

October 11, 2024

General Manager  
Listing Department  
BSE Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai 400 001

Vice President  
Listing Department  
National Stock Exchange of India Limited  
'Exchange Plaza',  
Bandra-Kurla Complex,  
Bandra (East), Mumbai 400 051

Dear Sir/Madam,

**Subject: Investor presentation: September 2024**

Pursuant to Regulation 30 and 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached the monthly investor presentation, on the performance of the Company.

A copy of the same is also hosted on the website of the Company.

Kindly take the same on your records.

Thanking you,

Yours sincerely,

**For ICICI Prudential Life Insurance Company Limited**

**Priya Nair**  
**Company Secretary**  
**ACS 17769**

**Encl.: As above**



# Performance update

October 11, 2024

# September 2024 update

# Premium growth

₹ billion	FY2024	Q1- FY2025	July 2024	August 2024	September 2024	H1- FY2025
RWRP <sup>1</sup>	72.13	15.58	6.81	6.81	7.45	36.66
Y-o-Y growth	7.0%	46.8%	40.4%	29.5%	32.6%	39.2%
APE <sup>2</sup>	90.46	19.63	8.25	7.97	8.81	44.67
Y-o-Y growth	4.7%	34.4%	24.1%	20.0%	20.2%	26.8%
New business premium	180.81	37.69	17.60	15.09	16.60	86.98
Y-o-Y growth	6.8%	23.5%	7.4%	12.3%	20.6%	17.4%
New business sum assured	10,221.11	2,724.68	998.35	973.76	976.23	5,673.02
Y-o-Y growth	(1.9%)	13.4%	19.6%	13.9%	18.8%	15.5%



<sup>1</sup>Retail weighted received premium

<sup>2</sup>Annualized premium equivalent

Year on year (Y-o-Y)

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

# Agenda

- Company strategy & performance
- Opportunity & industry overview



# Agenda

- **Company strategy & 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**

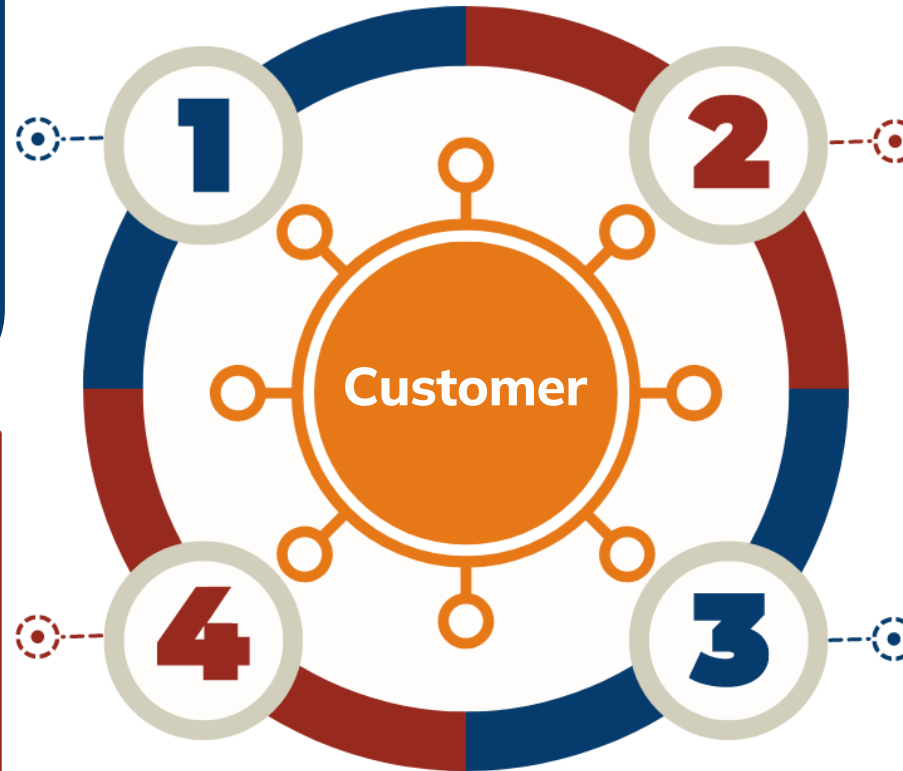
# 4D framework

## 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

## Depth in Partnerships

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



## Diversified propositions

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

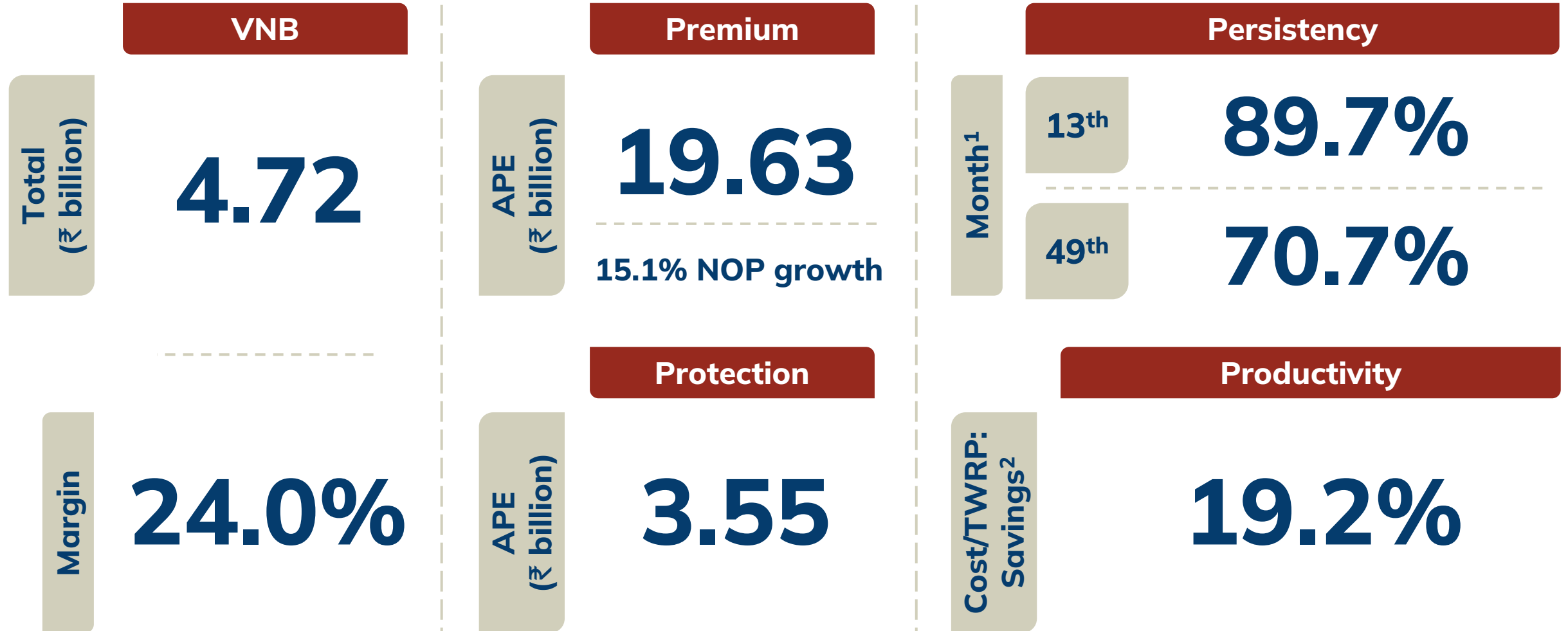
## Digitalisation

- 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



# Performance snapshot: Q1-FY2025



<sup>1</sup> Regular & Limited pay persistency in accordance with IRDAI Master circular on Submission of Returns 2024 dated June 14, 2024; 12 month rolling persistency for June to May measured at June 30

<sup>2</sup> Total Cost including commission/ TWRP computed for savings line of business (LOB)

TWRP: Total weighted received premium (Total premium – 90% of single premium);

NOP: No. of policies, reflects year-on-year growth

# Customer focused & most partnerable Company

Industry leading claim settlement ratio<sup>1</sup> of 99.2% for FY2024

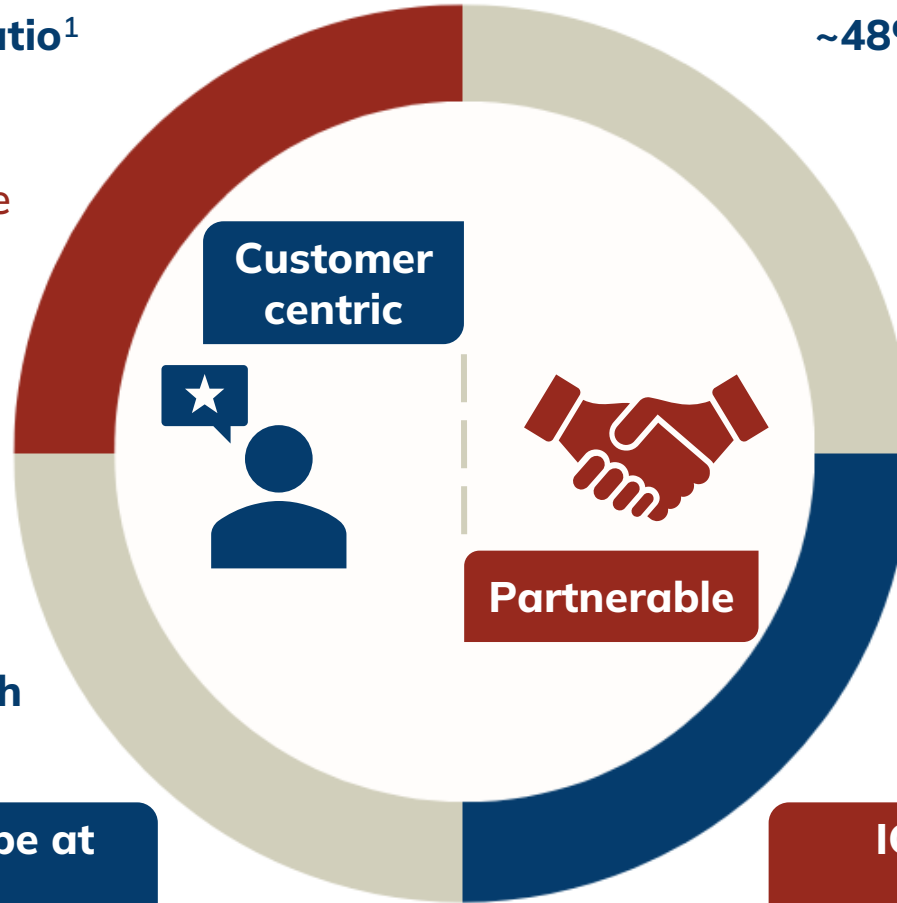
Extensive suite of products available for varied customer needs

~85% of policies issued using digital KYC<sup>2</sup> in Q1-FY2025

13M persistency<sup>3</sup> @ 89.7% for Q1-FY2025

Strong & resilient balance sheet with zero NPA since inception

Customer centricity continues to be at the core



~48% of savings policies issued on same day in Q1-FY2025

Same day commission available for select distributors

New distribution partner onboarded in <2 weeks

71%<sup>4</sup> reduction in cases with higher propensity for fraud & early claims using data analytics

ICICI Pru Stack: Array of platform capabilities for our partners

Ranked no. 1 in the industry wide customer experience NPS study by Hansa Research for second year in a row



<sup>1</sup>Individual death claims; <sup>2</sup>Includes Aadhar, CKYC & Banker's confirmation; <sup>3</sup>Regular & Limited pay persistency in accordance with IRDAI Master circular on Submission of Returns 2024 dated June 14, 2024; 12 month rolling persistency for June to May measured at June 30; <sup>4</sup>For savings policies in the period October 2023 to June 2024; NPA: Non-Performing Assets; NPS: Net Promoter Score

# 4P strategic elements

4D framework enabling our 4P strategy



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

## 4P strategy

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



**Integrating ESG with business management**

# RWRP growth vs. industry

RWRP (Y-o-Y growth)	Q2-FY2024	Q3-FY2024	Q4-FY2024	Q1-FY2025
Overall industry	12.8%	5.9%	0.3%	19.7%
Private industry	16.0%	9.4%	2.4%	23.8%
ICICI Pru Life	4.1%	10.0%	11.5%	46.8%

**Outperformed private & overall industry in RWRP growth for the 3<sup>rd</sup> consecutive quarter**



RWRP: Retail weighted received premium  
Y-o-Y: Year-on-year

# 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		Q1- FY2024	Q1- FY2025	Y-o-Y Growth		Q1- FY2024	Q1- FY2025
Agency	APE (₹ billion)	3.57	5.77	61.6%	Mix	24.4%	29.4%
Direct		2.12	2.98	40.6%		14.5%	15.2%
Bancassurance		4.23	5.65	33.6%		28.9%	28.8%
Partnership distribution		1.81	2.26	24.9%		12.4%	11.5%
<b>Retail APE</b>		<b>11.72</b>	<b>16.66</b>	<b>42.2%</b>		<b>80.2%</b>	<b>84.9%</b>
Group		2.89	2.97	2.8%		19.8%	15.1%
<b>Total APE</b>		<b>14.61</b>	<b>19.63</b>	<b>34.4%</b>		<b>100.0%</b>	<b>100.0%</b>

**Strong growth across channels led by proprietary business**  
**Proprietary business contributes ~53% of retail APE**

# Premium growth (2/2)

## Premium growth

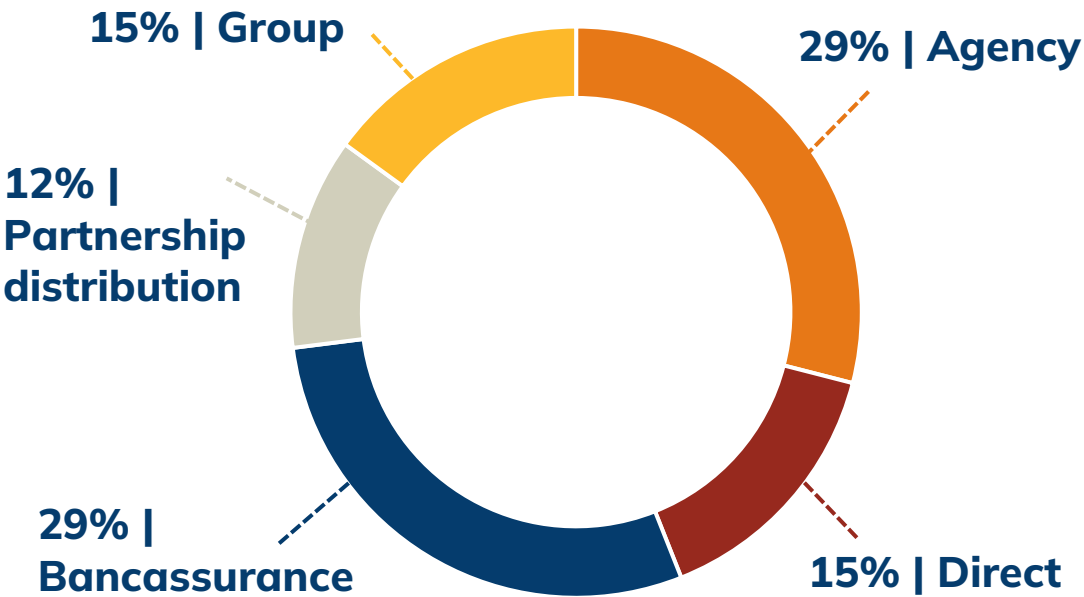
- Build capacity & enhance efficiency in proprietary channels
- Focus on new partnership additions & increase share of shop in existing
- Focus to grow annuity line of business

Segments		Q1- FY2024	Q1- FY2025	Y-o-Y Growth		Q1- FY2024	Q1- FY2025
Savings	APE (₹ billion)	11.17	16.08	44.0%	Mix	76.5%	81.9%
Linked		5.66	10.09	78.3%		38.8%	51.4%
Non-linked		4.04	3.31	(18.1%)		27.7%	16.8%
Annuity		0.91	2.14	135.2%		6.2%	10.9%
Group funds		0.55	0.54	(1.8%)		3.8%	2.8%
Protection		3.44	3.55	3.2%		23.5%	18.1%
Retail protection		1.10	1.12	1.8%		7.6%	5.7%
Total APE		14.61	19.63	34.4%		100.0%	100.0%

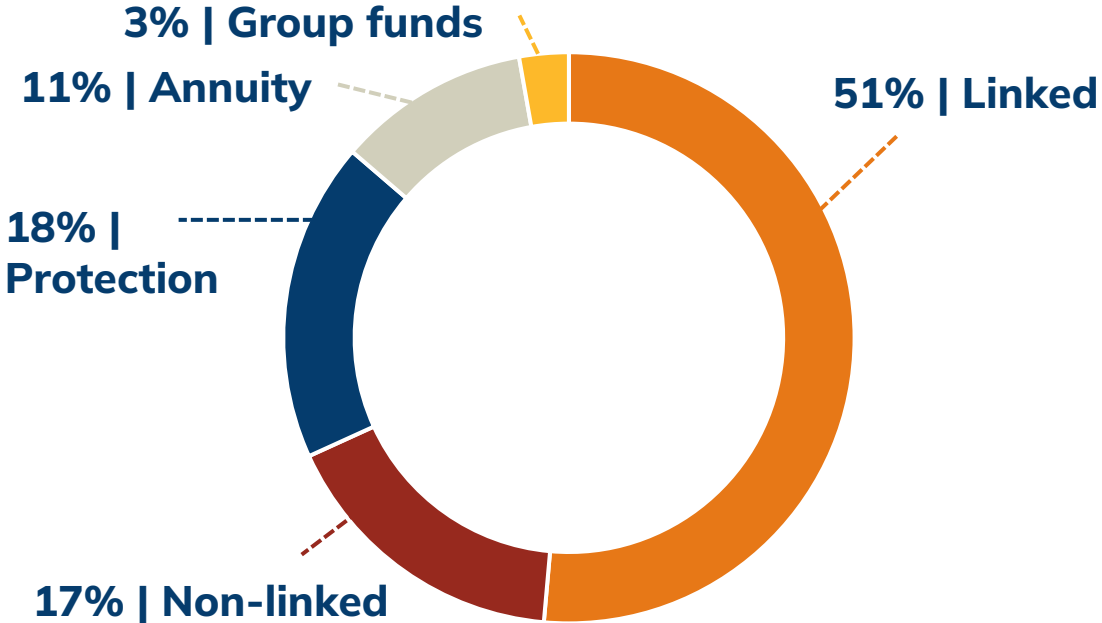
**Strong growth in linked & annuity business**

# Distribution & Product mix: Q1-FY2025

## Distribution mix



## Product mix



Well diversified product & distribution mix



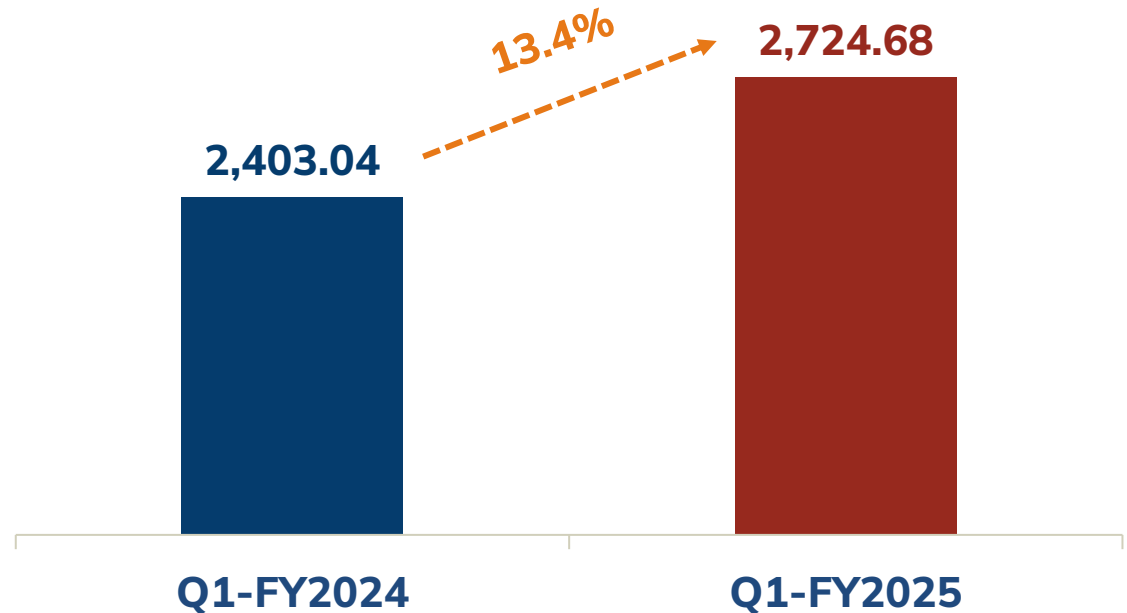
Based on Annualised Premium Equivalent

# Protection growth

## Protection focus

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

(₹ billion)	FY2024	Q1-FY2025	Sum assured <sup>3</sup> (₹ billion)	
Protection APE <sup>1</sup>	15.25	3.55		
Retail protection APE	4.78	1.12		
Protection mix <sup>2</sup>	16.9%	18.1%		
Sum assured market share <sup>3</sup>	11.6%	11.4%		
			2,403.04	2,724.68
			Q1-FY2024	Q1-FY2025



**2-year CAGR for retail protection APE at ~28%**



<sup>1</sup>Includes term with return of premium; FY2024: ₹ 0.90 bn; Q1-FY2025: ₹ 0.21 bn

<sup>2</sup>Based on overall APE; <sup>3</sup>Based on overall new business sum assured

APE: Annualised Premium Equivalent; CAGR: Compounded annual growth rate



# Persistency improvement

## Persistency

Continue to focus on improving persistency across all cohorts

Month	Q1-FY2024	FY2024	Q1-FY2025
13 <sup>th</sup> month	86.4%	88.7%	89.7%
25 <sup>th</sup> month	78.0%	79.7%	80.6%
37 <sup>th</sup> month	73.0%	72.0%	72.8%
49 <sup>th</sup> month	66.5%	70.7%	70.7%
61 <sup>st</sup> month	67.3%	65.6%	65.9%

## Consistent improvement in persistency ratios



Regular & Limited pay persistency in accordance with IRDAI Master circular on Submission of Returns 2024 dated June 14, 2024; 12 month rolling persistency for Q1: June to May measured at June 30 of respective financial years and FY: April to March measured at April 30

# Productivity improvement

Productivity

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

(₹ billion)

Q1-FY2024

Q1-FY2025

Y-o-Y Growth

Total APE

14.61

19.63

34.4%

Total expenses

14.98

19.87

32.7%

Cost/TWRP<sup>1</sup>

27.7%

32.6%

-

Cost/TWRP<sup>1</sup> (savings LOB)

18.8%

19.2%

-

## Capacity creation to support future growth



<sup>1</sup>Total Cost including commission/ TWRP

TWRP: Total weighted received premium (Total premium – 90% of single premium)

APE: Annualised Premium Equivalent; LOB: Line of business; Y-o-Y: Year-on-year

# Resilient balance sheet

## Insurance risks

- Emerging mortality experience within expectation
- Persistency experience monitored regularly

## Strong solvency ratio

- Solvency ratio of 187.9% at June 30, 2024
- Ability to raise additional sub debt

## High quality assets<sup>1</sup>

- 96.3% of fixed income in sovereign or AAA; 0.2% of fixed income below AA
- Zero NPA since inception

## Liability profile<sup>1</sup>

- 73.0% 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)	Q1-FY2024	FY2024	Q1-FY2025	
VNB	Value of New Business (VNB)		4.38	22.27	4.72	
	VNB margin		30.0%	24.6%	24.0%	
		(₹ billion)	Q1-FY2024	FY2024	Q1-FY2025	
4P	Premium growth (APE)		14.61	90.46	19.63	
	Protection growth (APE)		3.44	15.25	3.55	
	Persistency	13th month <sup>1</sup>		86.4%	88.7%	89.7%
		49th month <sup>1</sup>		66.5%	70.7%	70.7%
	Productivity (Cost/TWRP: Savings) <sup>2</sup>		18.8%	15.8%	19.2%	

# Other financial metrics

(₹ billion)

Q1-FY2024

FY2024

Q1-FY2025

Profit after Tax

2.07

8.52

2.25

Solvency ratio<sup>1</sup>

203.4%

191.8%

187.9%

AUM<sup>1</sup>

2,664.20

2,941.40

3,088.75

**AUM of over ₹ 3 trillion covering 98.4 million lives**  
**Total in-force sum assured of ₹ 35.1 trillion**

# Environmental, Social & Governance (ESG)

# ESG update & framework

**E**nvironmental



**S**ocial



**G**overnance



## Focus areas

### Environment

- Human Capital
- Responsible investing
- Access to finance
- CSR

- Governance & business ethics
- Data privacy & security

- Highest rated Indian insurer as per two of the leading ESG rating agencies
- Board Sustainability & CSR Committee oversees Sustainability aspects; Executive Sustainability Steering Committee integrates ESG into business processes
- Carbon footprint reduction target formulated for scope 1 and 2 emissions
- Gender diversity stable at 29% for Company in FY2024
- Reasonable assurance conducted for selected sustainability metrics

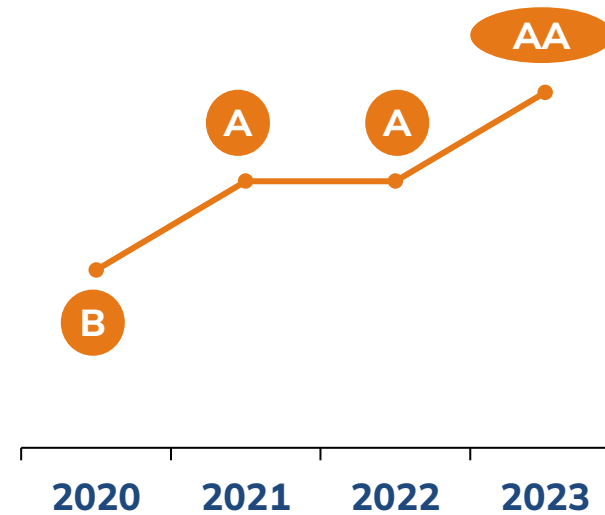


<sup>1</sup> Integrated reporting

<sup>2</sup> Business Responsibility and Sustainability Report

CSR: Corporate Social Responsibility; SEBI: Securities & Exchange Board of India

## ESG rating by MSCI



## Disclosure under IR<sup>1</sup> framework FY2024



Integrated annual report since FY2020



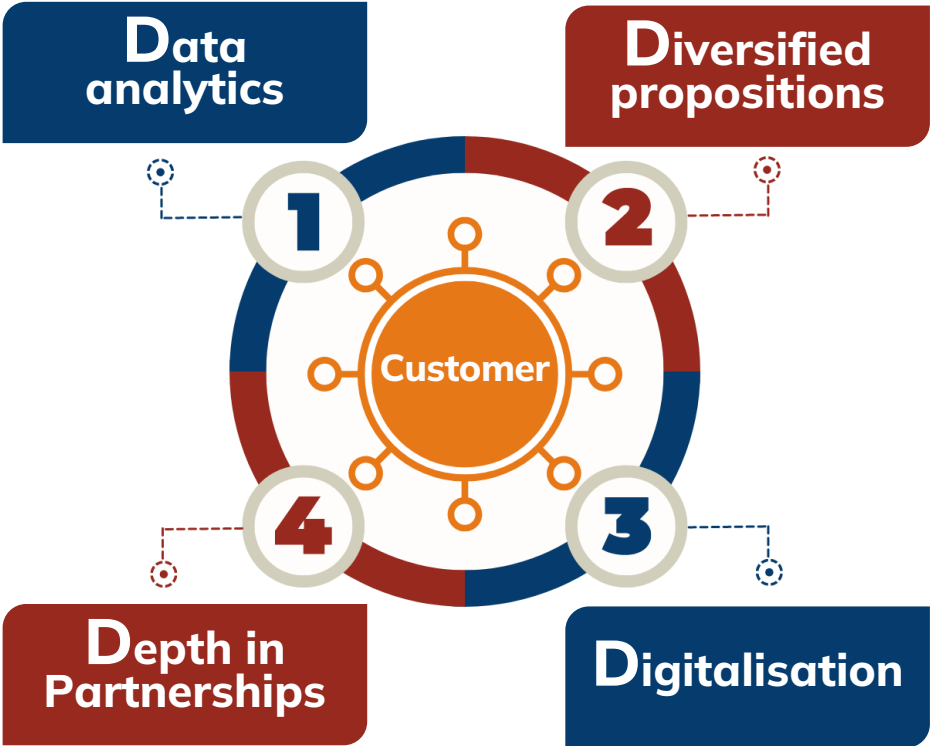
ESG report since FY2020



BRSR<sup>2</sup> as per SEBI since FY2022

# 4D framework

4D framework enabling our 4P strategy



Risk calibrated growth with focus on quality



4P strategy

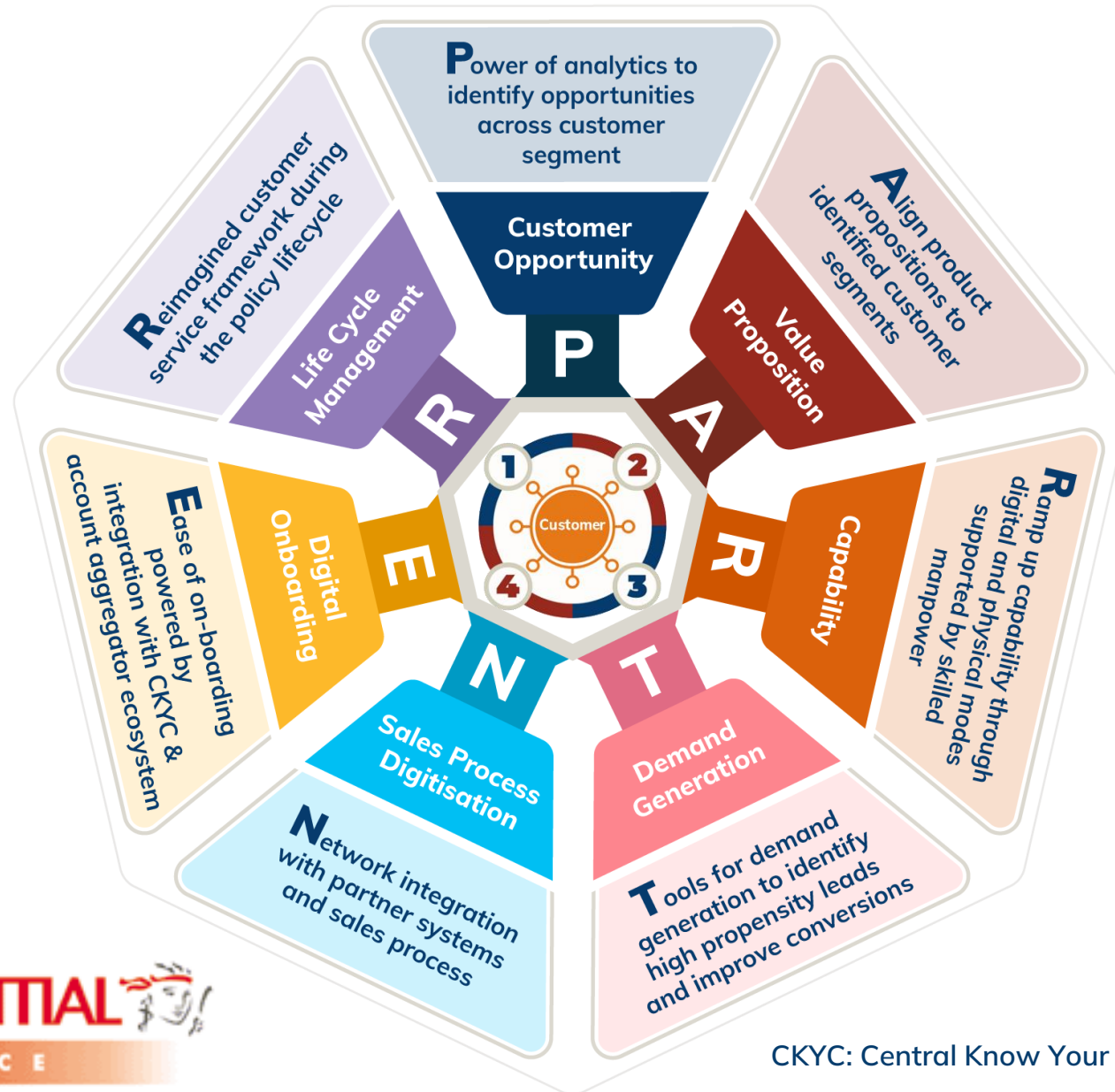
Customer centricity continues to be at the core



Integrating ESG with business management



# ICICI Pru Stack: Suite of platform capabilities

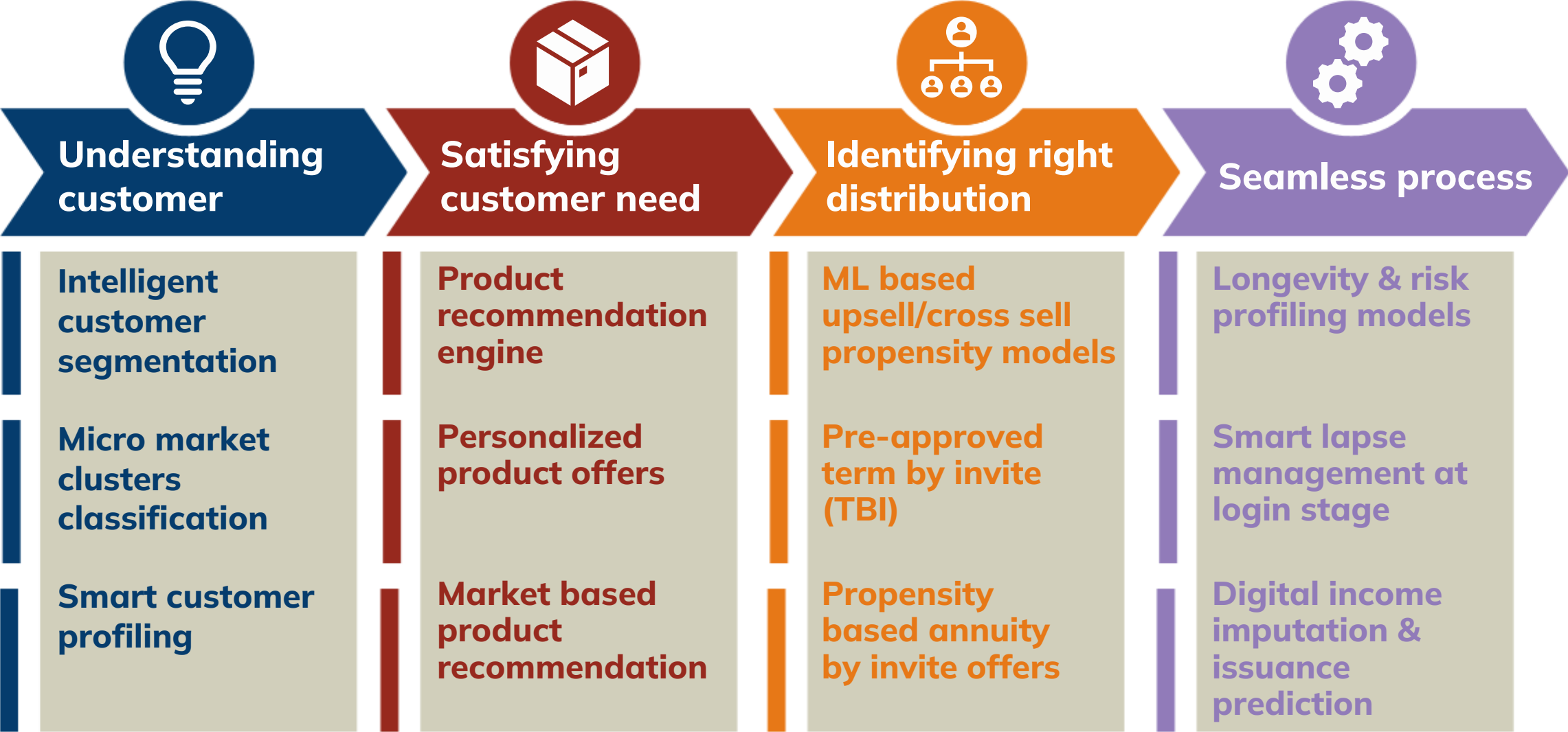


1. Data analytics
2. Diversified propositions
3. Digitalisation
4. Depth in Partnerships

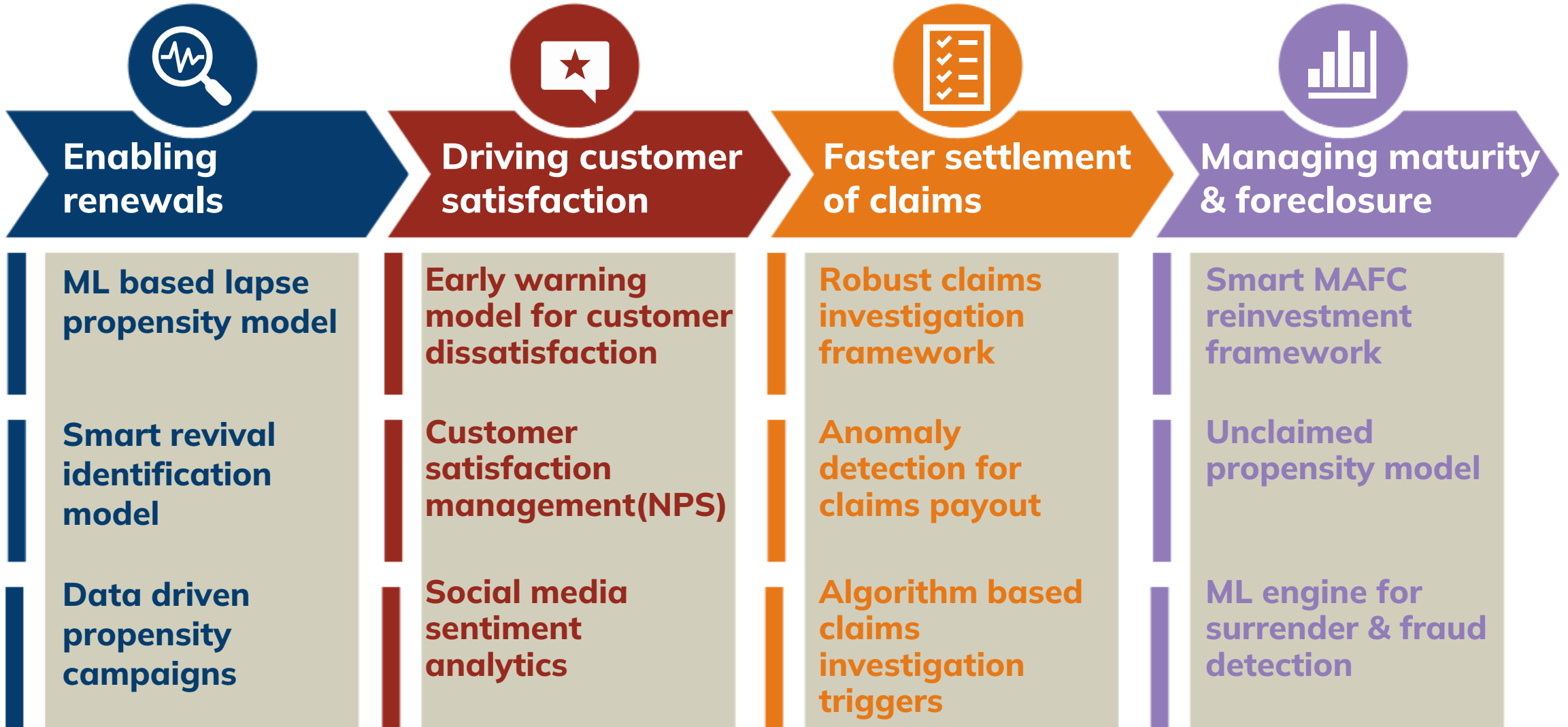
Array of platform capabilities to help us deliver superior value propositions to our customers, in collaboration with our partners

# 4D: Data analytics

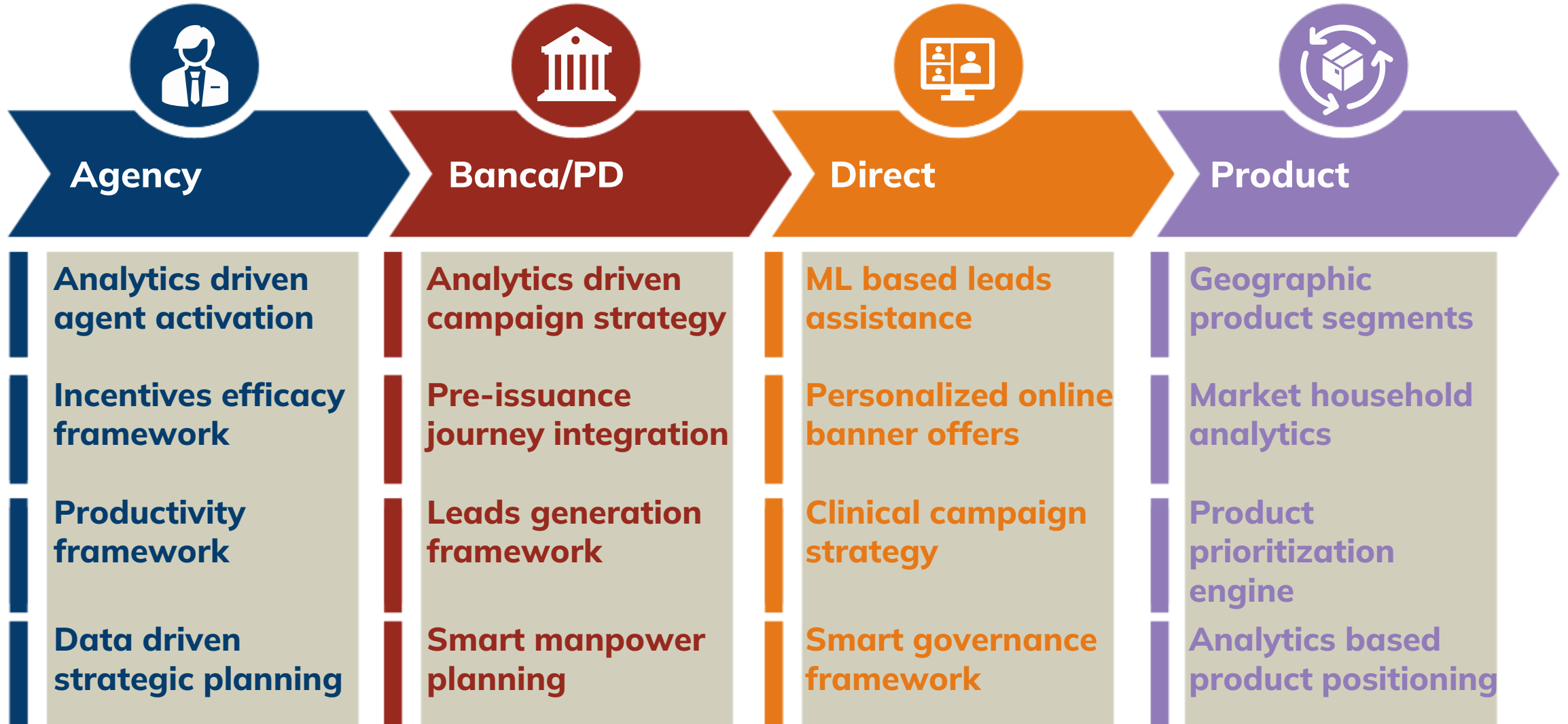
# Customer centric analytics powering New Business



# Customer centric analytics powering Operations



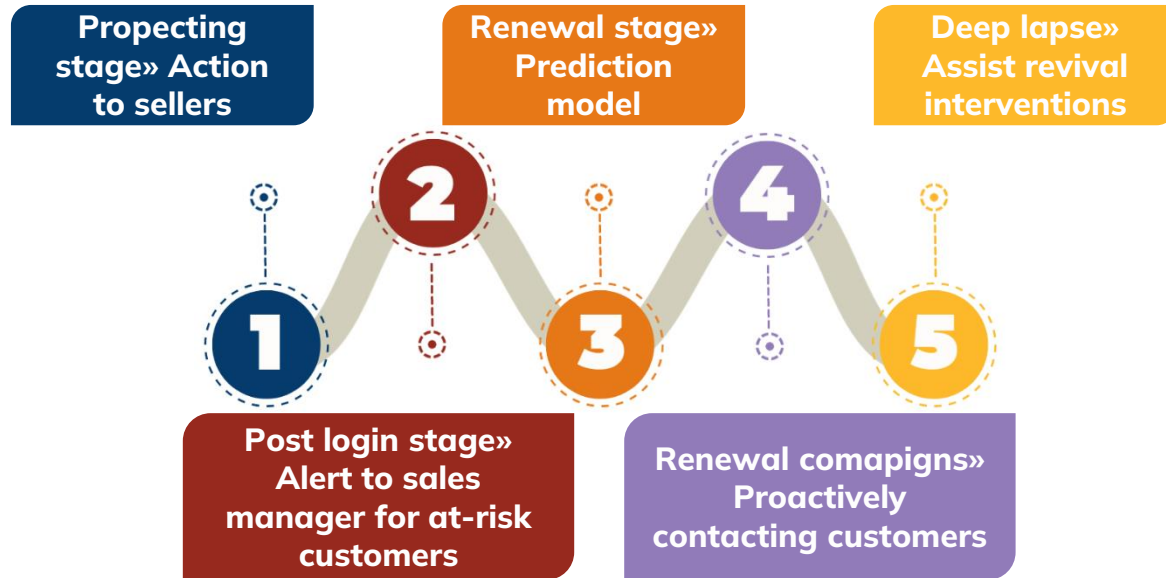
# Analytics engine powering Business & Product



# AI & ML fueling business excellence

## Persistency management

Utilising AI across policy life stages to **provide superior customer experience**



## AI based risk management

Focus on extensive utilisation of AI & ML along with data analytics to **mitigate insurance risk at onboarding stage**

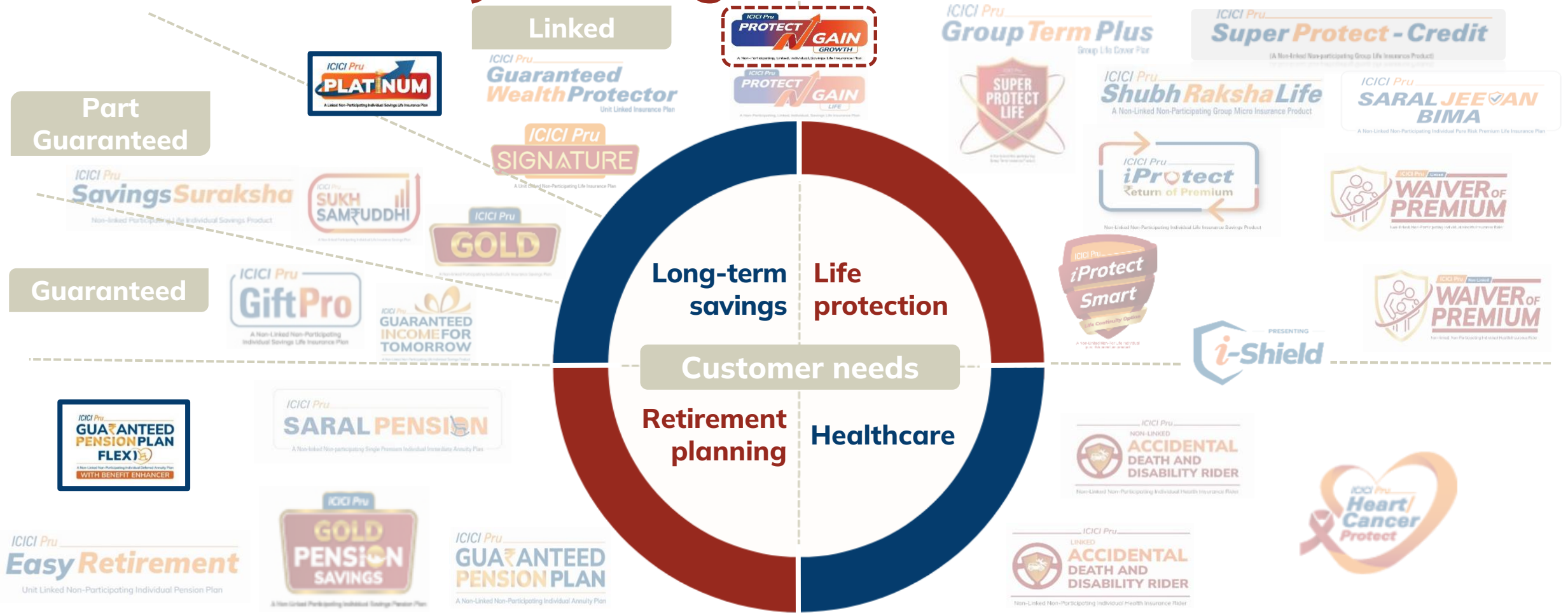


**Continued investment in data science & customer-centric analytics engine**

# 4D: Diversified propositions






# Products for every life stage need



**Deliver value proposition to serve varied customer needs**



 ICICI Pru GPP Flexi with BE: Level based commission payout  
 ICICI Pru Platinum: Trail based commission payout

 New product variant launched in FY2025



# Innovation across product categories

## Savings



- Flexibility to choose level of protection between SA, fund value or combination of both

- Increasing income
- Choice of amount of moneyback & year
- Low cover multiple for affluent segment



- Ability to create wealth through market-linked returns
- Comprehensive life, accidental death & accidental disability cover



- Industry's 1<sup>st</sup> ULIP debt fund with constant maturity proposition
- Aimed at optimising debt fund returns

Constant Maturity Fund

## Annuity & Pension



- Industry 1<sup>st</sup> feature\* that offers option to withdraw up to 25% of total premiums paid for life milestones/medical emergencies
- Offers up to 3 complimentary health checkups



- Industry's 1<sup>st</sup> annuity product to give back 100% of the premiums paid at any time
- Joint-life with waiver of premium option ensures the financial security of the spouse

## Protection & Health



- Enhances customer proposition of underlying base policy
- Waiver of premium on death, critical illness & accidental disability

- Life continuity option - Industry 1<sup>st</sup> feature
- Flexibility to receive SA as lumpsum/monthly or combination of both



- Dual benefit of life & health insurance
- Multiple life & health cover combinations and payout options

## Innovative products/rider/fund addressing customer needs



\*In participating pension plan category  
ULIP: Unit Linked Insurance Plan; SA: Sum assured

# 4D: Digitalisation

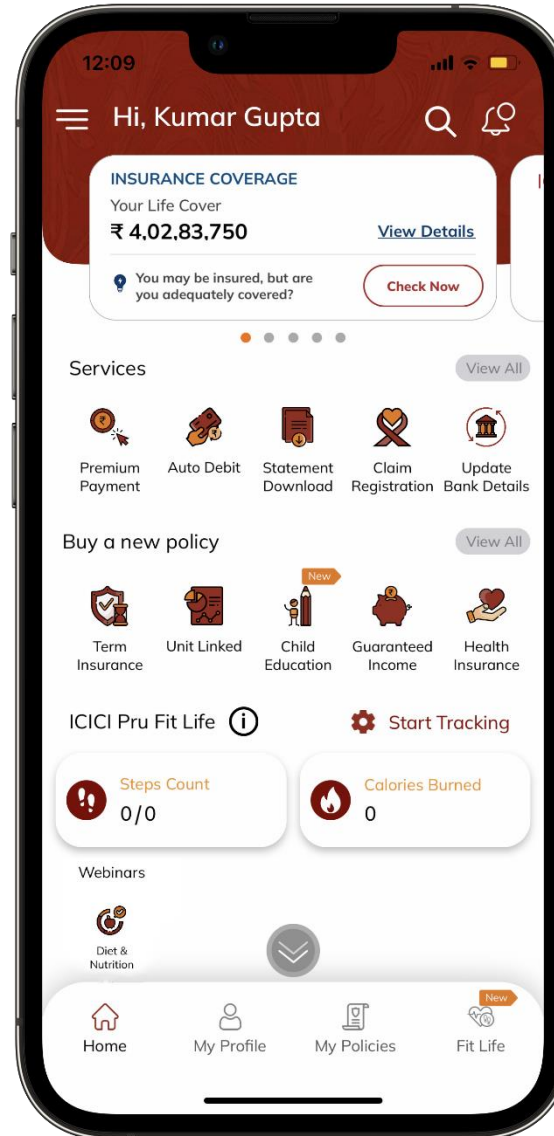
# Leveraging technology to deliver value

~9 million digital service interactions every month

3 million+ app downloads

Highly rated on App store (4.5) & Google Play Store (4.7)

Access to over 60 types of policy transactions



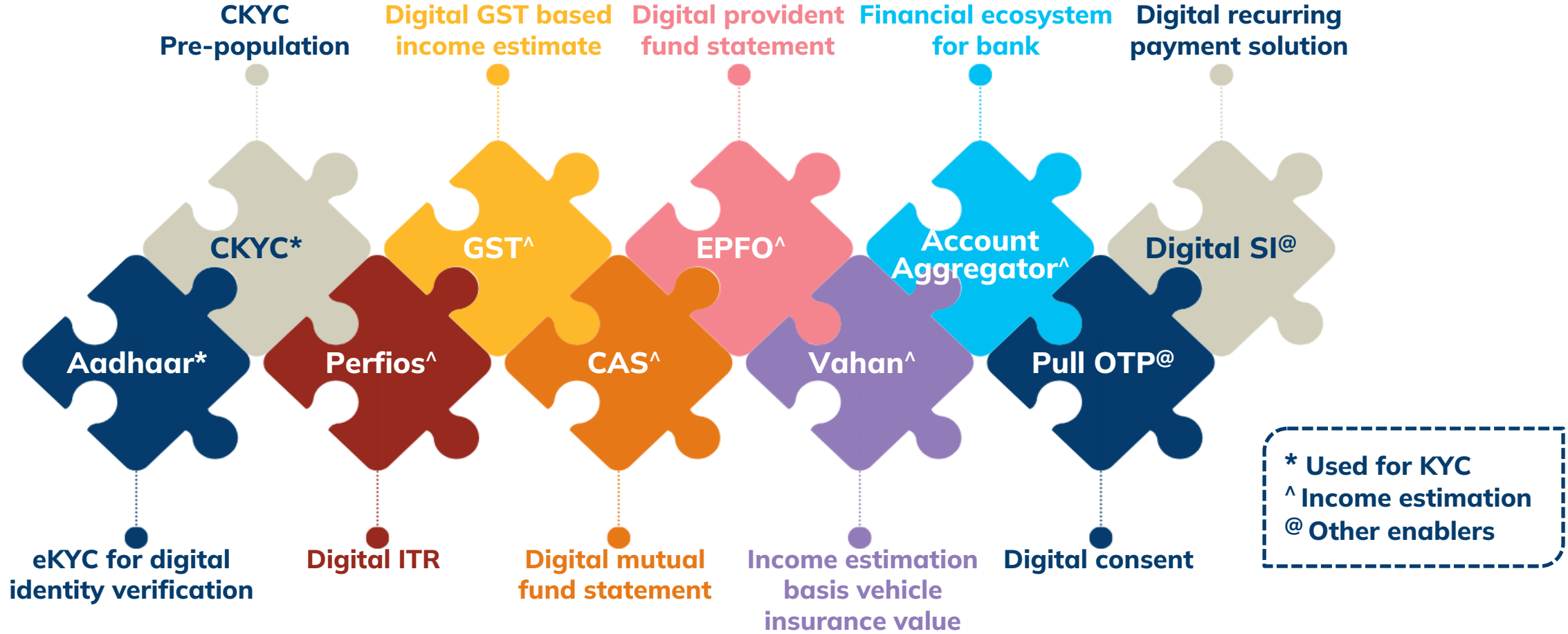
98% digital logins & 100% e-insurance account for eligible base

96.2% service interactions are via self-help / digital modes

98% of pages with system uptime of more than 99%

Fitness tracker linked to Google Fit (Android) and Health (iOS)

# Digital infrastructure



**Integration with central agencies for simplified digital customer onboarding; ~85% of policies issued using digital KYC<sup>1</sup> & ~48% of savings policies issued on same day in Q1-FY2025**

# 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 & My Coach**  
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. ~9 mn digital service interactions monthly
  2. >96.2% 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**

3 mn+ 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 62% of eligible customers & thus helps improving productivity
- **Digital Life Verification**

Facility provided for retail annuity customers

# 4D: Depth in Partnerships

# Channel reach & strategy

**43 banks**

29%<sup>1</sup> | Bancassurance

**Strategy: Build profitability**

- Access to >21,500 bank branches
- Protection & Annuity mix 17%

15%<sup>1</sup> | Direct<sup>2</sup>

**Strategy: Digital focused upsell campaigns**

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

**1,159 partnerships**

12%<sup>1</sup> | Partnership Distribution

**Strategy: Create depth & add width**

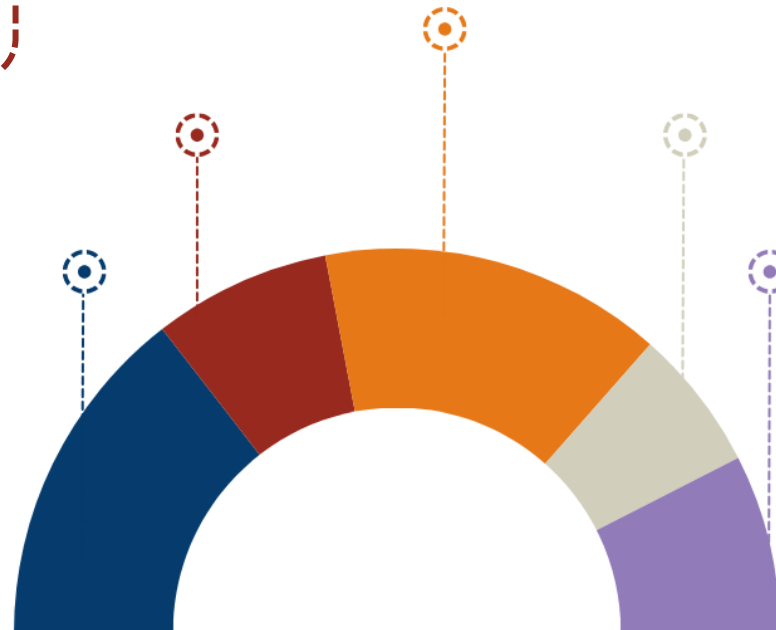
- 47 partnerships added in Q1-FY2025
- Non-linked savings 43% & Protection & Annuity mix 31%

**211,000+ advisors**

29%<sup>1</sup> | Agency

**Strategy: Invest & grow**

- 12,062 advisors recruited in Q1-FY2025
- Linked 53%, Non-Linked savings 18% & Protection & Annuity mix 29%



15%<sup>1</sup> | Group

**Strategy: Increase attachment & market share**

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



<sup>1</sup>Channel mix (based on APE) & all other figures for Q1-FY2025

<sup>2</sup>Direct comprises sales through Company website & employees on roll  
Product mix based on new business premium (retail)



# Awards & Accolades

# Awards & Accolades: Q1-FY2025

Best Use of Innovation to Enhance Customer Experience

Best Use of Technology to Enhance Customer Experience

Best Use of Customer Analytics, Insights and Metrics

Best Sustainability Report



Customer FEST Awards 2024  
Kamikaze B2B Media

Customer FEST Awards 2024  
- Kamikaze B2B Media

Customer FEST Awards 2024  
- Kamikaze B2B Media

The Golden Globe Tigers –  
The Middle East Edition 2024

Best Use of AI in Life Insurance

Most Innovative ML Initiative of the  
Year

Best Firms for Diversity & Inclusion  
in Tech 2024



Smart CX Summit & Awards 2024  
- Brainanalytics

Smart CX Summit & Awards 2024  
- Brainanalytics

The Rising 2024 – Analytics India



Fest: Festival; B2B: Business-to-business; AI: Artificial Intelligence; ML: Machine Learning  
CX: Customer Experience

# Agenda

- **Company strategy & performance**
- **Opportunity & industry overview**



# Opportunities in the Indian life insurance industry



1

**Long-term savings**  
**Steady growth opportunity**

Life insurance currently occupies a mere 18% of the total household financial savings in India as of FY2023<sup>1</sup>



2

**Protection**  
**Strong multi-decadal growth opportunity**

The protection gap of \$16.5 trillion<sup>2</sup> in the country points to a huge untapped opportunity for life insurers



3

**Retirement**  
**Next big horizon of growth**

Currently only 11% of the working population in India has access to any form of a pension programme<sup>3</sup>



4

**Health**  
**Opportunity restricted under current regulations**

As and when the regulatory environment for the health insurance business gets further liberalised, the industry may see new propositions on health & wellness

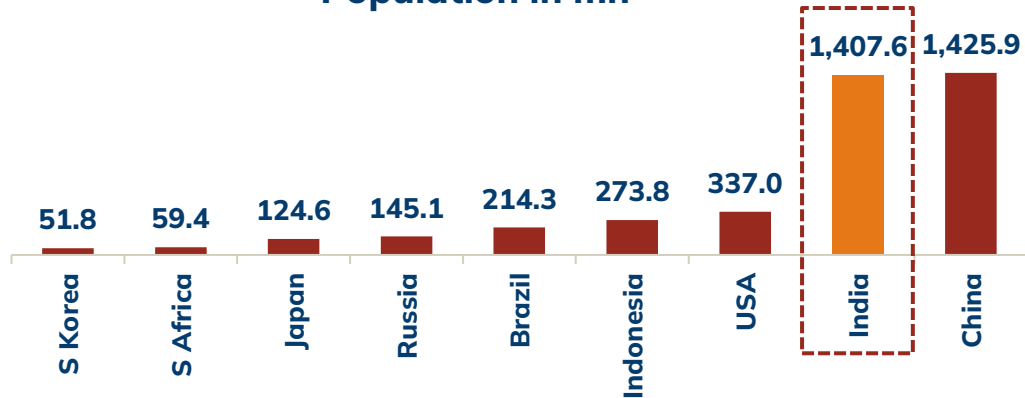
# Favorable demography



Long-term savings opportunity

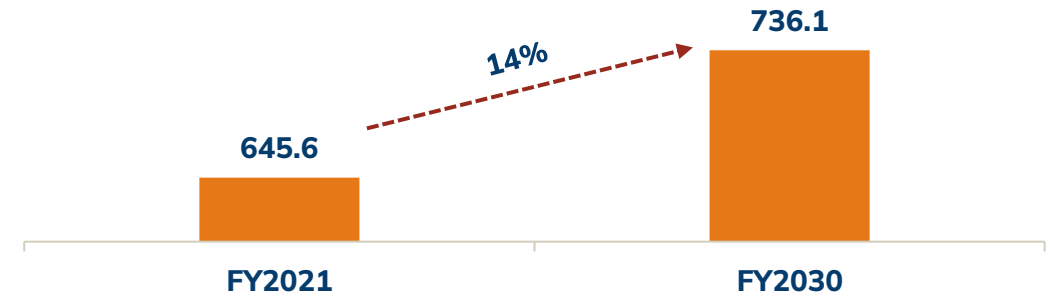
## Large & growing population base<sup>1</sup>

Population in mn

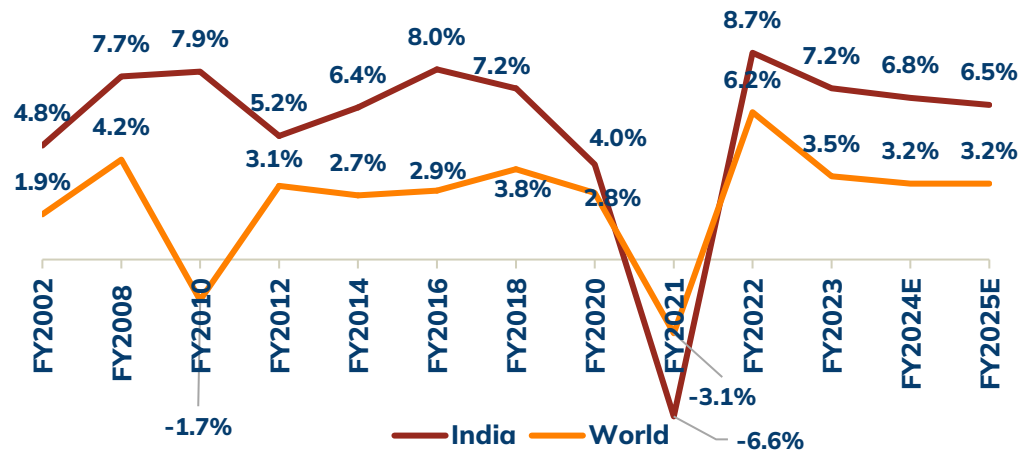


## High share of working population in India<sup>1</sup>

Population in mn (age group 25-59 years)

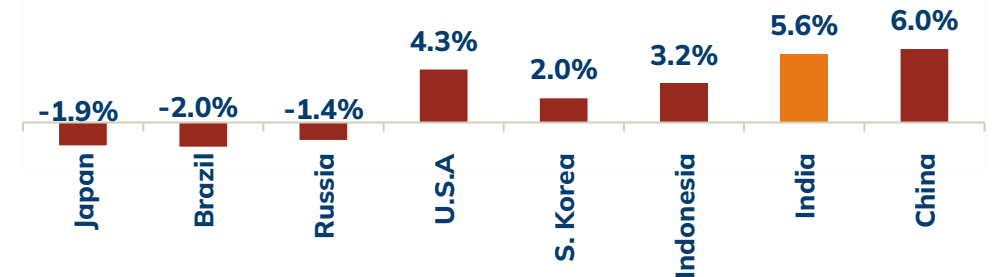


## Driving GDP growth<sup>2</sup>



## Rising affluence<sup>3</sup>

GDP per capita CAGR (FY2013-FY2023)



<sup>1</sup>Source: UN population division at July 2022

<sup>2</sup>Source: World Economic Outlook update, April 2024

<sup>3</sup>Source: The World Bank

Compound annual growth rate (CAGR)

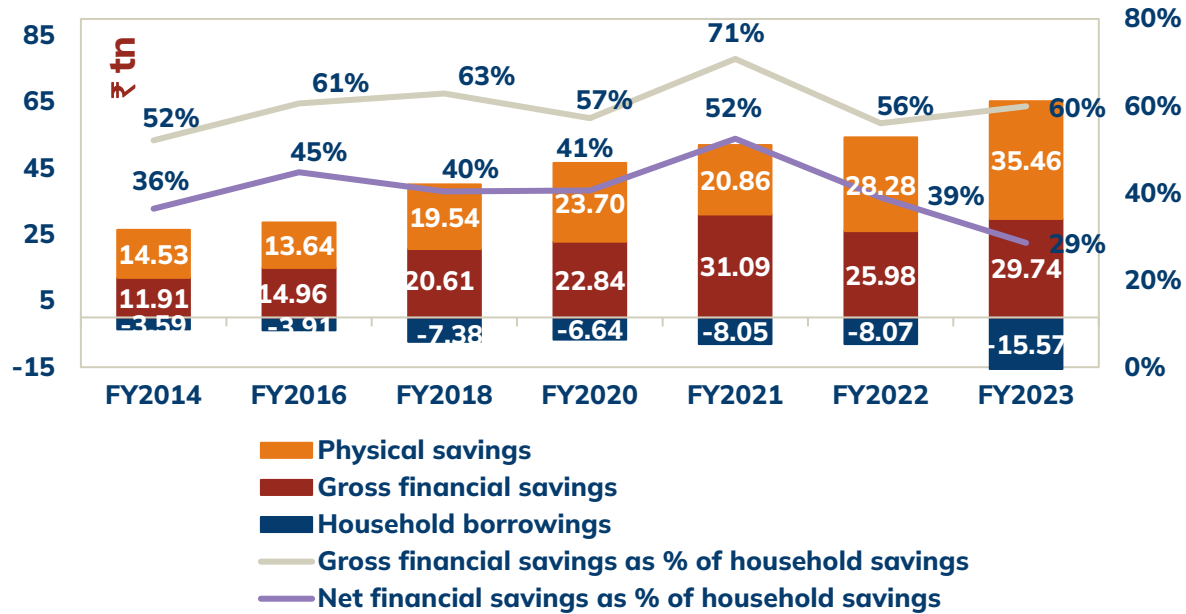
Gross domestic product (GDP)

# Financialisation of savings

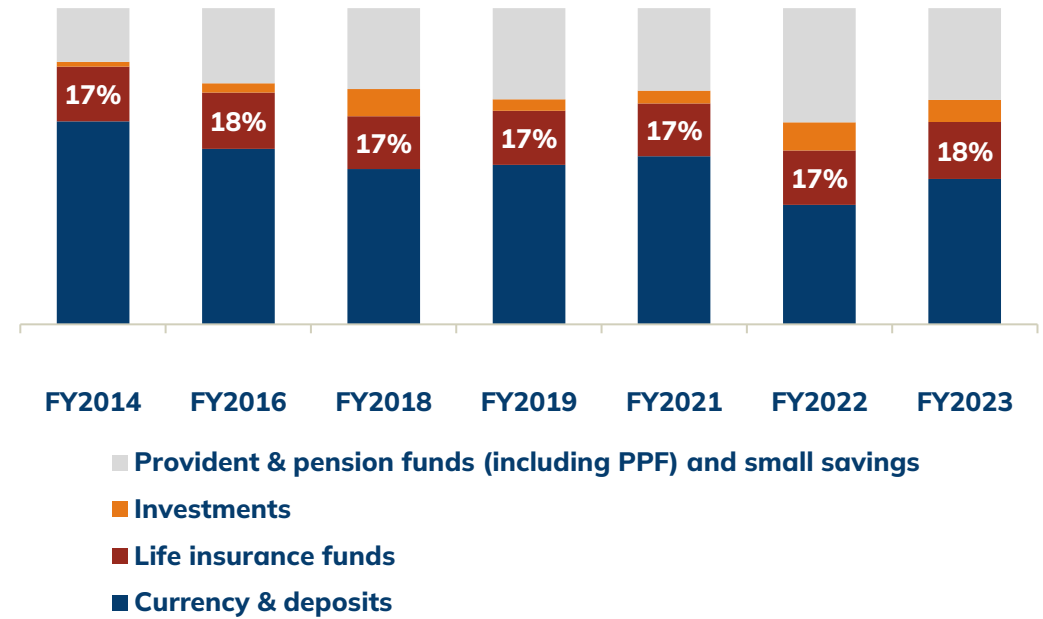


Long-term savings opportunity

## Household savings<sup>1</sup>



## Distribution of financial savings (including currency)<sup>2</sup>



	FY2002	FY2008	FY2010	FY2012	FY2014	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Life insurance premium <sup>3</sup> as % of GDP	2.1%	4.0%	4.1%	3.3%	2.8%	2.7%	2.7%	2.8%	3.2%	2.9%	3.0%



<sup>1</sup>Source: RBI & CSO

<sup>2</sup>Source: RBI

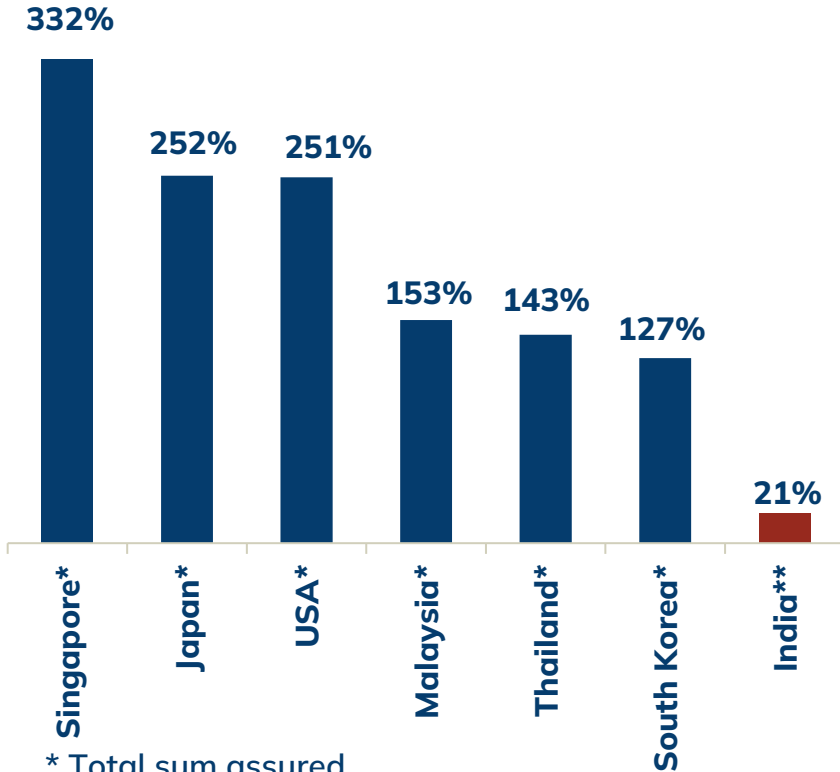
<sup>3</sup>Total life insurance industry premium including renewal; Source: IRDAI Gross domestic product (GDP)

# Low protection penetration



Protection opportunity

Sum assured as % of GDP<sup>1,2</sup>



\* Total sum assured

\*\* Retail protection sum assured (Company estimates)

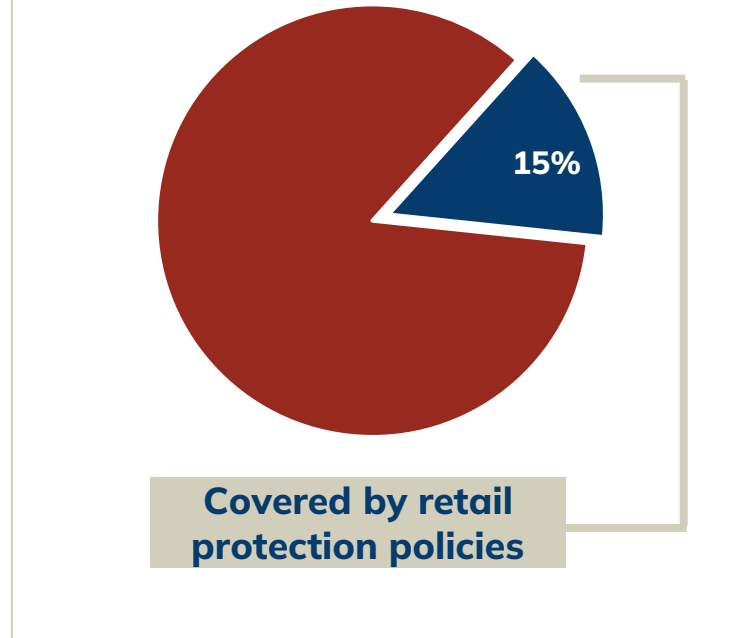
Gross domestic product (GDP)

<sup>1</sup>FY2023 for India; Source: NSO & Company estimates

<sup>2</sup>FY2018 for USA & Japan; FY2020 for other countries;

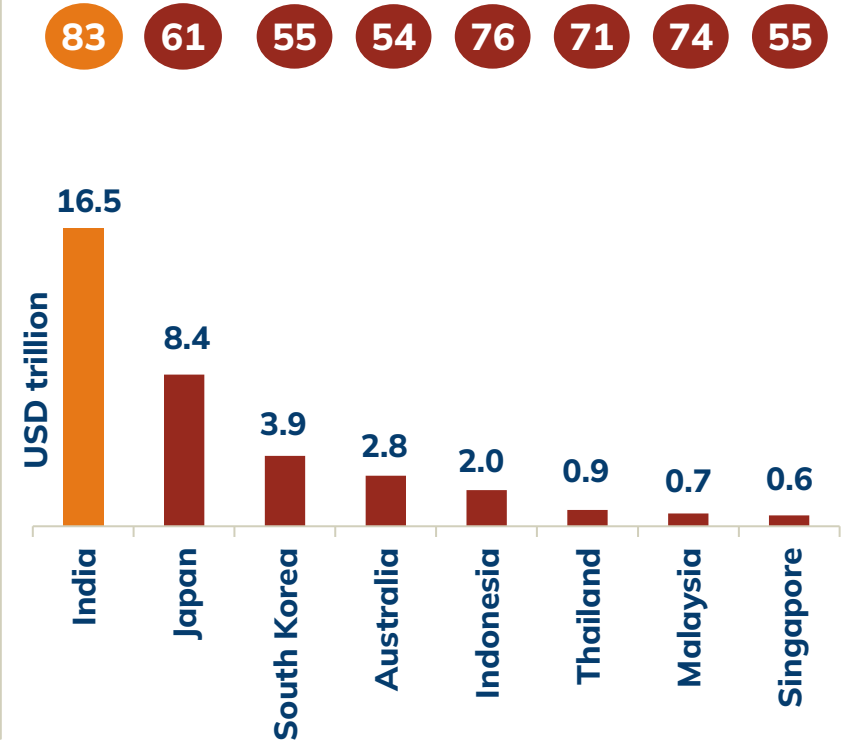
Source: McKinsey estimates

Addressable population<sup>#</sup> coverage<sup>3</sup> (%)



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

Protection gap (%)<sup>4,5</sup>



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

<sup>5</sup>Source: Swiss Re, Closing Asia's mortality protection gap, 2020

<sup>#</sup>Income tax department data with individual income > ₹ 0.25 mn & Company estimates

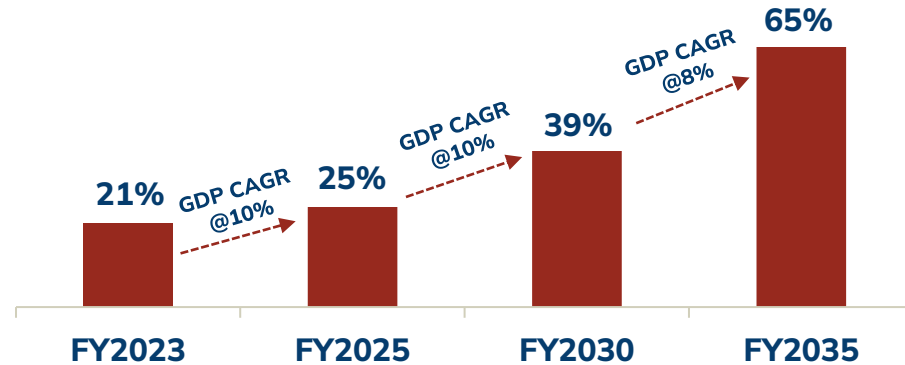


# Low sum assured (SA) as % of GDP

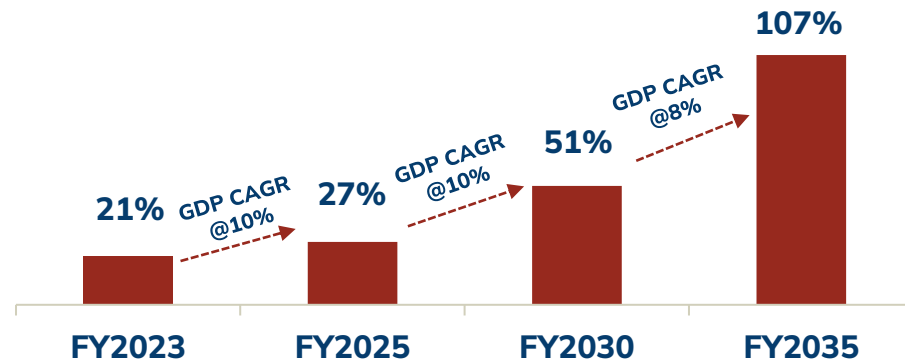


Protection opportunity

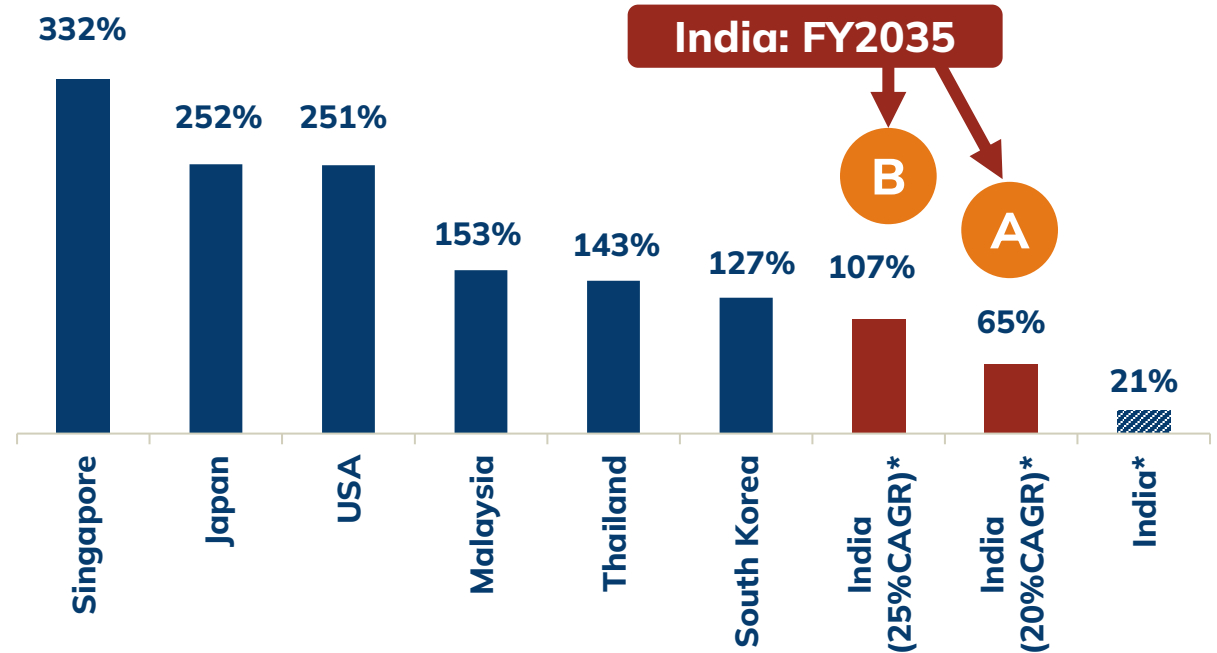
## A SA as % of GDP (SA growth @ 20% CAGR)



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



## SA as % of GDP<sup>1,2</sup>



<sup>1</sup>FY2023 for India; Source: NSO & Company estimates

<sup>2</sup>FY2018 for USA & Japan; FY2020 for other countries; Source: McKinsey estimates

\*For retail protection sum assured (Company estimates)

Gross domestic product (GDP); Compound annual growth rate (CAGR)

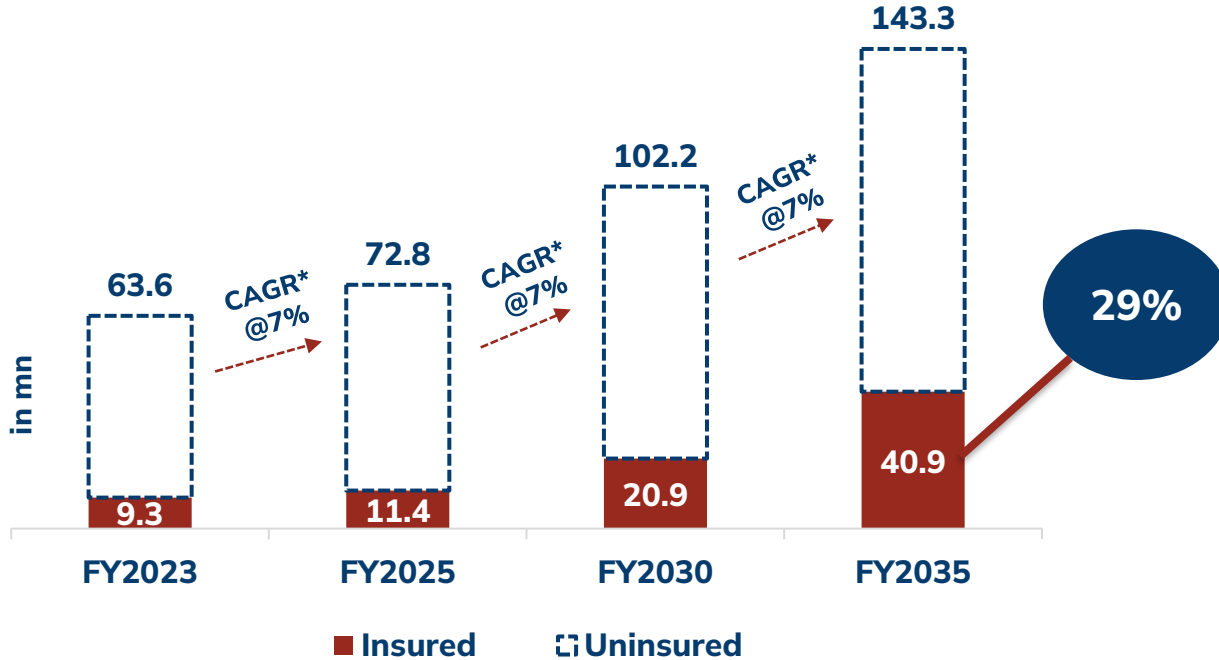


# Addressable population (%)

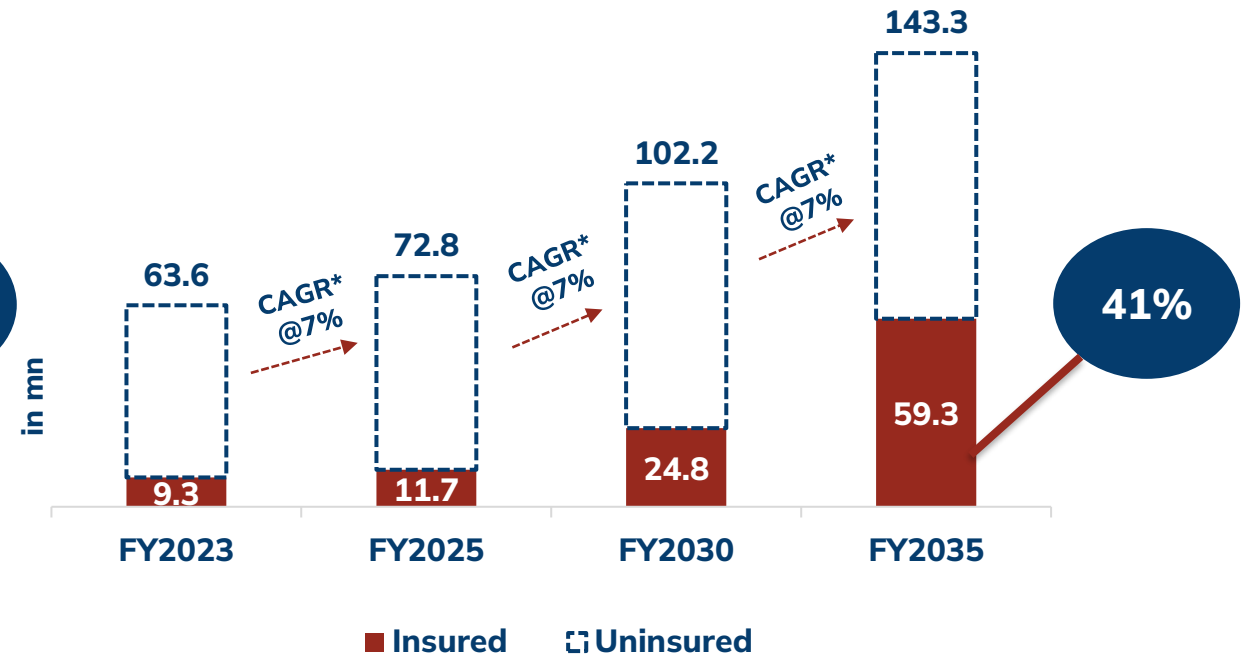


Protection opportunity

15% CAGR in new policy count<sup>1</sup>



20% CAGR in new policy count<sup>1</sup>



~40% of India's addressable population expected to be covered by FY2035<sup>2</sup>

<sup>1</sup>Assumed 10% lapse rate for in-force policies each year

<sup>2</sup>Estimates at accelerated policy growth rates of 20% CAGR

Compound annual growth rate (CAGR)

\*Industry opportunity size

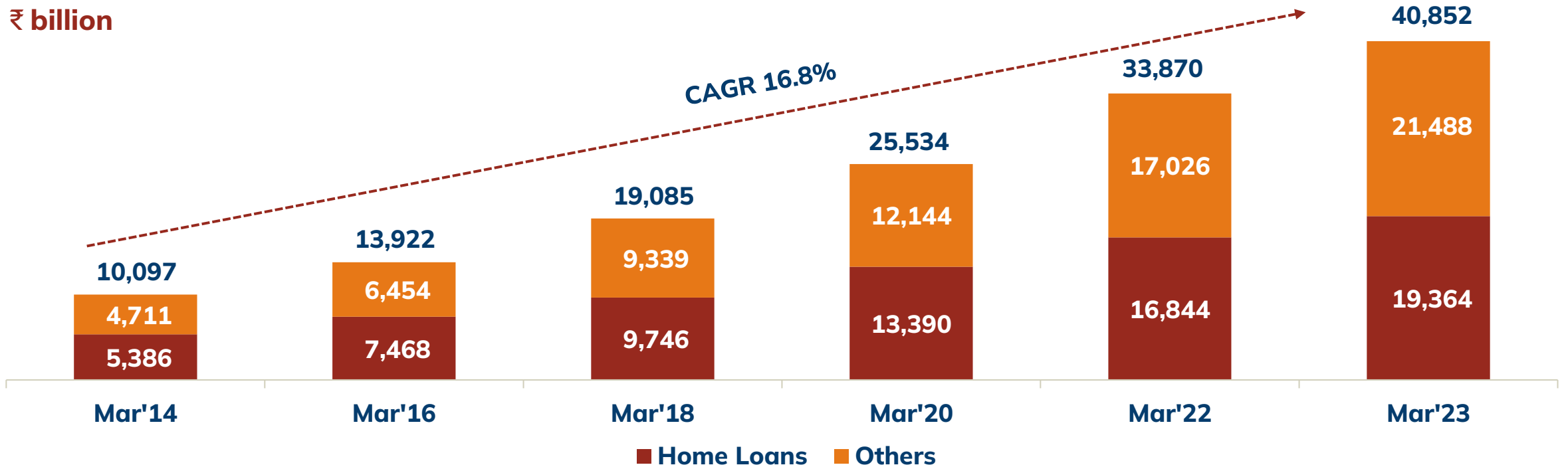
# Strong growth in retail credit



Protection opportunity

## Retail credit<sup>1</sup>

₹ billion



- Healthy growth in retail credit
- Credit life is voluntary



<sup>1</sup>Source: RBI: Deployment of Gross Bank Credit by Major Sector

<sup>2</sup>Source: General Insurance Council

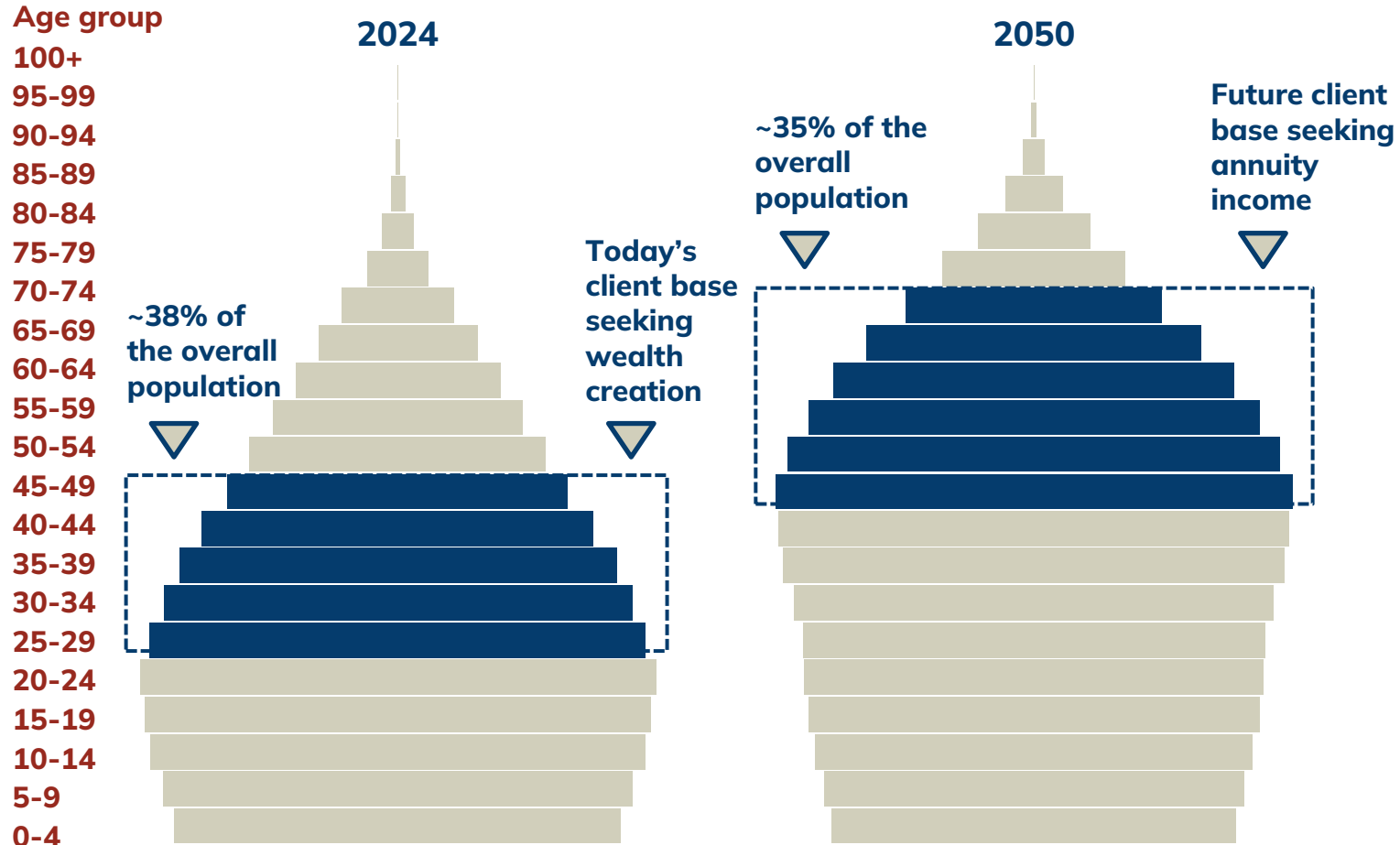
Components may not add up to the totals due to rounding off

# Rising retirement population in India

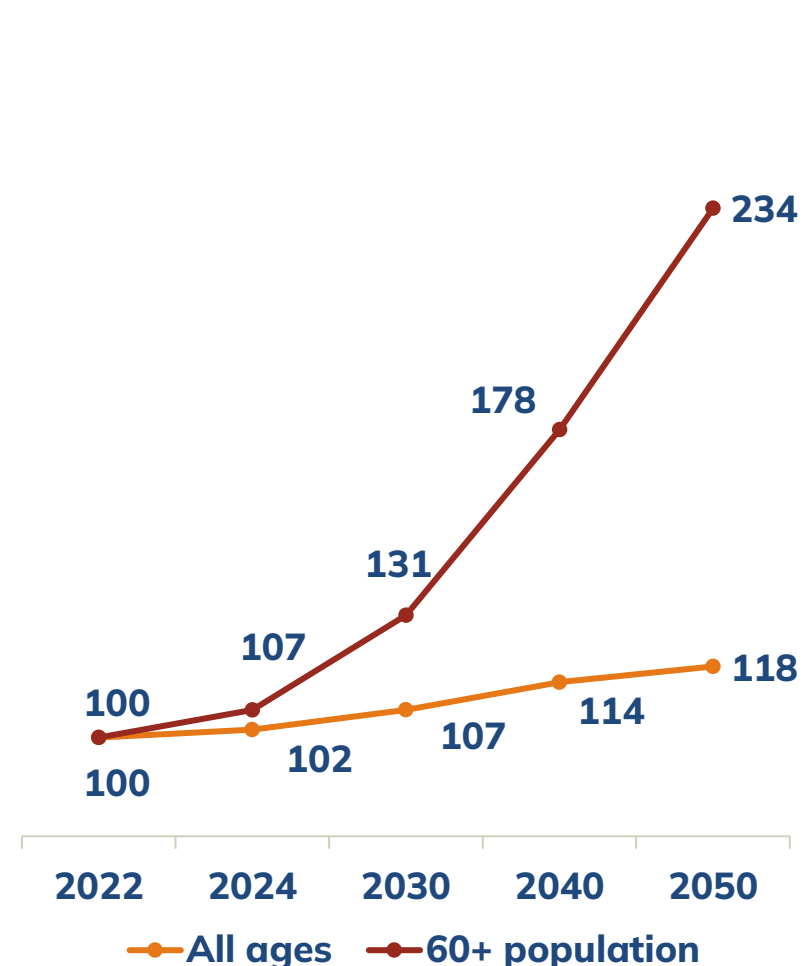


Retirement opportunity

## Demography shift over next ~25 years<sup>1</sup>



## Faster growth of ageing population<sup>2</sup>



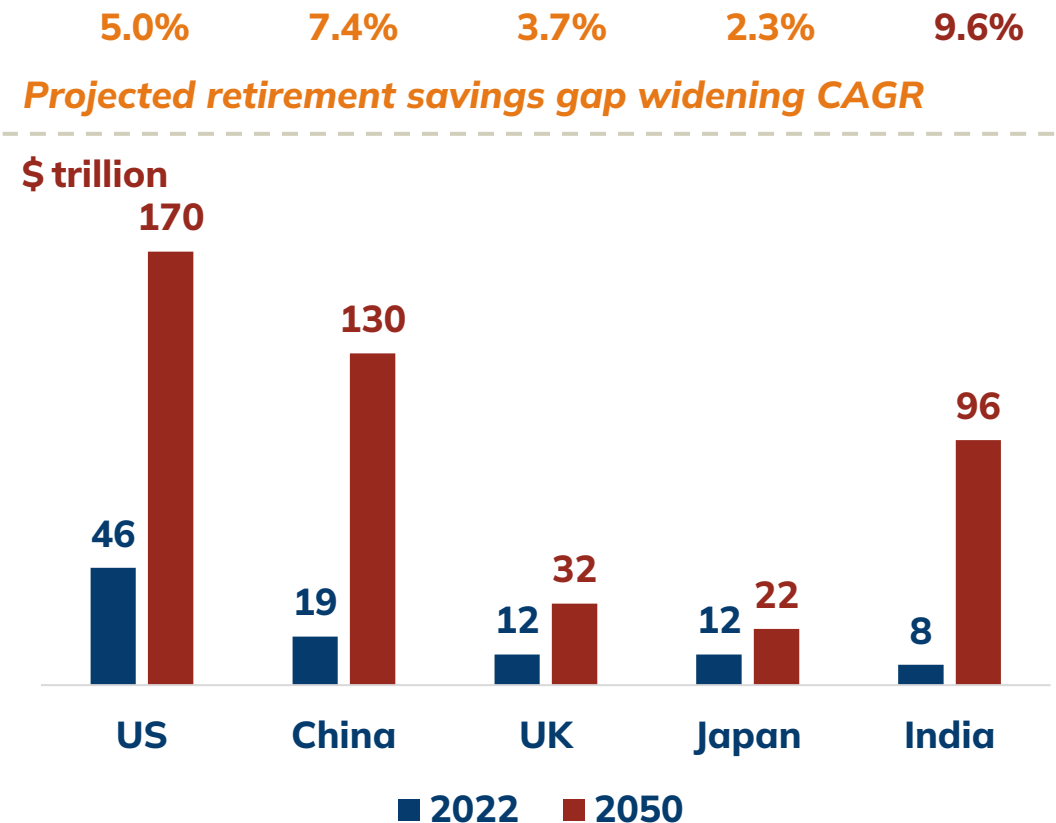
<sup>1</sup>Source: UN Population Division 2022  
<sup>2</sup>Rate of growth in population depicted by taking the base population as 100 for the year 2022 (Source: UN Population Division 2022)

# Retirement needs under-served

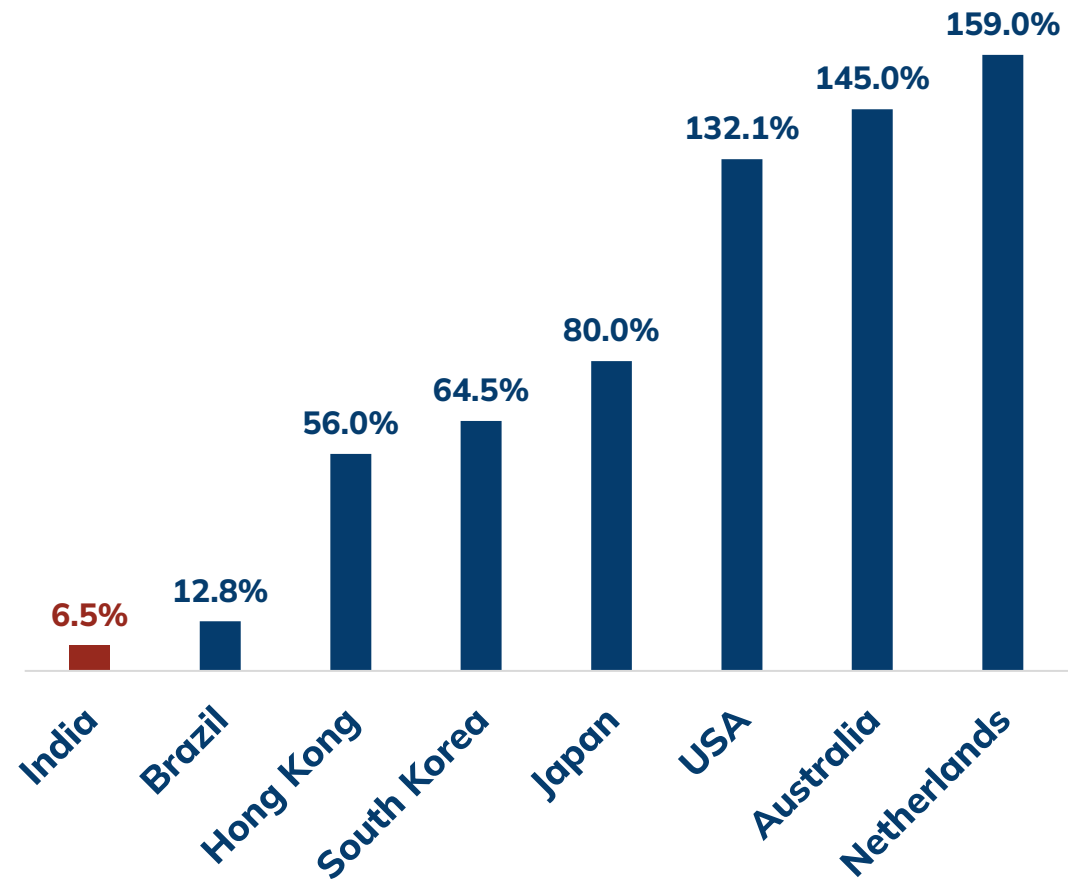


Retirement opportunity

## Retirement savings gap projections<sup>1</sup>



## Pension assets/GDP<sup>2</sup>



<sup>1</sup>Source: Swiss Re, October 2023

<sup>2</sup>Source: Global Pension Assets Study, 2024

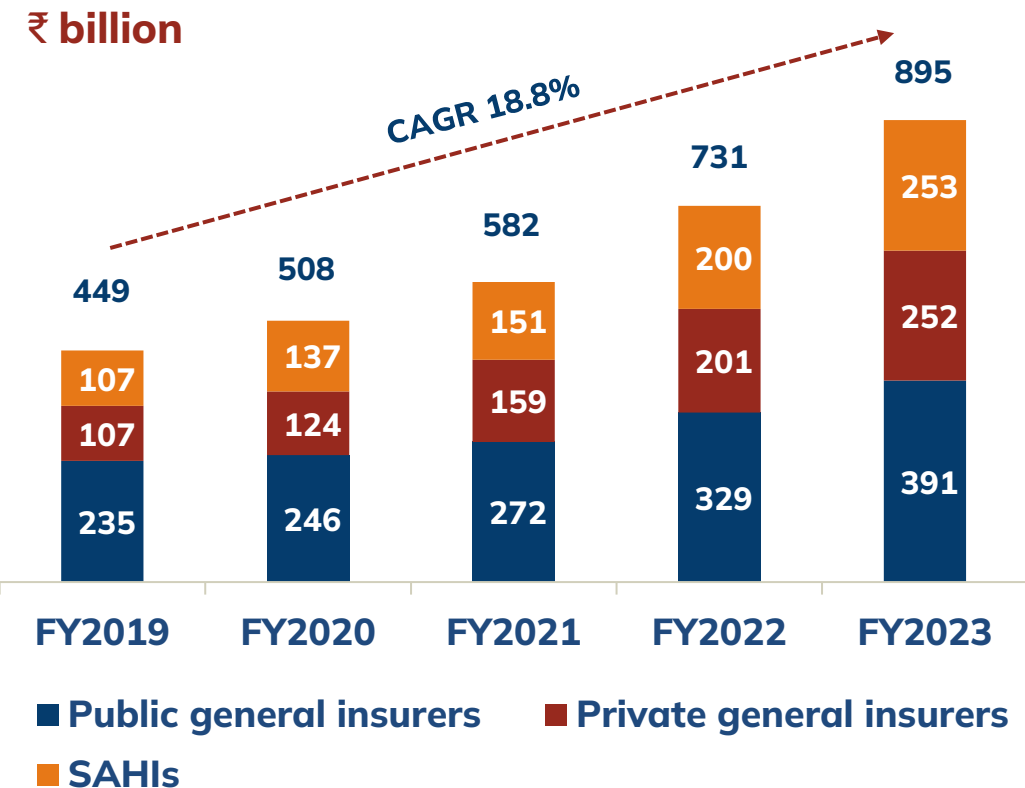
Gross domestic product (GDP); Compound annual growth rate (CAGR)

# Indicators of health opportunity

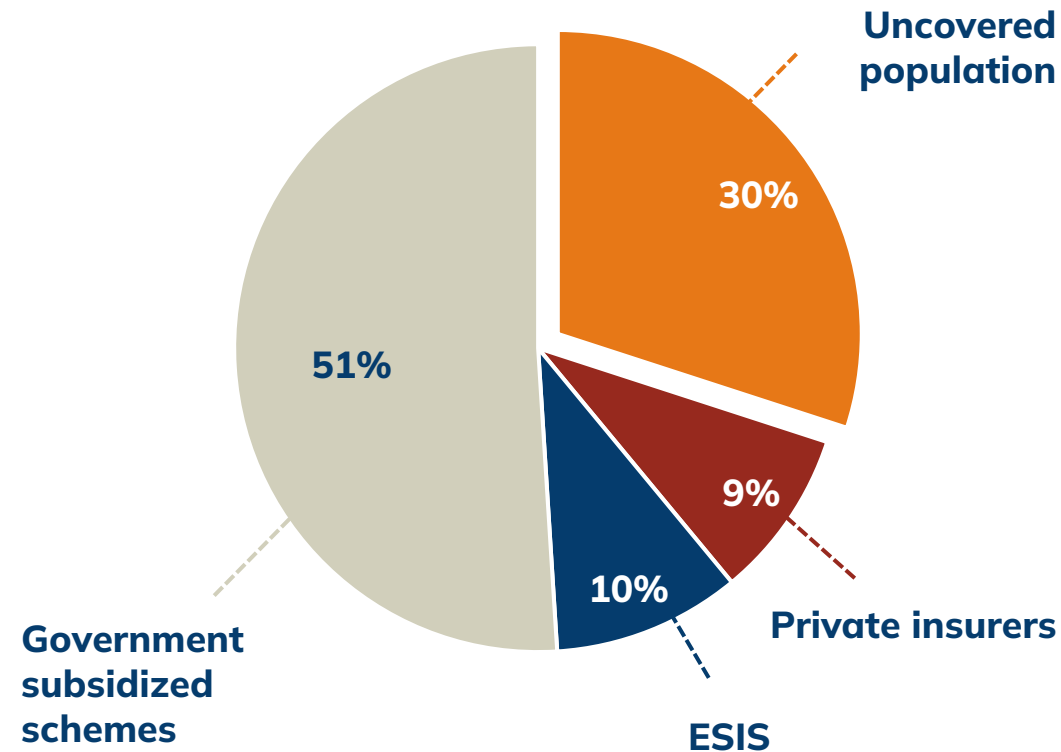


Health opportunity

## Health insurance premium trend<sup>1</sup>



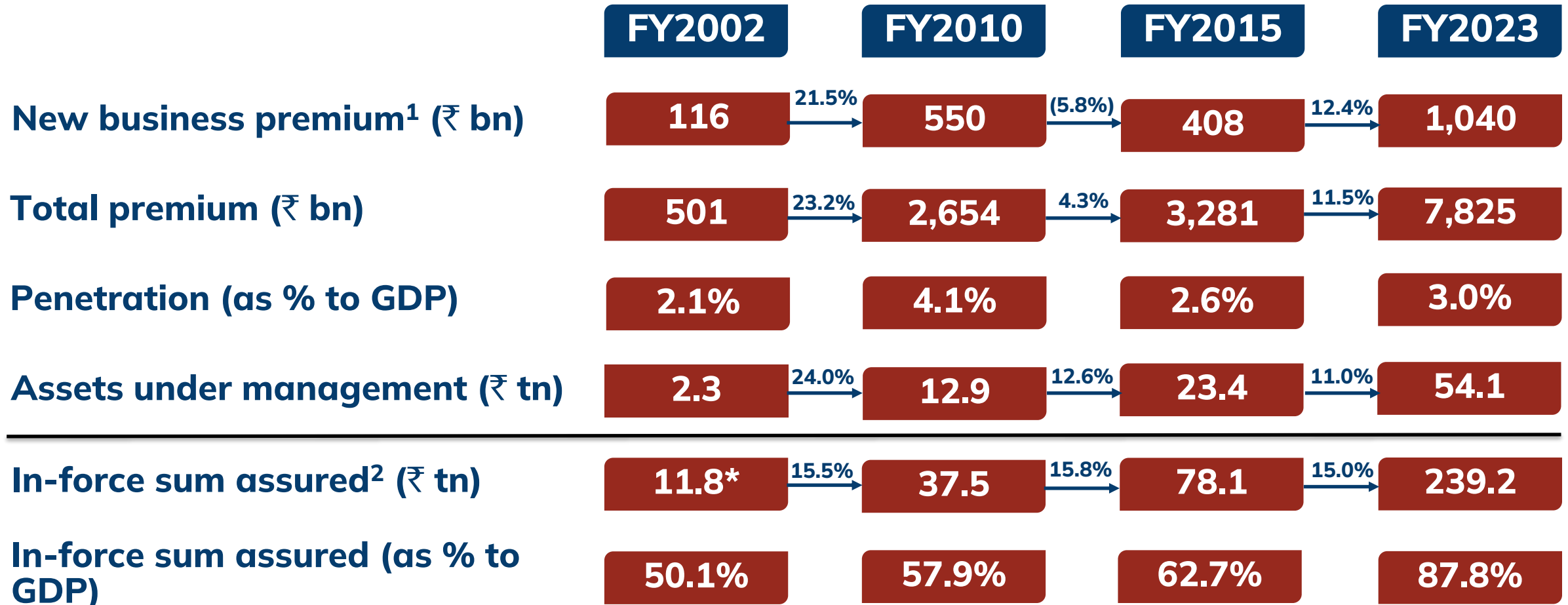
## % of population covered by health schemes<sup>2</sup>



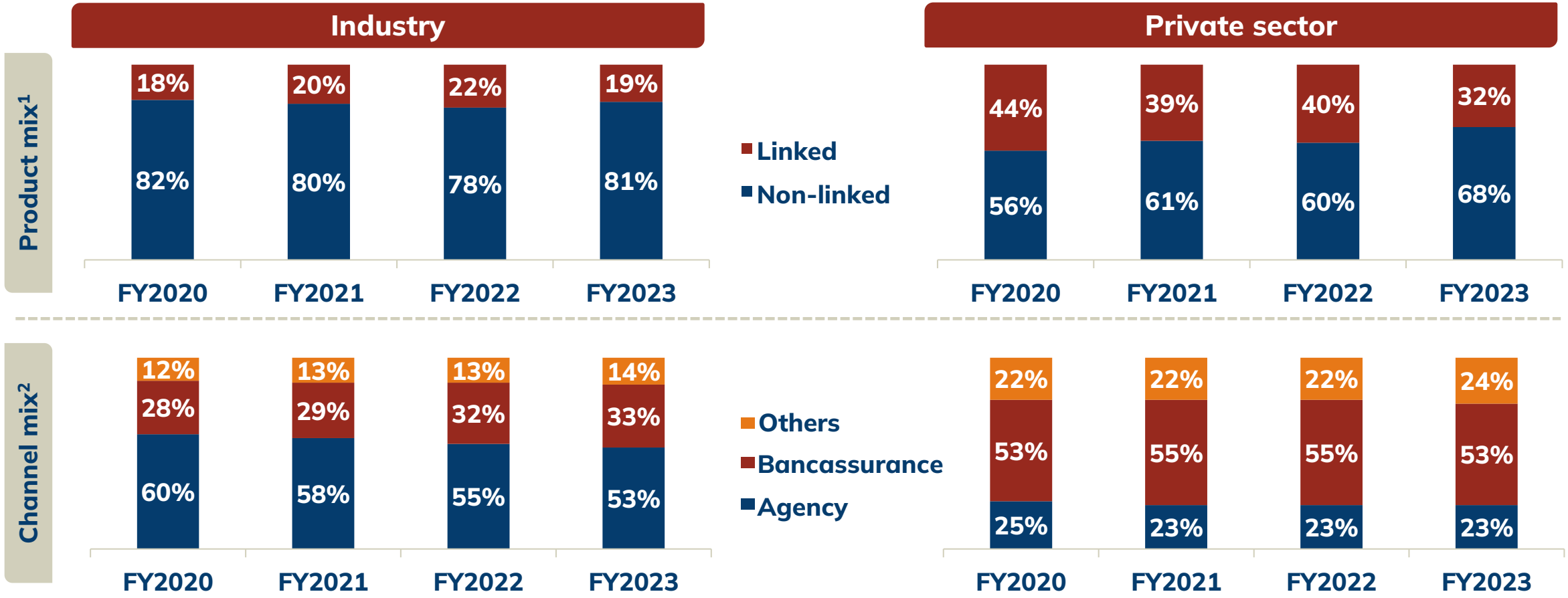
<sup>1</sup>Source: IRDAI Annual Report 2022-23

<sup>2</sup>Source: NITI Aayog: Health Insurance for India's Missing Middle  
SAHIs: Stand-alone Health Insurers; ESIS: Employees' State Insurance Scheme  
Compound annual growth rate (CAGR)

# Evolution of life insurance industry in India



# Historical product & channel mix



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

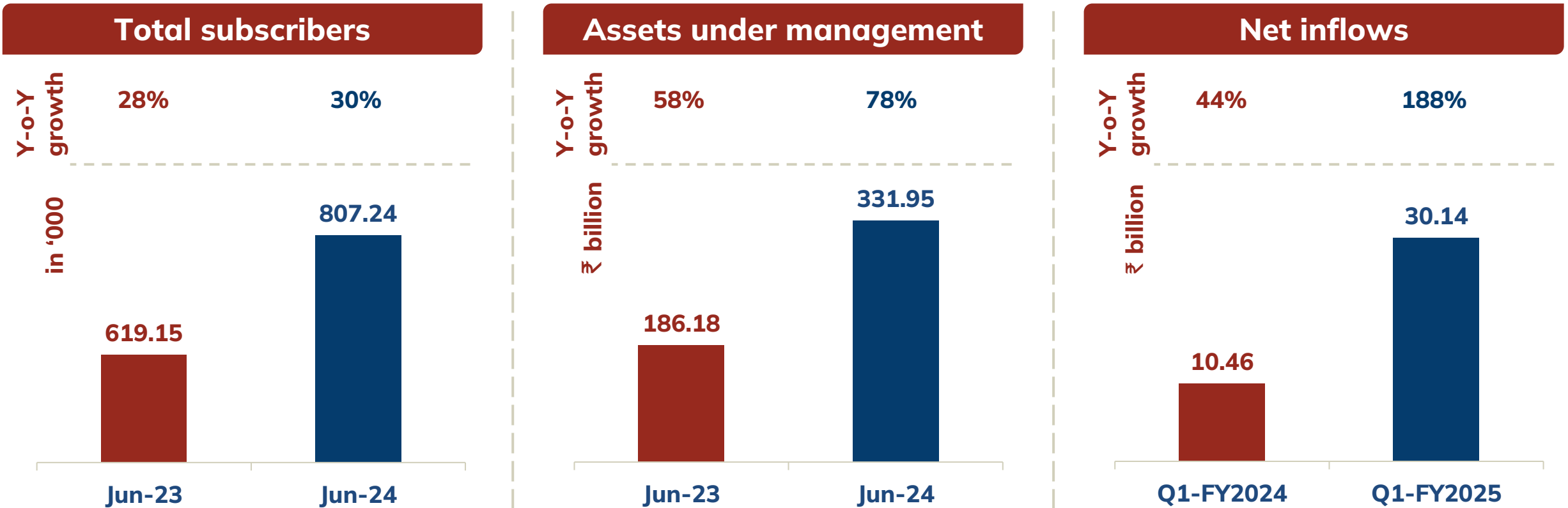


<sup>1</sup>Based on new business weighted premium  
<sup>2</sup>Based on individual new business premium  
 Source: Life insurance council

# Annexures: Others



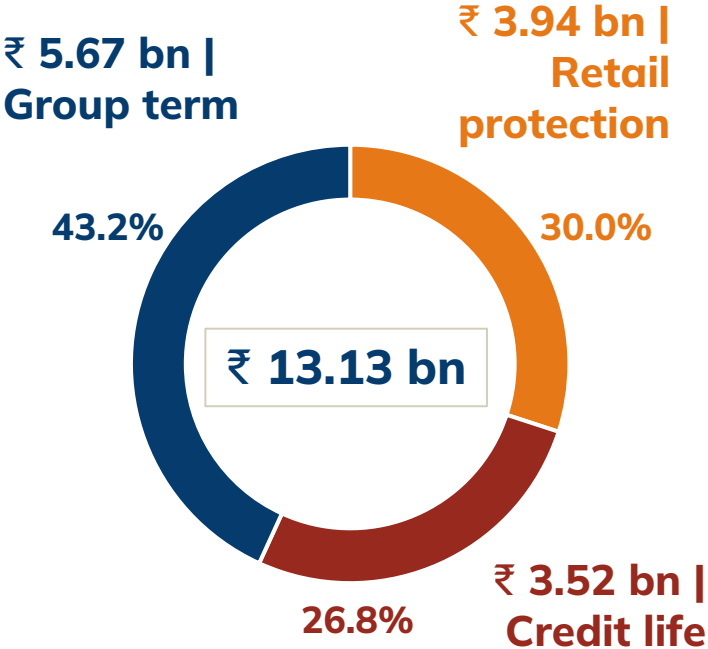
# Retirement focus: ICICI Pru PFM



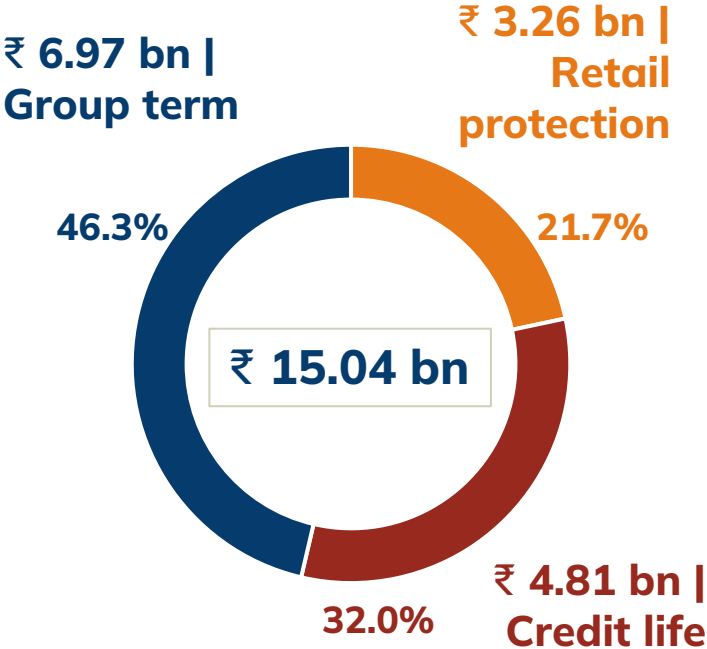
**40% of NPS retirement corpus mandated for annuity conversion, significantly enhances insurance industry's annuity growth outlook**

# Trend in protection APE

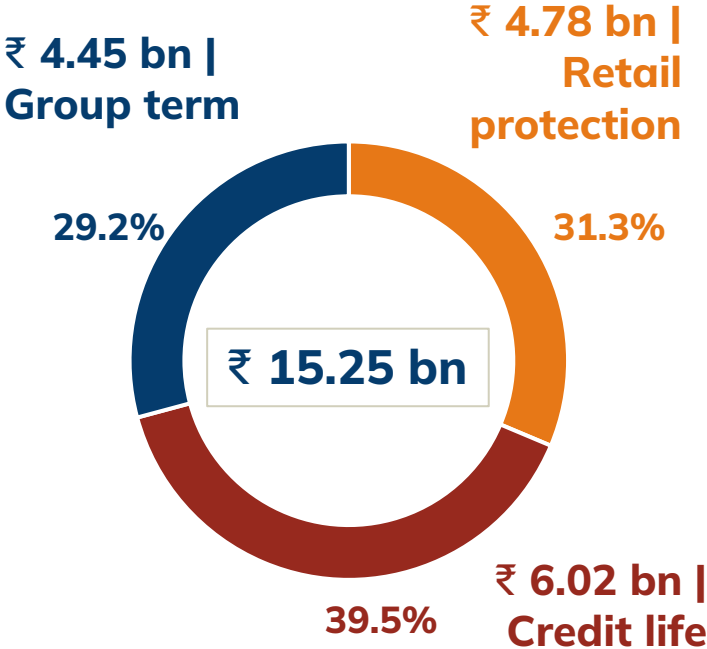
## FY2022



## FY2023



## FY2024



**Strong revival in retail protection; Sustained momentum in credit life segment**



Retail protection includes term with return of premium; FY2022: ₹ 0.14 bn, FY2023: ₹ 0.74 bn, FY2024: ₹ 0.90 bn  
 APE: Annualised Premium Equivalent

# Interest rate risk management

## Guaranteed return savings product

- 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
- 

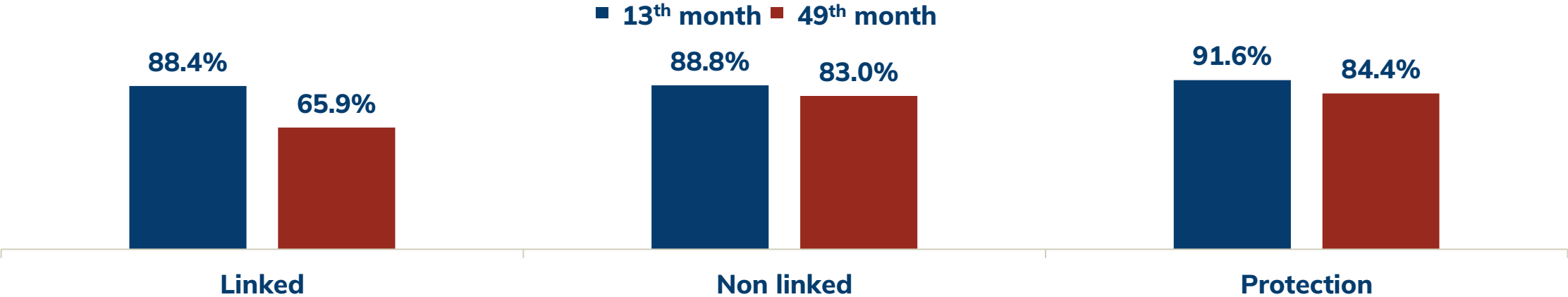
## Annuity products

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

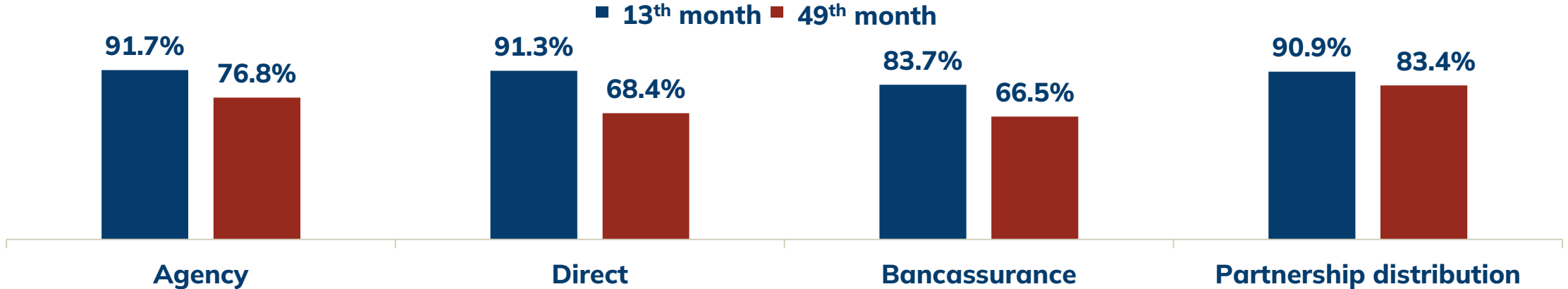
**Review of pricing based on current interest rate environment**

# Retail persistency: FY2024

## Persistency across product categories



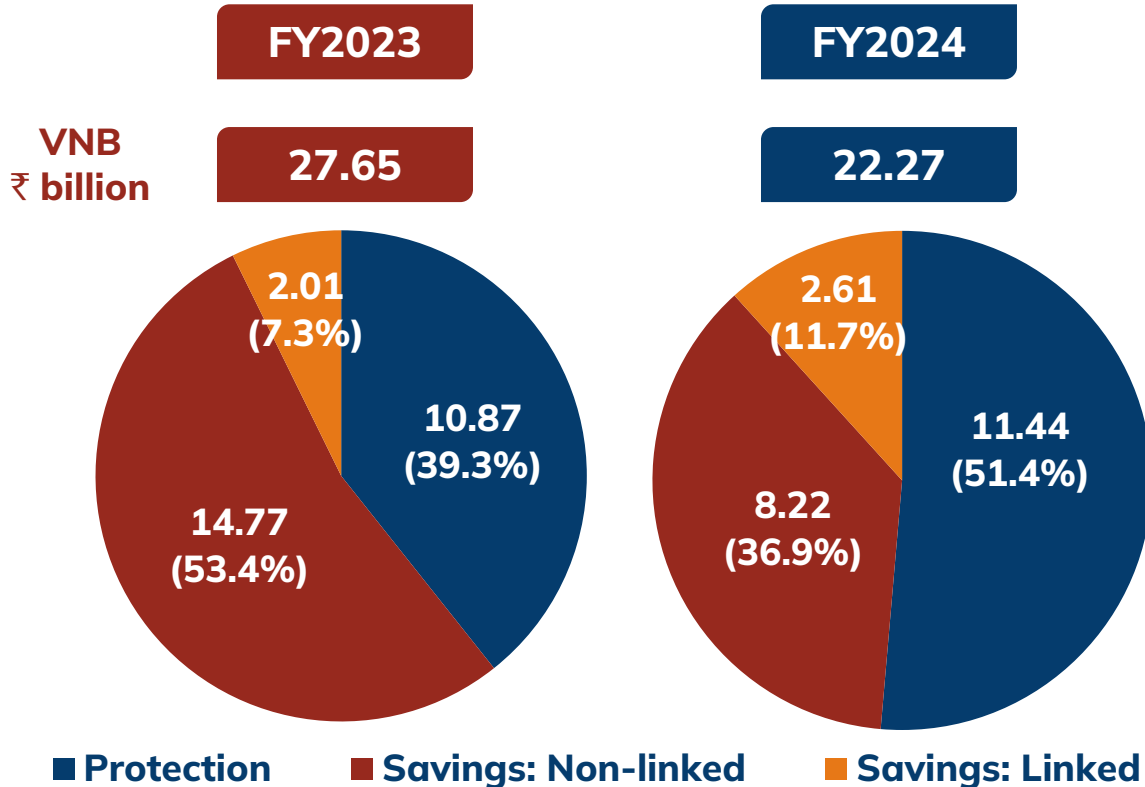
## Persistency across channel categories



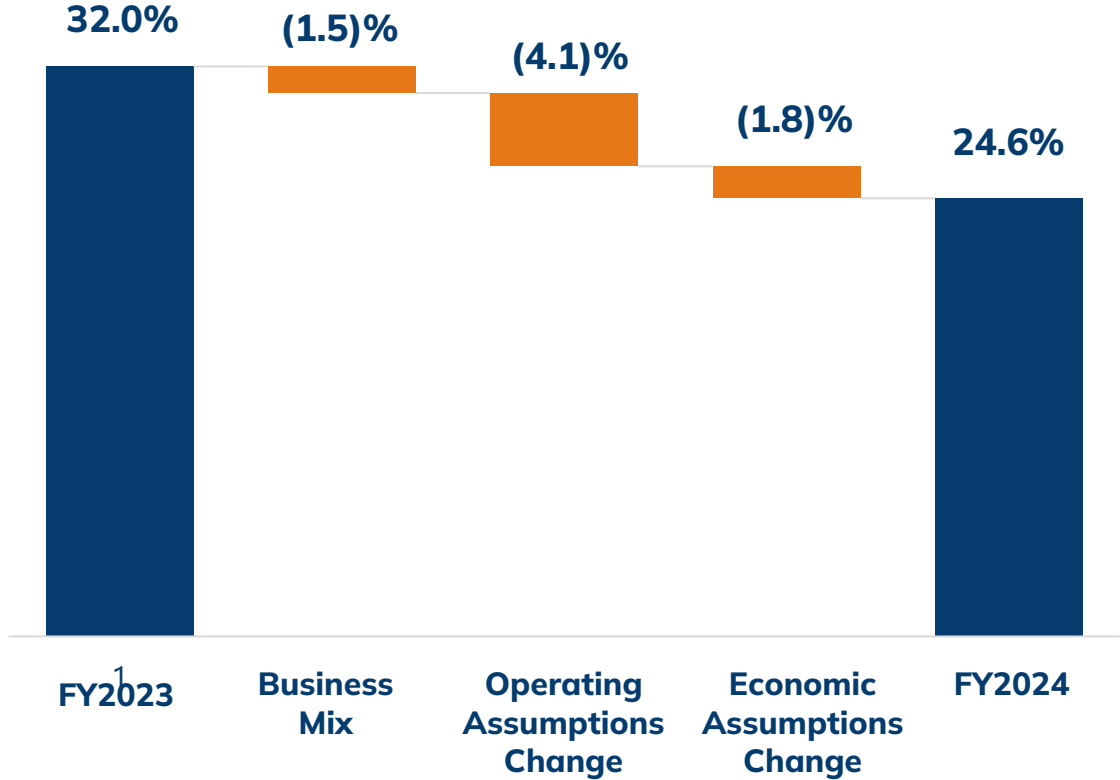
Regular and Limited pay persistency in accordance with IRDAI Master circular on Submission of Returns 2024 dated June 14, 2024  
 12 month rolling persistency for April to March measured at April 30

# Value of New Business (VNB)

## VNB contribution\*



## VNB margin movement

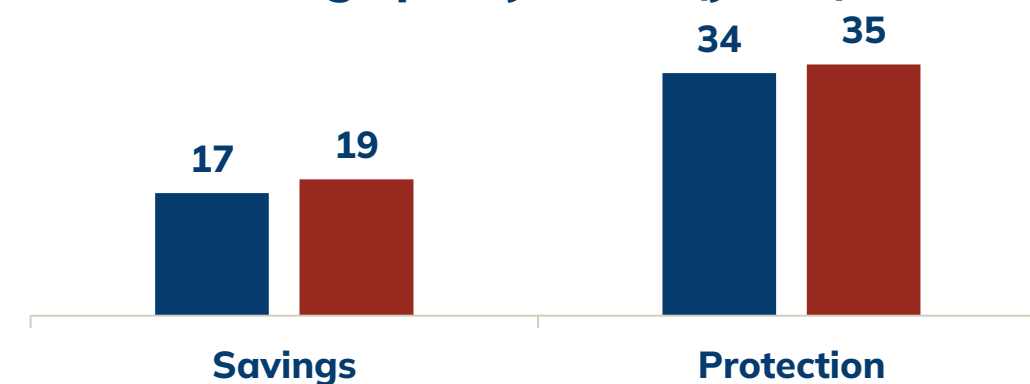


\*Figures in brackets represent share of VNB Total may not add up due to rounding off

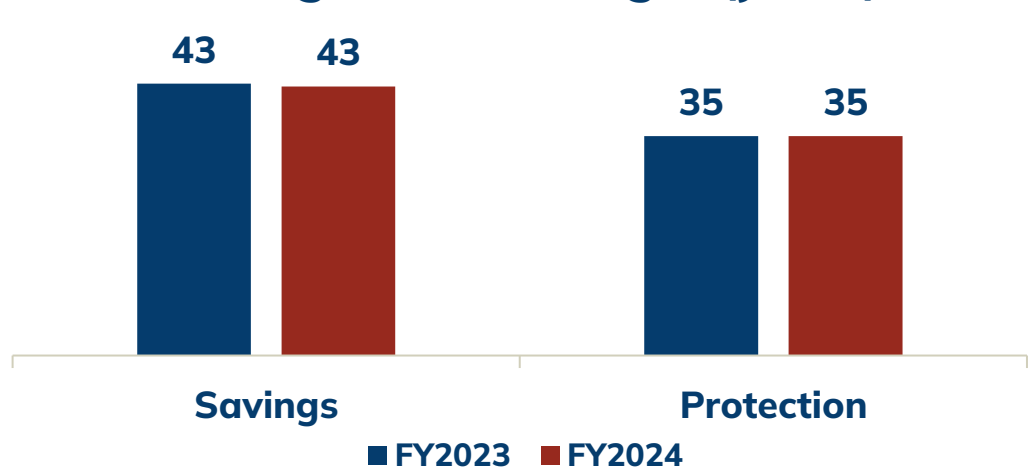
# Average APE by product categories

Segment (₹)	FY2023	FY2024
ULIP	177,057	182,940
Non-linked savings	119,748	114,033
Protection	23,086	36,284
<b>Total</b>	<b>118,928</b>	<b>130,593</b>

Average policy term\* (years)



Average customer age\* (years)



# Channel wise product mix<sup>1</sup>

Channel category	Product category	FY2022	FY2023	FY2024
Bancassurance	ULIP	70.7%	57.0%	58.6%
	Non-linked savings	19.2%	31.7%	30.3%
	Annuity	4.9%	7.3%	5.2%
	Protection	5.2%	4.0%	5.9%
	<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
Agency	ULIP	42.6%	35.6%	46.0%
	Non-linked savings	48.8%	55.4%	30.6%
	Annuity	3.9%	6.4%	21.0%
	Protection	4.7%	2.6%	2.4%
	<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
Direct	ULIP	73.4%	69.0%	75.5%
	Non-linked savings	13.6%	17.4%	8.7%
	Annuity	6.6%	8.4%	9.8%
	Protection	6.4%	5.3%	6.0%
	<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
Partnership distribution	ULIP	13.7%	8.8%	18.3%
	Non-linked savings	71.8%	75.8%	54.0%
	Annuity	2.1%	6.7%	11.8%
	Protection	12.4%	8.5%	15.9%
	<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

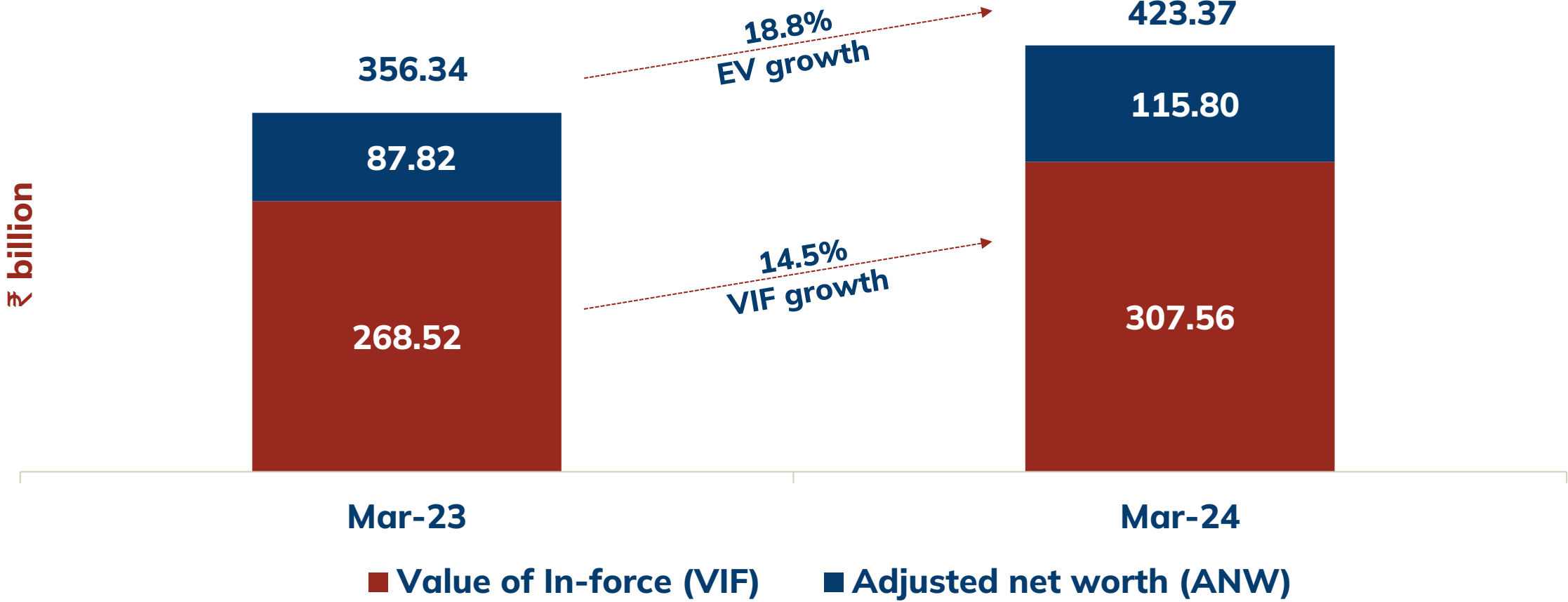
# Product wise channel mix<sup>1</sup>

Product category	Channel category	FY2022	FY2023	FY2024
ULIP	Bancassurance	57.0%	46.6%	38.8%
	Agency	20.8%	26.1%	31.0%
	Direct	19.6%	23.7%	24.6%
	Partnership distribution	2.6%	3.6%	5.5%
	<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
Non-linked savings	Bancassurance	27.3%	25.0%	33.6%
	Agency	42.1%	39.1%	34.5%
	Direct	6.4%	5.7%	4.8%
	Partnership distribution	24.1%	30.1%	27.1%
	<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
Annuity	Bancassurance	49.1%	36.5%	14.2%
	Agency	23.8%	28.8%	58.2%
	Direct	22.0%	17.6%	13.1%
	Partnership distribution	5.1%	17.0%	14.5%
	<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
Protection	Bancassurance	39.6%	31.0%	31.8%
	Agency	21.7%	18.4%	13.0%
	Direct	16.2%	17.2%	16.1%
	Partnership distribution	22.5%	33.4%	39.1%
	<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>



# Annexures: Embedded value

# Embedded value (EV)<sup>1</sup>

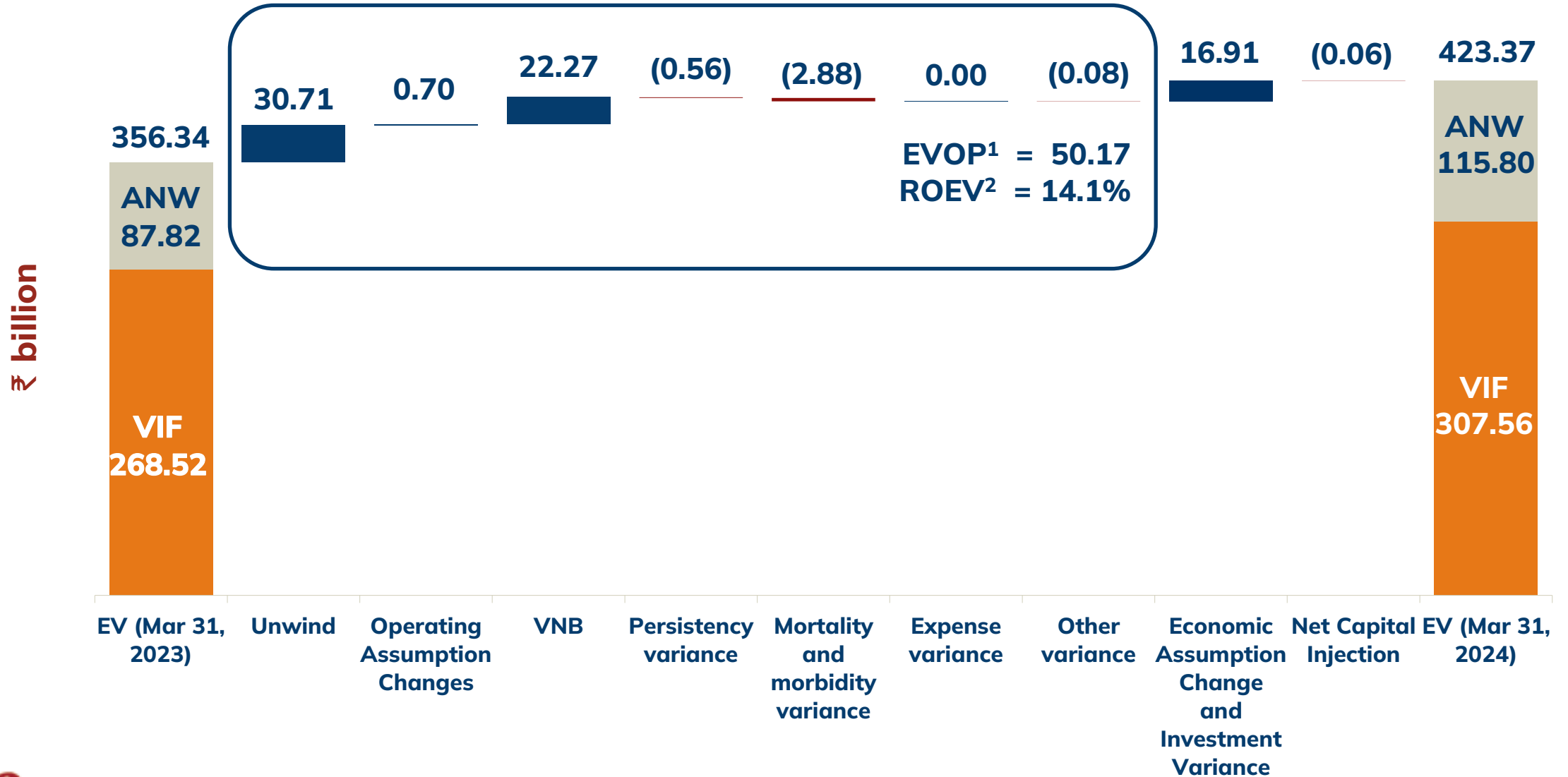


**Continued strong growth in VIF**



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

# Analysis of movement in EV



<sup>1</sup> EVOP is the embedded value operating profit net of tax

<sup>2</sup> 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 net worth; VIF: Value of in-force; EV: Embedded value; VNB; Value of new business

# Analysis of movement in EV<sup>1</sup>

₹ billion	FY2020	FY2021	FY2022	FY2023	FY2024
<b>Opening EV</b>	<b>216.23</b>	<b>230.30</b>	<b>291.06</b>	<b>316.25</b>	<b>356.34</b>
<b>Unwind</b>	<b>17.25</b>	<b>16.61</b>	<b>20.85</b>	<b>27.08</b>	<b>30.71</b>
<b>Value of New Business (VNB)</b>	<b>16.05</b>	<b>16.21</b>	<b>21.63</b>	<b>27.65</b>	<b>22.27</b>
<b>Operating assumption changes + Operating variance</b>	<b>(0.42)</b>	<b>2.24</b>	<b>(10.56)</b>	<b>0.15</b>	<b>(2.81)</b>
<i>Operating assumption changes</i>	<i>(2.25)<sup>2</sup></i>	<i>3.09</i>	<i>(0.91)</i>	<i>(1.61)</i>	<i>0.70</i>
<i>Operating variance</i>	<i>1.83</i>	<i>(0.85)</i>	<i>(9.64)</i>	<i>1.76</i>	<i>(3.52)</i>
<i>Persistency variance</i>	<i>0.85</i>	<i>1.10</i>	<i>1.51</i>	<i>1.43</i>	<i>(0.56)</i>
<i>Mortality and morbidity variance</i>	<i>0.42</i>	<i>(2.37)<sup>3</sup></i>	<i>(11.87)<sup>3</sup></i>	<i>0.22</i>	<i>(2.88)</i>
<i>Expense variance</i>	<i>0.01</i>	<i>0.01</i>	<i>0.07</i>	<i>0.03</i>	<i>0.00</i>
<i>Other variance</i>	<i>0.56</i>	<i>0.41</i>	<i>0.64</i>	<i>0.08</i>	<i>(0.08)</i>
<b>EVOP</b>	<b>32.88</b>	<b>35.05</b>	<b>31.92</b>	<b>54.88</b>	<b>50.17</b>
<b>Return on embedded value (ROEV)</b>	<b>15.2%</b>	<b>15.2%</b>	<b>11.0%</b>	<b>17.4%</b>	<b>14.1%</b>
Economic assumption change and investment variance	(14.76)	25.67	(4.37)	(14.49)	16.91
Net capital injection	(4.05)	0.04	(2.36)	(0.30)	(0.06)
<b>Closing EV</b>	<b>230.30</b>	<b>291.06</b>	<b>316.25</b>	<b>356.34</b>	<b>423.37</b>

<sup>1</sup>As per Indian Embedded Value (IEV) method

<sup>2</sup>Negative impact of ₹ 5.49 billion due to change in effective tax rate

<sup>3</sup>Mortality 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	
	FY2023	FY2024	FY2023	FY2024
Increase in 100 bps in the reference rates	(4.2)	(11.7)	(3.5)	(3.5)
Decrease in 100 bps in the reference rates	4.8	10.9	3.7	3.8
10% increase in the discontinuance rates	(3.4)	(4.8)	(0.5)	(0.4)
10% decrease in the discontinuance rates	3.6	5.1	0.6	0.4
10% increase in mortality/morbidity rates	(10.0)	(14.9)	(1.9)	(2.0)
10% decrease in mortality/morbidity rates	10.1	15.0	2.0	2.1
10% increase in acquisition expenses	(11.8)	(18.0)	Nil	Nil
10% decrease in acquisition expenses	11.8	18.1	Nil	Nil
10% increase in maintenance expenses	(2.3)	(3.4)	(0.8)	(0.8)
10% decrease in maintenance expenses	2.3	3.4	0.8	0.8
Tax rates increased to 25%	(10.4)	(11.4)	(6.4)	(6.6)
10% increase in equity values	0.4	1.1	1.7	1.6
10% decrease in equity values	(0.4)	(1.0)	(1.7)	(1.7)

# Economic assumptions underlying EV & VNB

Tenor (years)	Reference rates	
	March 31, 2024	June 30, 2024
1	7.2%	7.1%
5	7.3%	7.2%
10	7.2%	7.2%
15	7.3%	7.2%
20	7.3%	7.3%
25	7.4%	7.3%
30	7.4%	7.4%

# 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 on new business as well as on 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 13<sup>th</sup> month, 49<sup>th</sup> month persistency etc. depicting the persistency level at 13<sup>th</sup> month (2<sup>nd</sup> year) & 49<sup>th</sup> month (5<sup>th</sup> 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



**FY2024 Annual  
Report**



**Sustainability  
factsheet**



**FY2024 ESG  
Report**