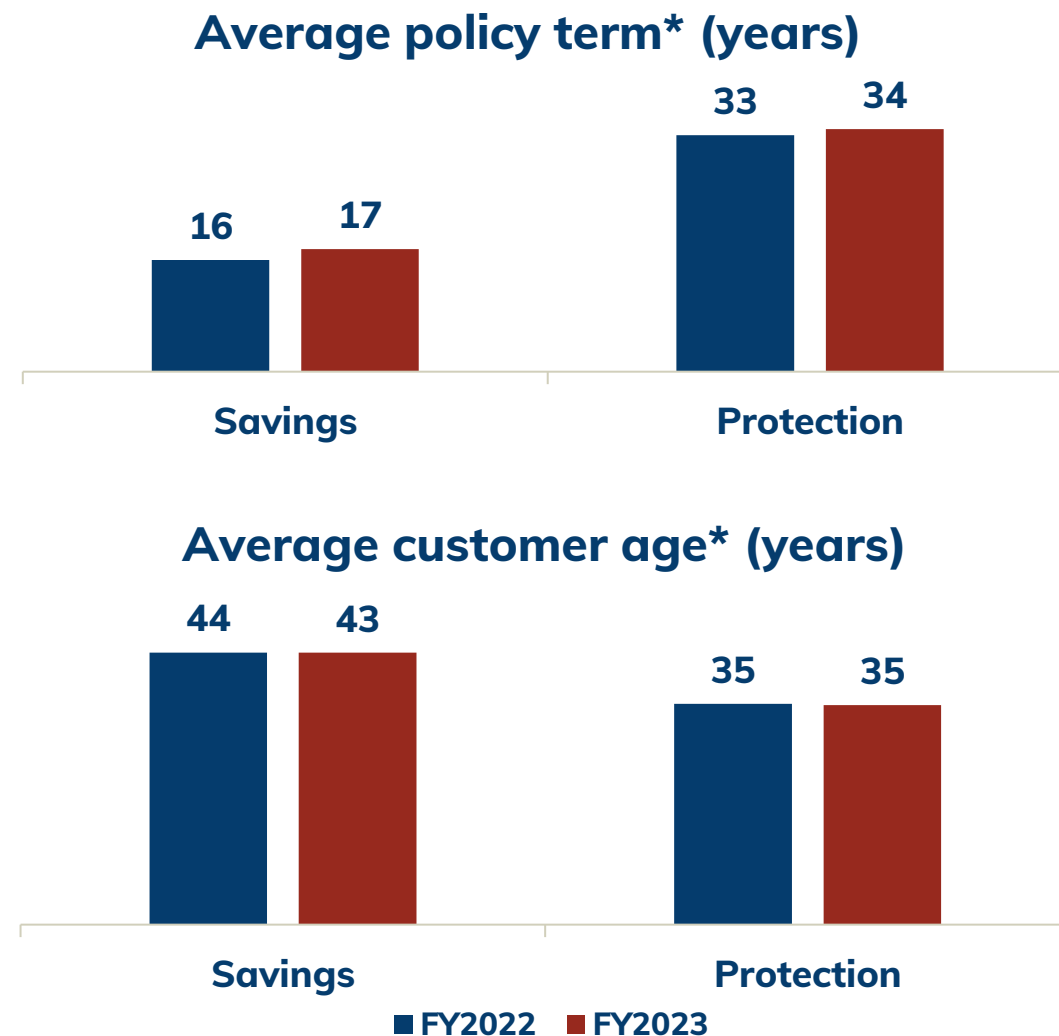
Persistency¹ across channel categories



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

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

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

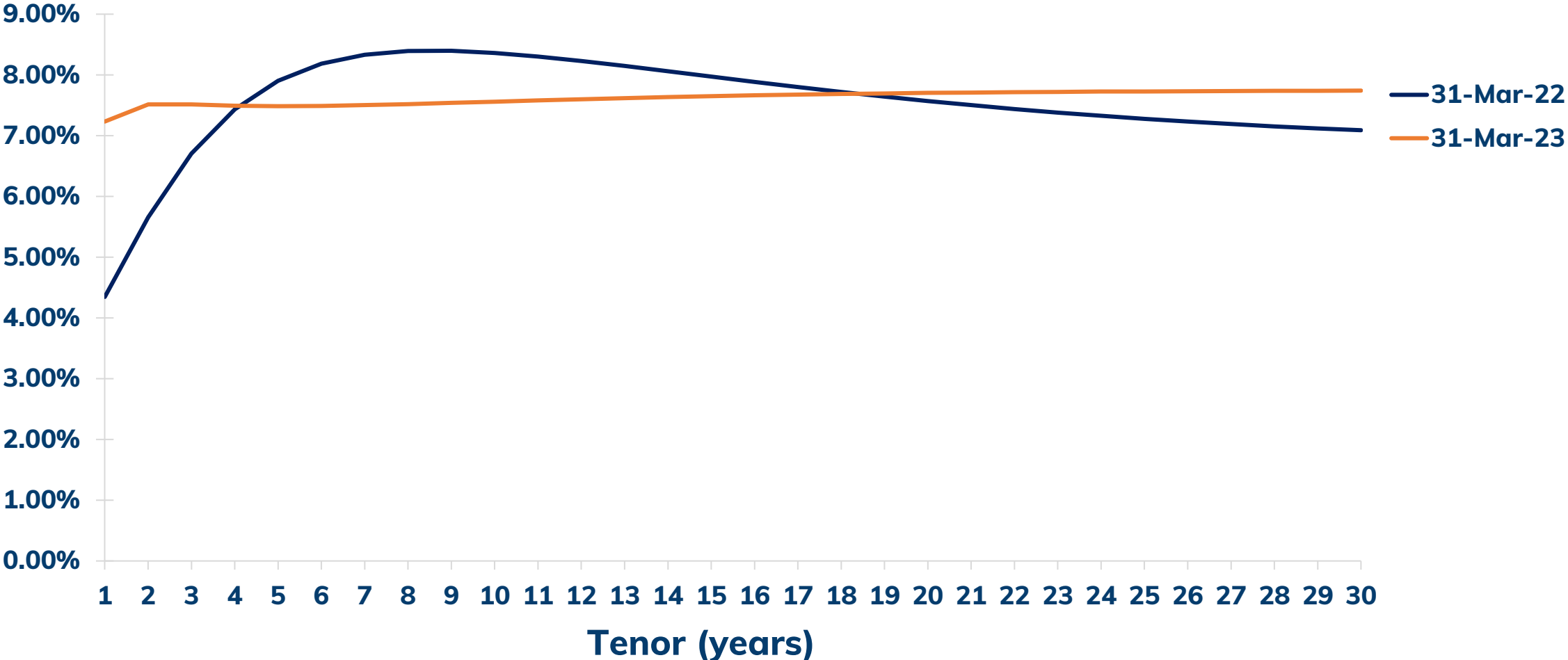
²Negative impact of ₹ 5.49 billion due to change in effective tax rate

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

Economic assumptions underlying EV & VNB

Tenor (years)	Reference rates	
	March 31, 2022	March 31, 2023
1	4.3%	7.2%
5	7.9%	7.5%
10	8.4%	7.6%
15	8.0%	7.7%
20	7.6%	7.7%
25	7.3%	7.7%
30	7.1%	7.7%

Reference rates (one year forward rates)



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