

Overview of Max Life

Corporate Presentation

FY22

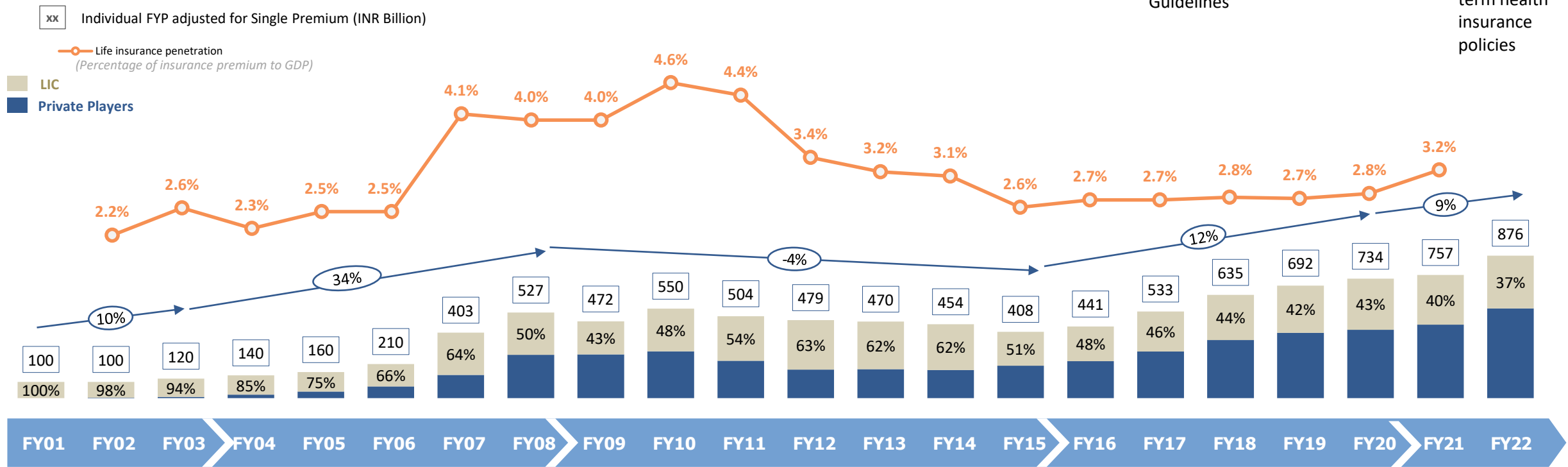




SECTION I

- ▶ Indian Life Insurance Industry so far & Looking ahead
- 

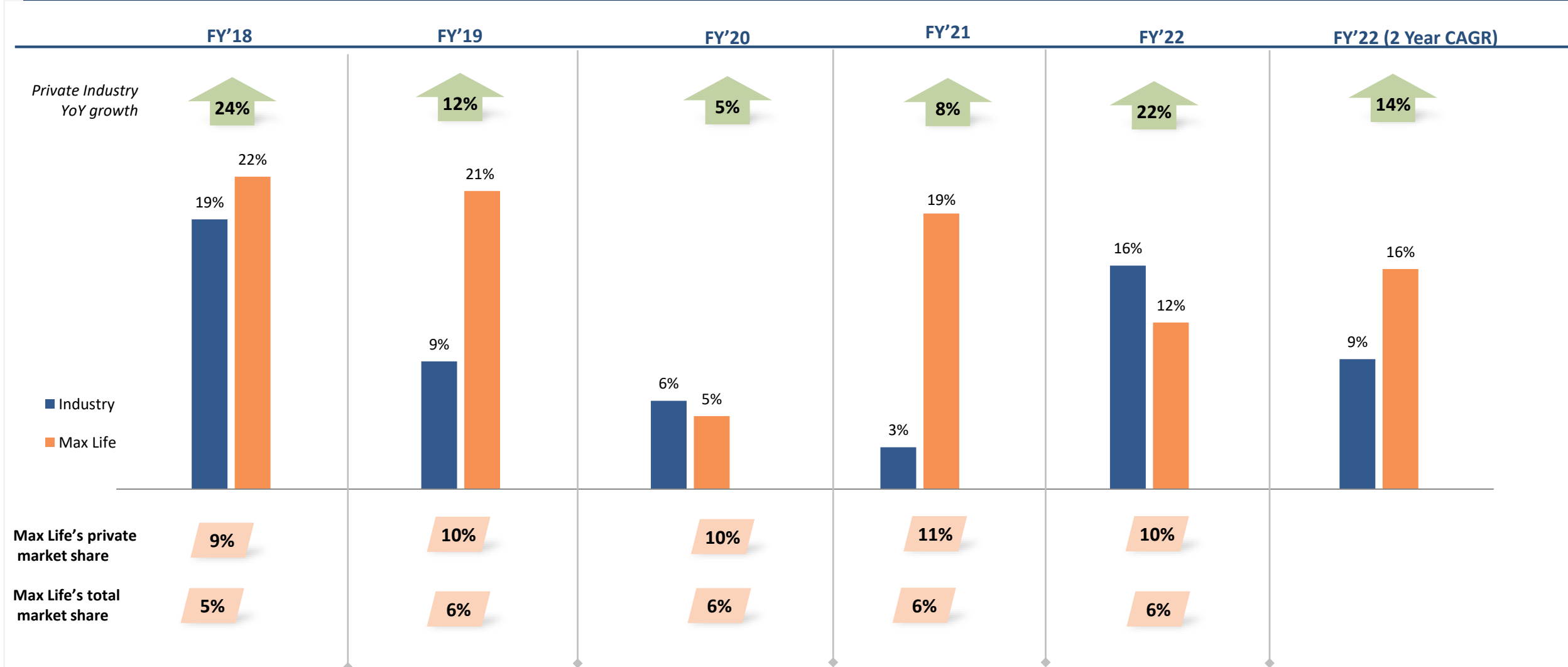
Life insurance industry has seen multiple cycles since 2001. Structural changes in the economy have resulted in positive flow towards financial assets aiding the insurance industry



Source: IRDAI Annual Reports, League tables, Life insurance penetration is basis CY

Industry Landscape: Private Life insurance industry has been growing in double digits; however, growth impacted in FY20 and FY21 due to COVID

YoY Growth basis Individual Adjusted FYP



Life Insurance is a business of Risk Management; plays available for Life Insurers include Disciplined savings, Mortality & Morbidity and Longevity



A

Disciplined savings



B

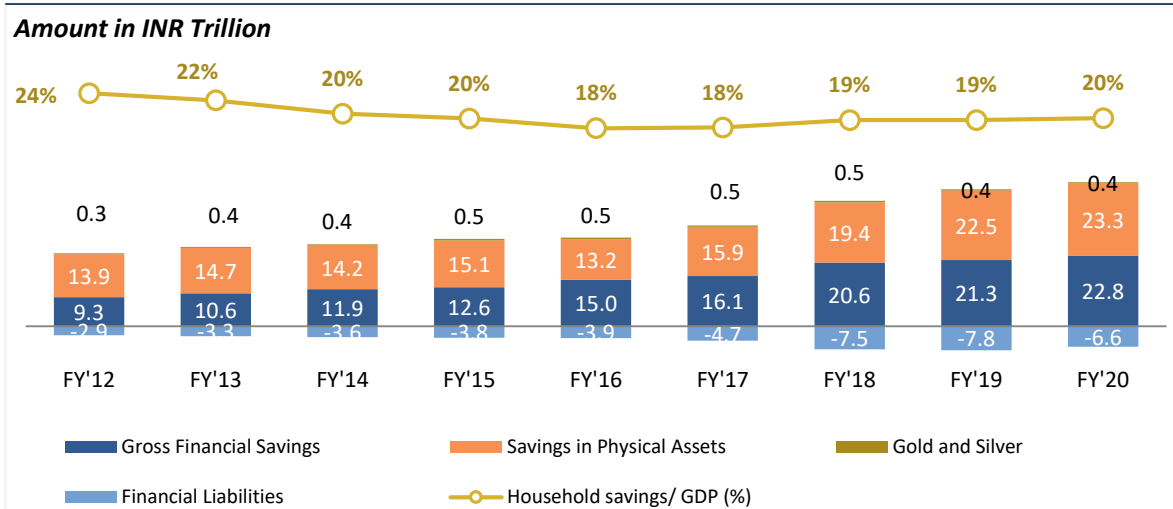
Mortality & Morbidity



C

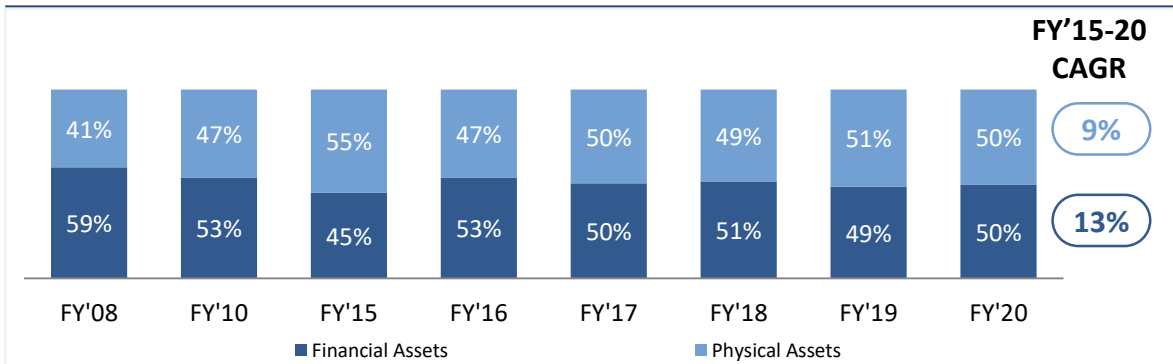
Longevity

High Savings Culture



Source: Handbook of Statistics on Indian Economy 2016/2017/18/19/20, MOSPI

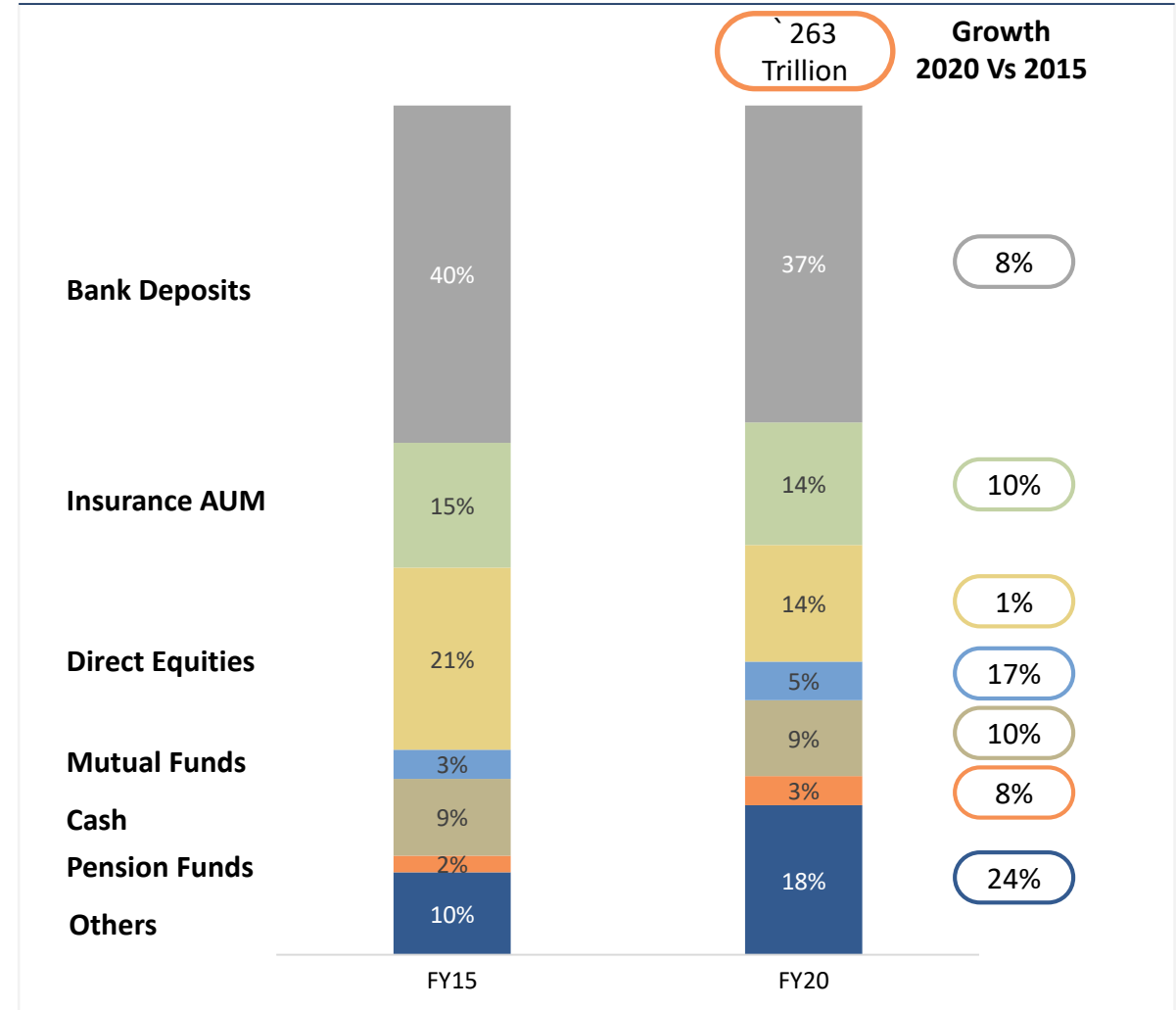
Household Savings flow – Growth in financial assets flow higher than physical assets flow over the last 5 years



Source: Handbook of Statistics on Indian Economy 2016/2017/18/19/20, MOSPI

X% CAGR

Retail wealth in India - Increasing preference for avenues other than cash and bank deposits



Source: Karvy India Wealth Report 2015/2016/2017/2018/2019/2020

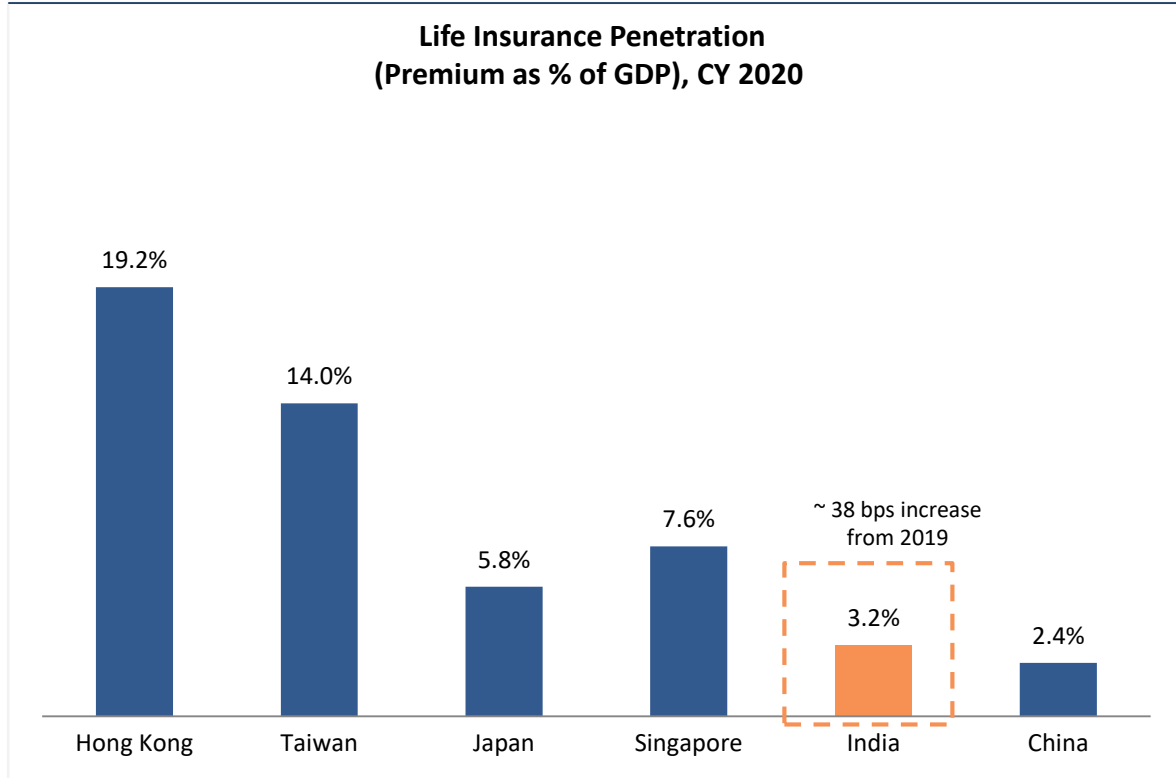
Bank Deposits include FD, CA deposits, SA deposits, NRI deposits; Others primarily include unlisted equity

A

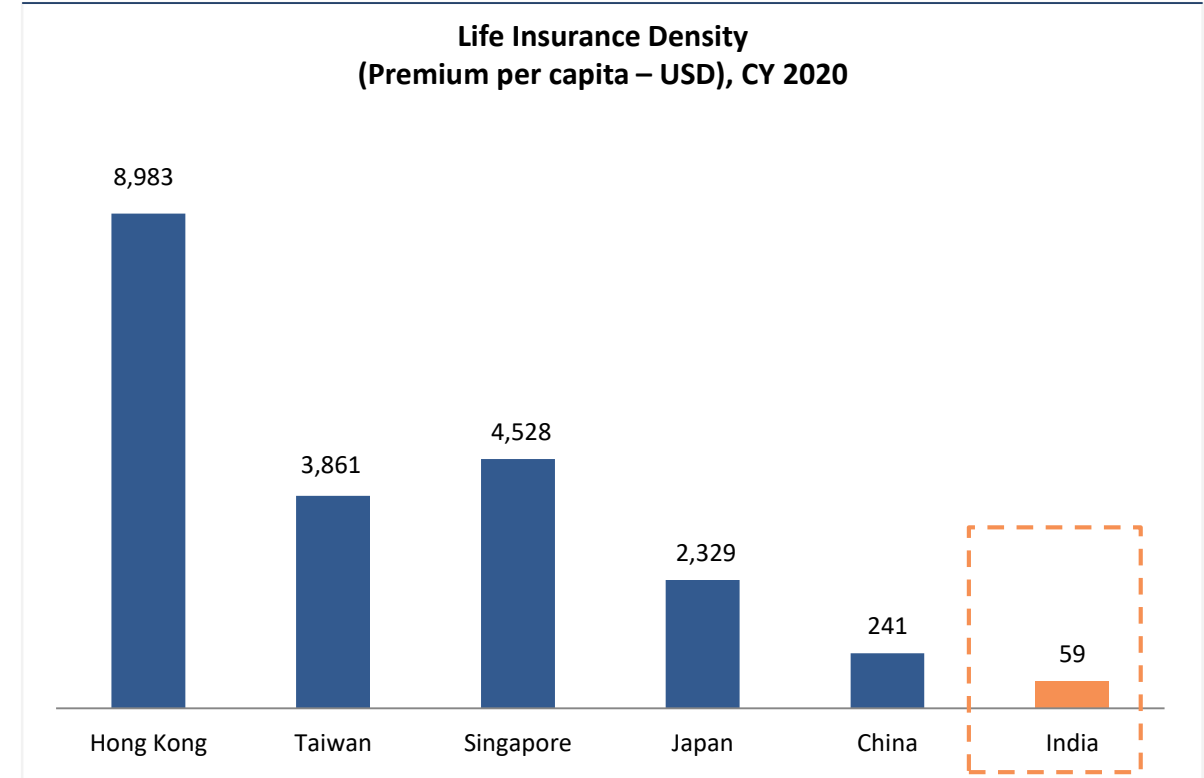
Disciplined Savings (2/3): Significant opportunity for Life Insurance to grow in India on plank of ensuring disciplined savings over a long term – Only asset class effective in addressing the gap



India lags behind other developed countries on Life Insurance penetration



Gap between other countries and India is significant for Life Insurance density

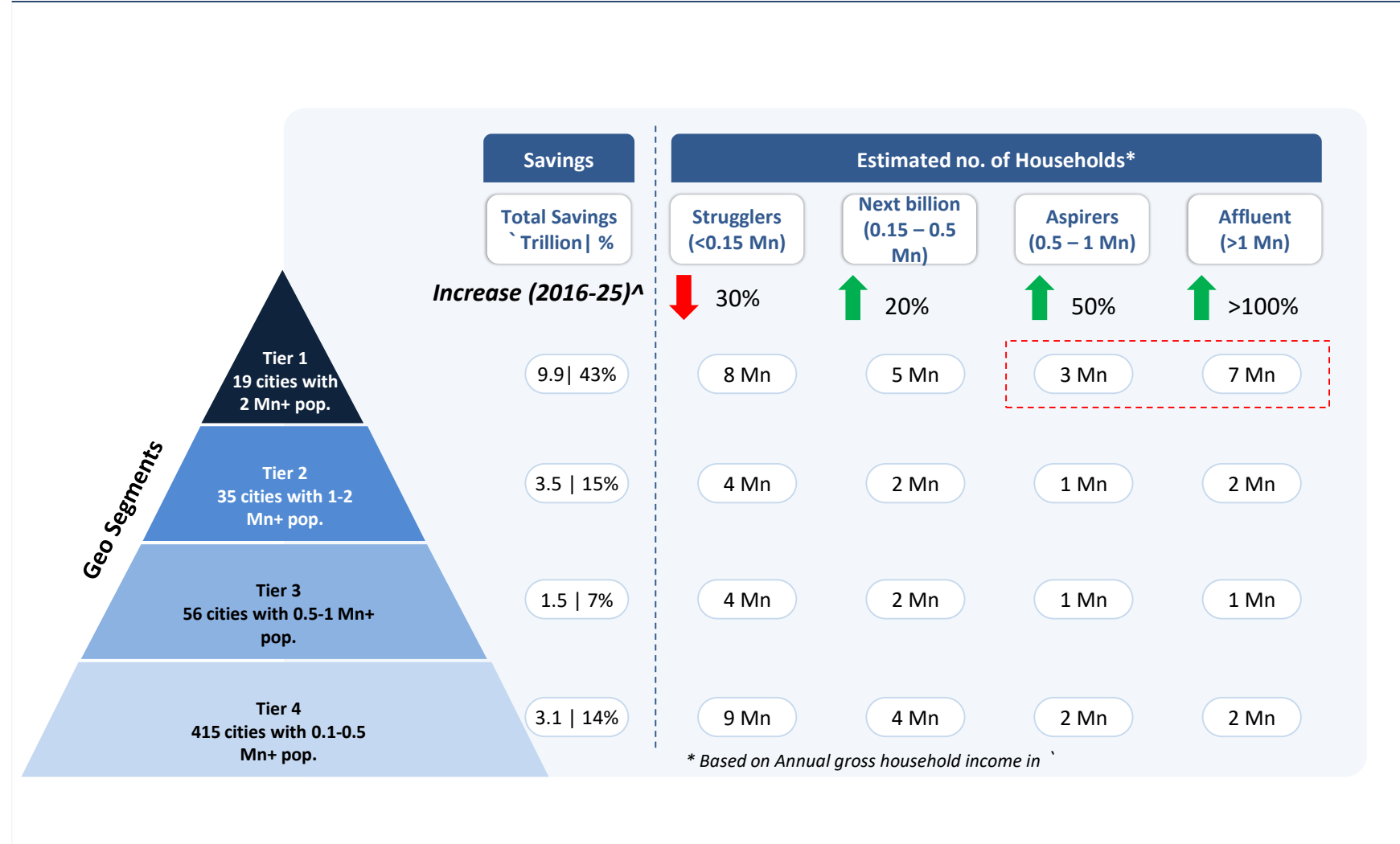
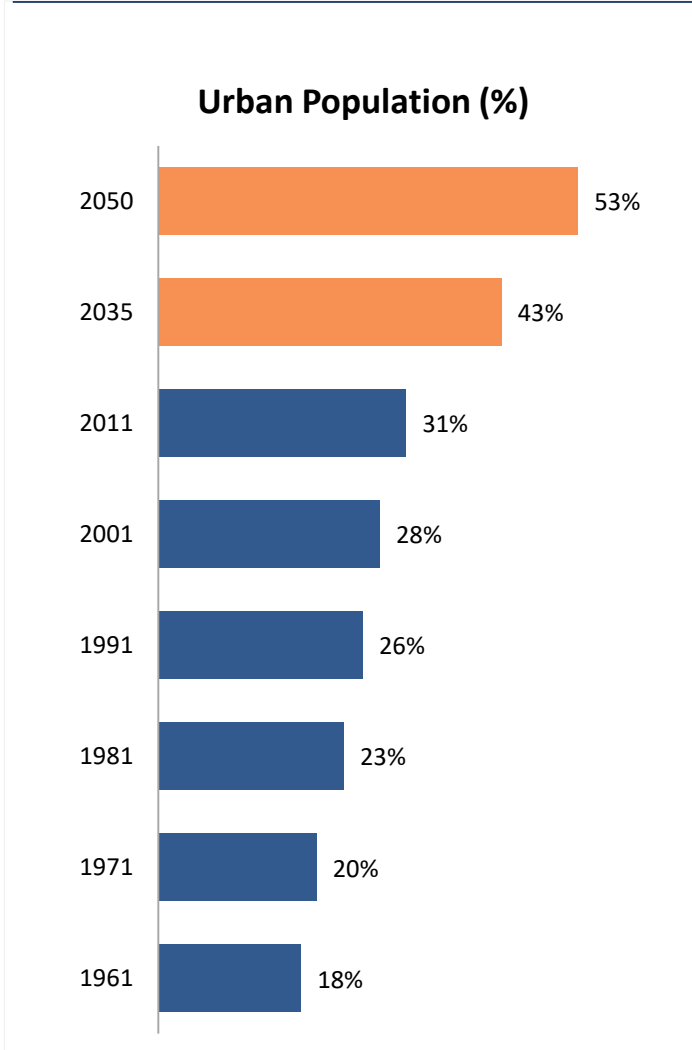


Long Term Nature of Savings

- Life Insurance inculcates disciplined savings mind-set which help retain AUM for longer
 - For **mutual fund industry**, only **30-35%[^] of the assets are more than 2 years old**
 - For better Asset Liability management, Banks’ preference remains for shorter tenure deposits
 - Stock market volatility impacts investment in direct equities and does not ensure discipline

India has witnessed rapid urbanization, aids affluence and emergence of nuclear families

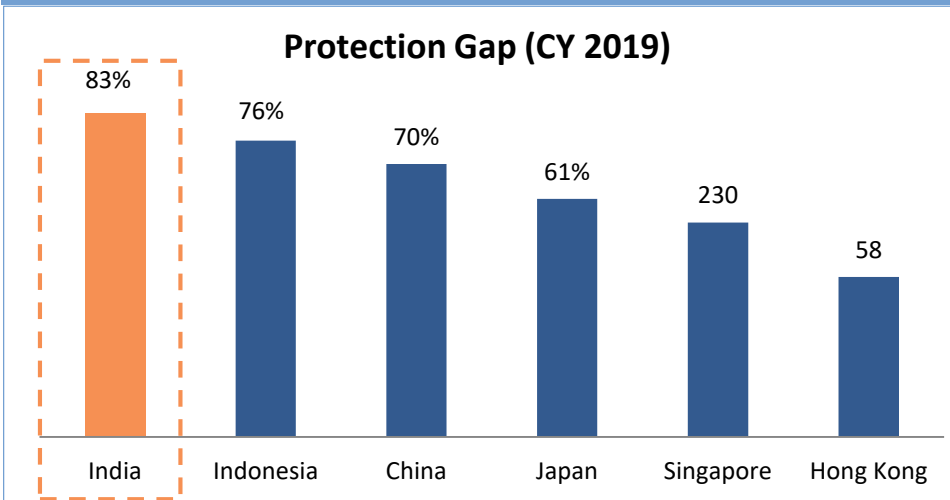
Middle class is likely to increase rapidly, especially in Top 150 cities; Top 19 cities continue to hold bulk of household savings as well affluent households



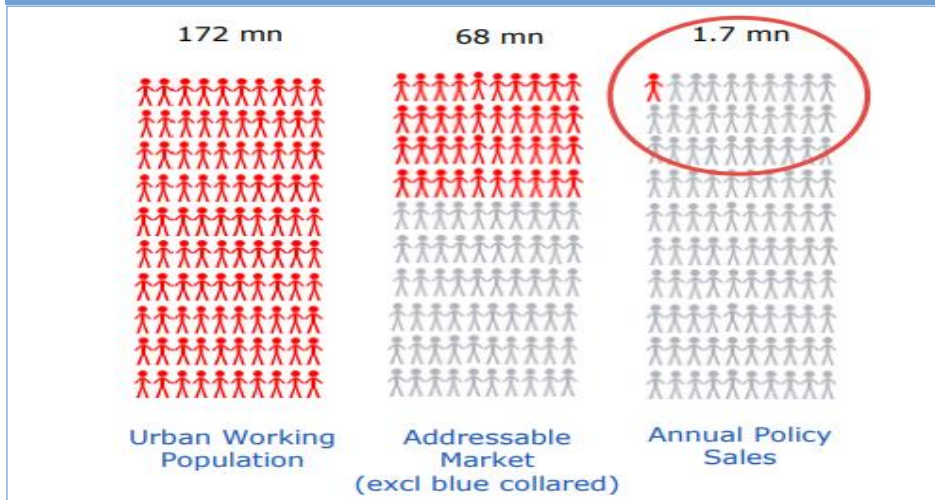
B

Protection Landscape: India has the highest protection gap in Asia with low protection penetration levels; long term protection and health opportunity attractive

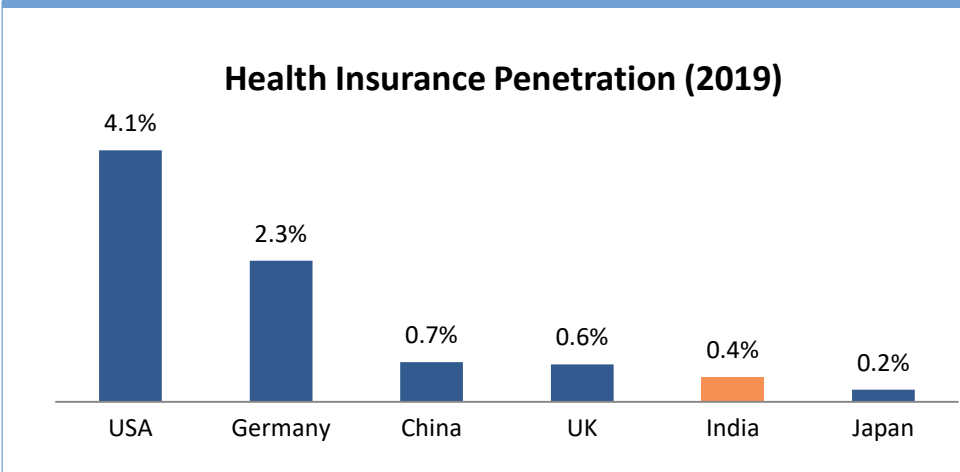
Protection gap for India is significant



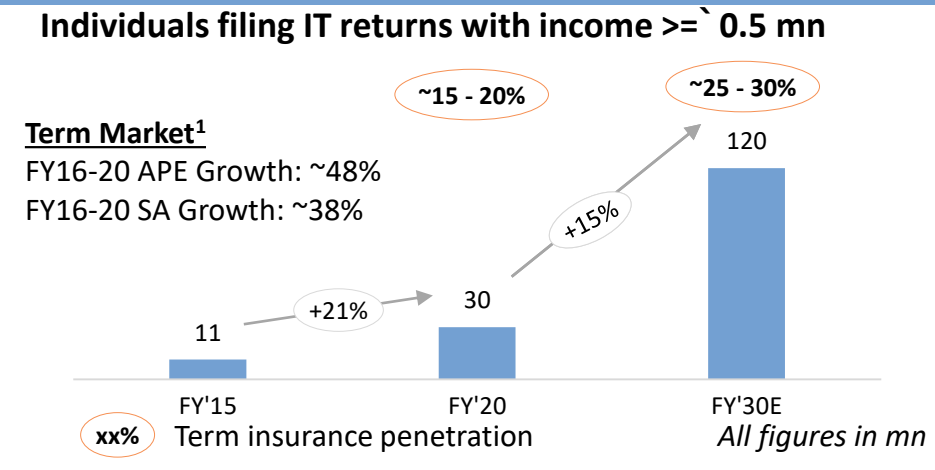
Protection penetration levels quite low



Health insurance penetration relatively low in India



Abundant room for growth - Target market for retail term is growing rapidly with relatively low penetration



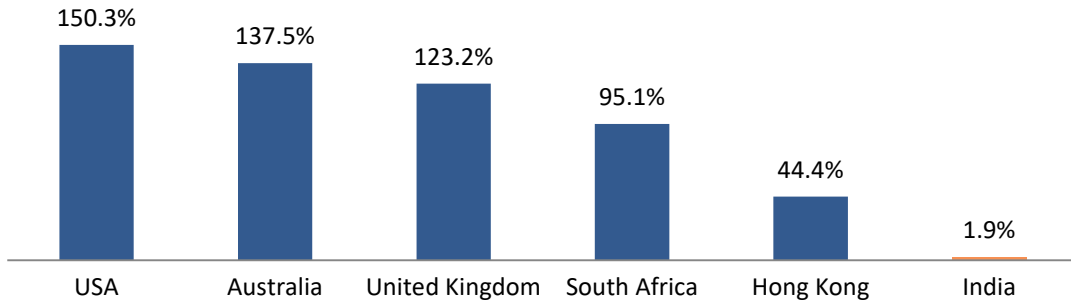
- Only 1 out of 40 people (2.5%) who can afford it, is buying a term policy every year
- ~6x growth expected in lives covered under term insurance plans over the next 10 years
- Opportunity for Life insurers under health portfolio: **Health Combi** (Life + health), **Fixed benefit health riders**, **Fixed benefit long term products**



Retirement Landscape: Change in demographics, emergence of nuclear families and advancement of healthcare facilities leading to pronounced need for pension products

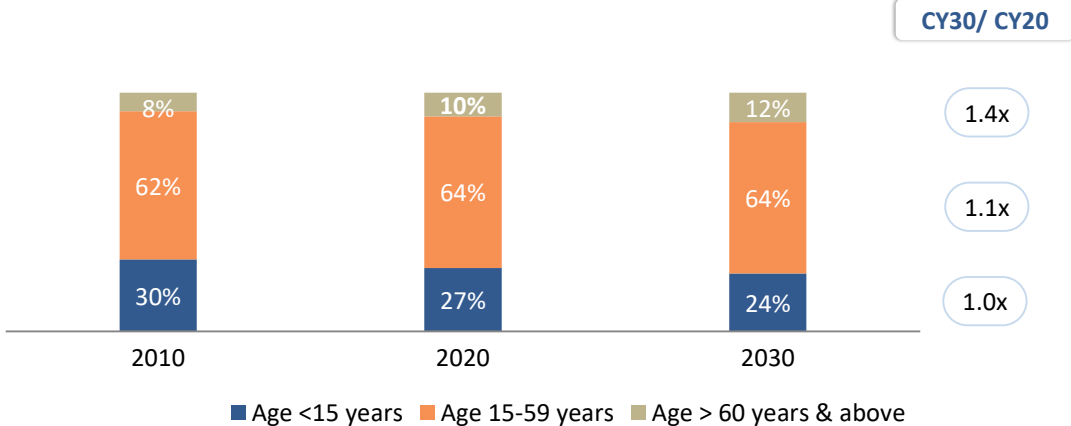
India's retirement market is under-penetrated at ~2% of GDP

Retirement Assets / GDP Ratio (CY 2019)

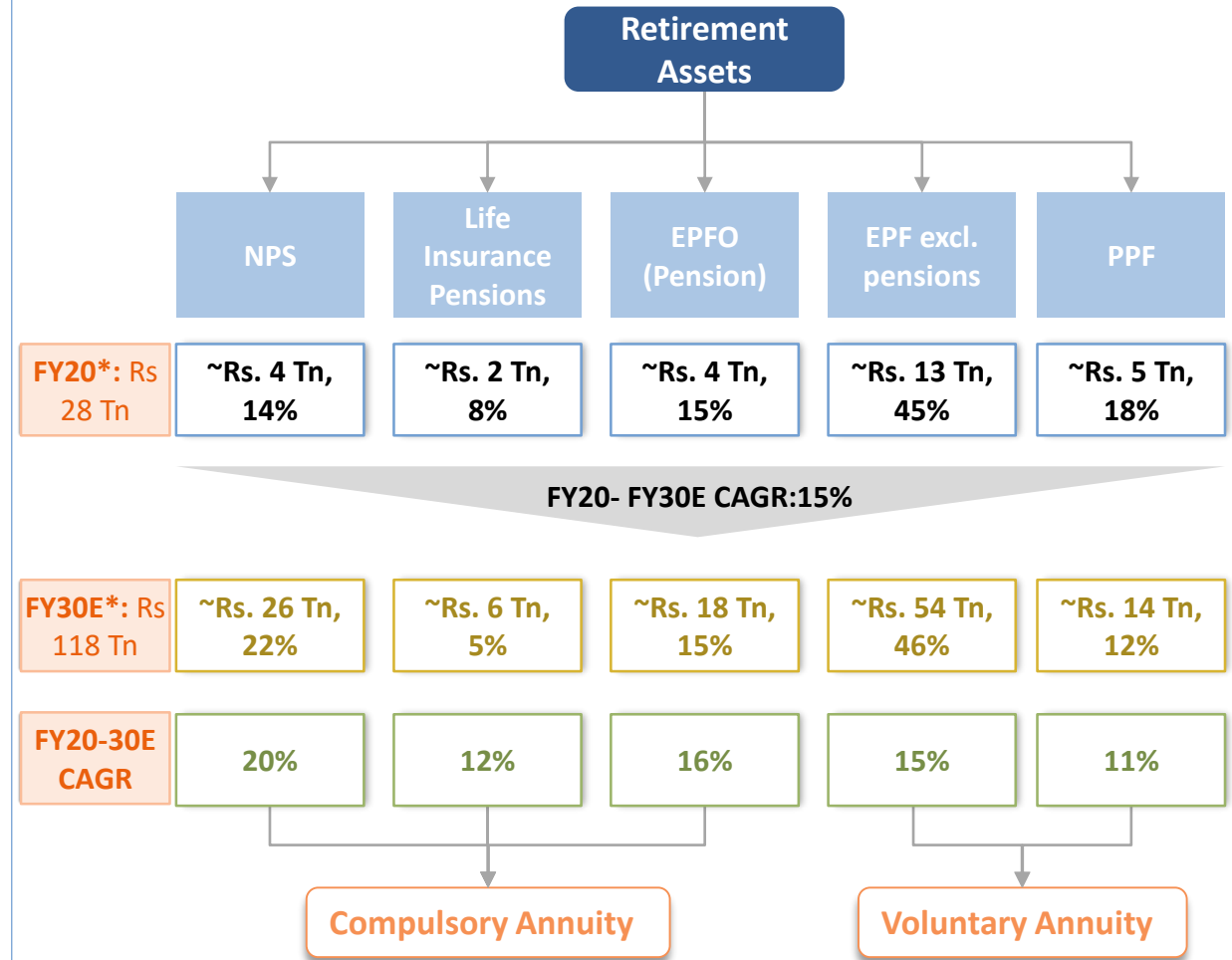


Elderly population expected to grow at the fastest rate

Ageing Population



Significant annuitization opportunity- Retirement assets set to grow at healthy 15% CAGR over next 10 years



* Corpus amount and share by retirement assets



SECTION II

- ▶ Max Life Insurance- Business Overview
- 

Max Life Insurance is a joint-venture between Max Financial Services and Axis Bank

Strategic partnership to strengthen Max Life, bring certainty to the relationship and complement Max Life's Brand and Financial strength, thereby benefitting Policyholders and other stakeholders



4th Largest

Private Life Insurer



AXIS BANK

3rd Largest

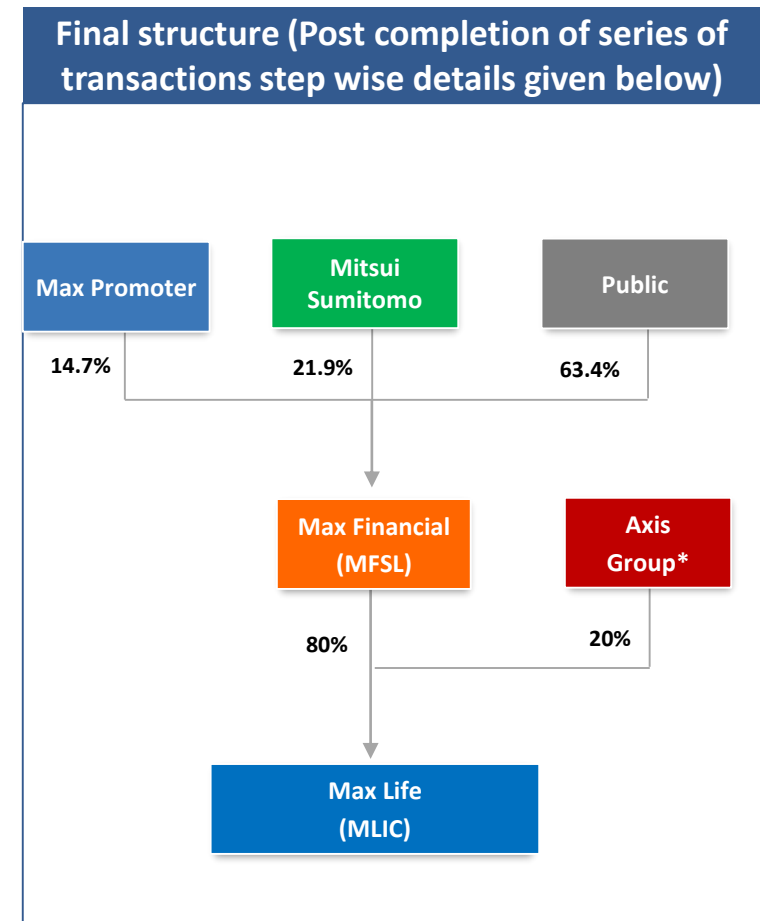
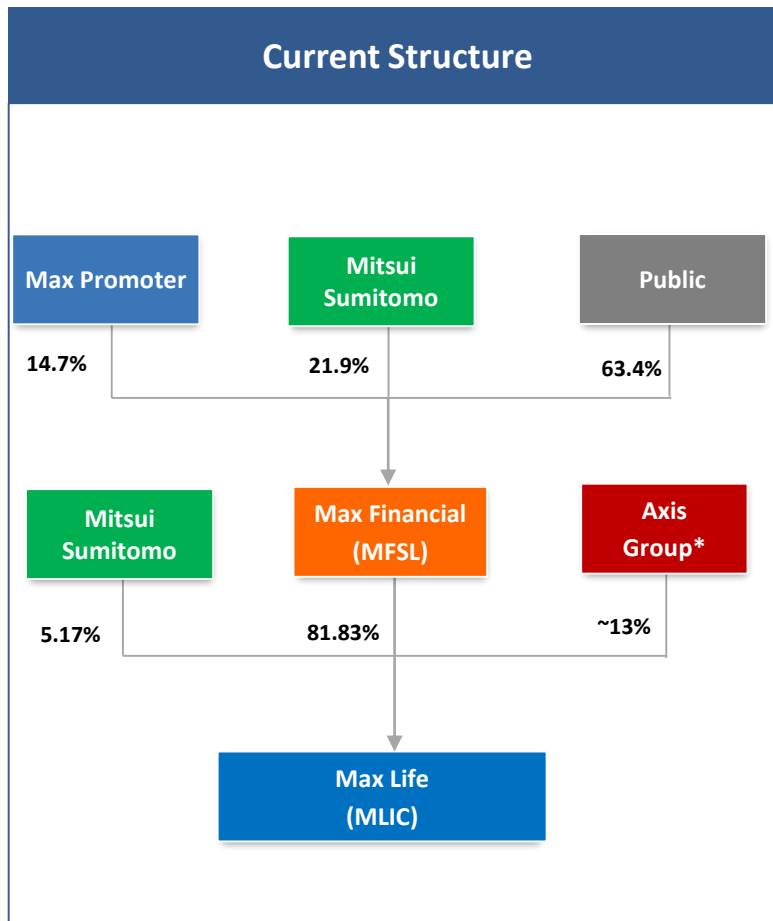
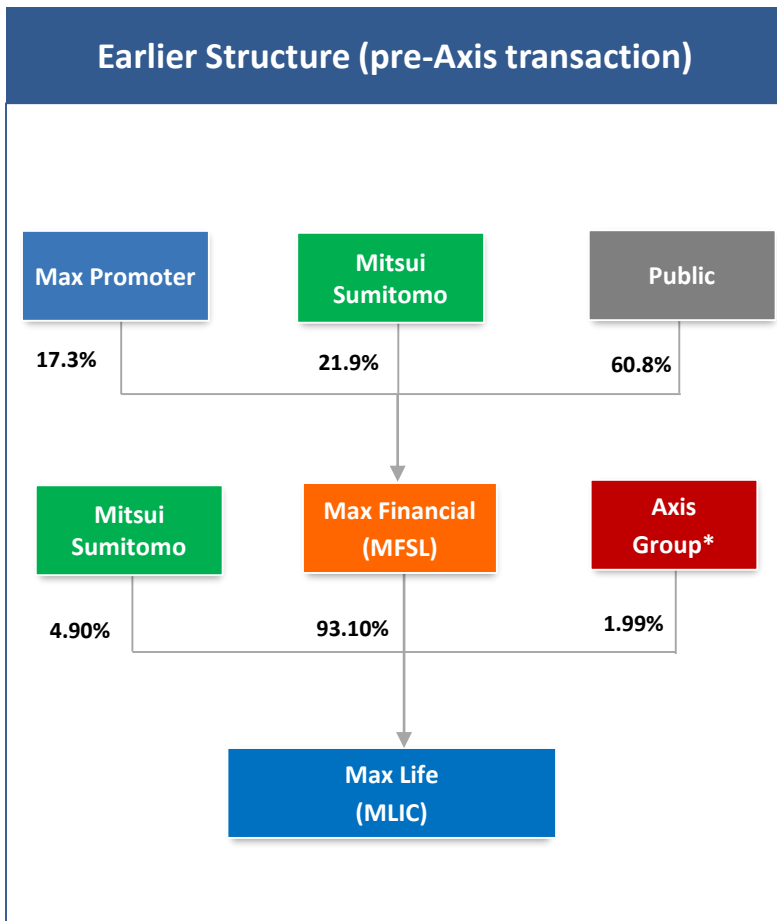
Private Bank

10+ year old relationship

~4,600 branches active on LI with

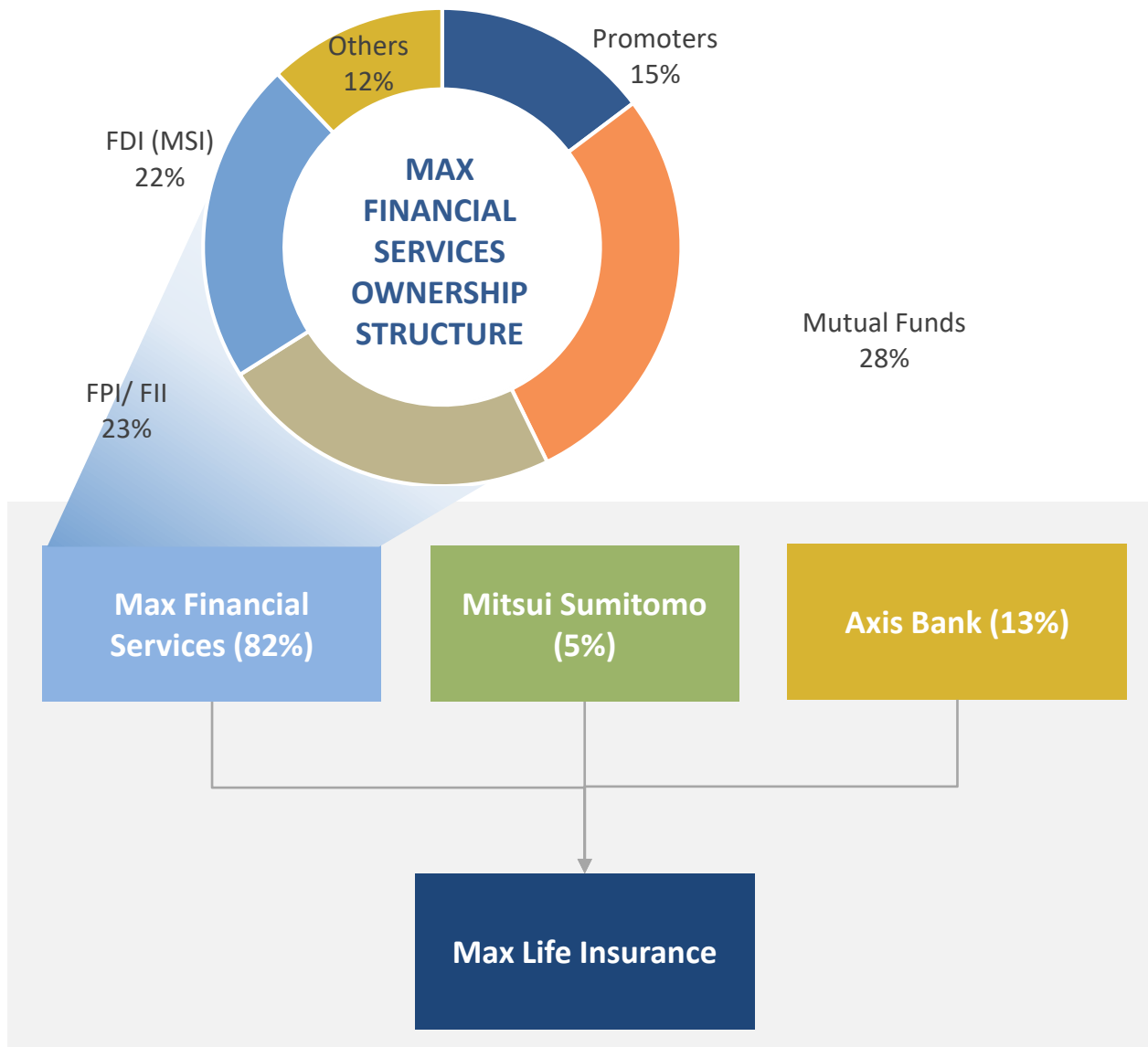
~28,000 Specified persons in FY22

Transaction Structure



- **Step 1:** MFS & MSI acquired **1% stake** in Max Life from **Axis** in the ratio of **74: 26**
- **Step 2:** MFS sold **12% stake** in Max Life to **Axis** and its **subsidiaries** at Tax Book Value
- **Step 3:** MFS to acquire balance **5.17% stake** from **MSI**
- **Step 4:** **Axis** and its **subsidiaries** have right to acquire additional **7% stake** in Max Life at Tax Book Value

Leading Indian and foreign investors have reposed their faith in Max Life Insurance



KEY INVESTORS of Max Financial Services

	Mitsui Sumitomo Insurance
	Ward Ferry
	Baron Emerging Markets Fund
	New York Life Insurance
	GIC
	Vanguard
	Kotak Mutual Fund
	HDFC Mutual Fund
	Mirae Asset Global Investments
	ICICI Prudential Mutual Fund
	Nippon India Mutual Fund
	Motilal Oswal Mutual Fund
	DSP Mutual Fund

Max Financial Services Limited – Board of Directors



Chairman and Founder
Mr. Analjit Singh

Founder and Chairman of Max Group. Awarded with highest civilian honor, the Padma Bhushan



Independent Director
Mrs. Naina Lal Kidwai

Former Chairman of HSBC India. Serving on the Board of L&T, Cipla, Nayara Energy, Lafarage Holicim



Managing Director
Mr. Mohit Talwar

Seasoned professional with 36 years of experience in Corporate Finance and Banking



Independent Director
Sir Charles Richard Vernon Stagg

Currently the Chairman of Rothschild and Co, India. He is a Director of the JP Morgan Asian Investment Trust



Independent Director
Mr. Aman Mehta

Former CEO of HSBC Asia Pacific with 35 yrs of experience. Serving on the Board of Vedanta, TCS, Tata Steel, Wockhardt & Godrej Consumer



Independent Director
Mr. Jai Arya

Seasoned professional with 37 years experience with Bank of New York Mellon and Bank of America



Director
Mr. Sahil Vachani

CEO & Managing Director of Max Ventures and Industries Limited. Responsible for the overall strategic vision and direction of the company



Independent Director
Mr. D. K. Mittal

Former IAS officer of 1977 batch and has served the government of India in various capacities



Director
Mr. Hideaki Nomura

Seasoned professional with 29 years experience in financial industries



Director
Mr. K. Narasimha Murthy

An experienced Cost Accountant and Chartered Accountant and serves on the board of various other companies



Director
Mr. Mitsuru Yasuda

Seasoned professional with more than 20 years of experience in insurance industry

Max Life has an extensive presence across India through its own offices and distribution partners and is the 4th largest private Life Insurance player in the country

Max Life has more ~6500 Point of Sales across the country



4th Largest Private Life Insurer[^]

~10% Private Market Share[^]

#1 Claims Paid ratio in industry



346 Own Branch Units

6000+ Partner Branches

~61K Agents

~60 Distribution Partners



~1.08 Tn Assets Under Management

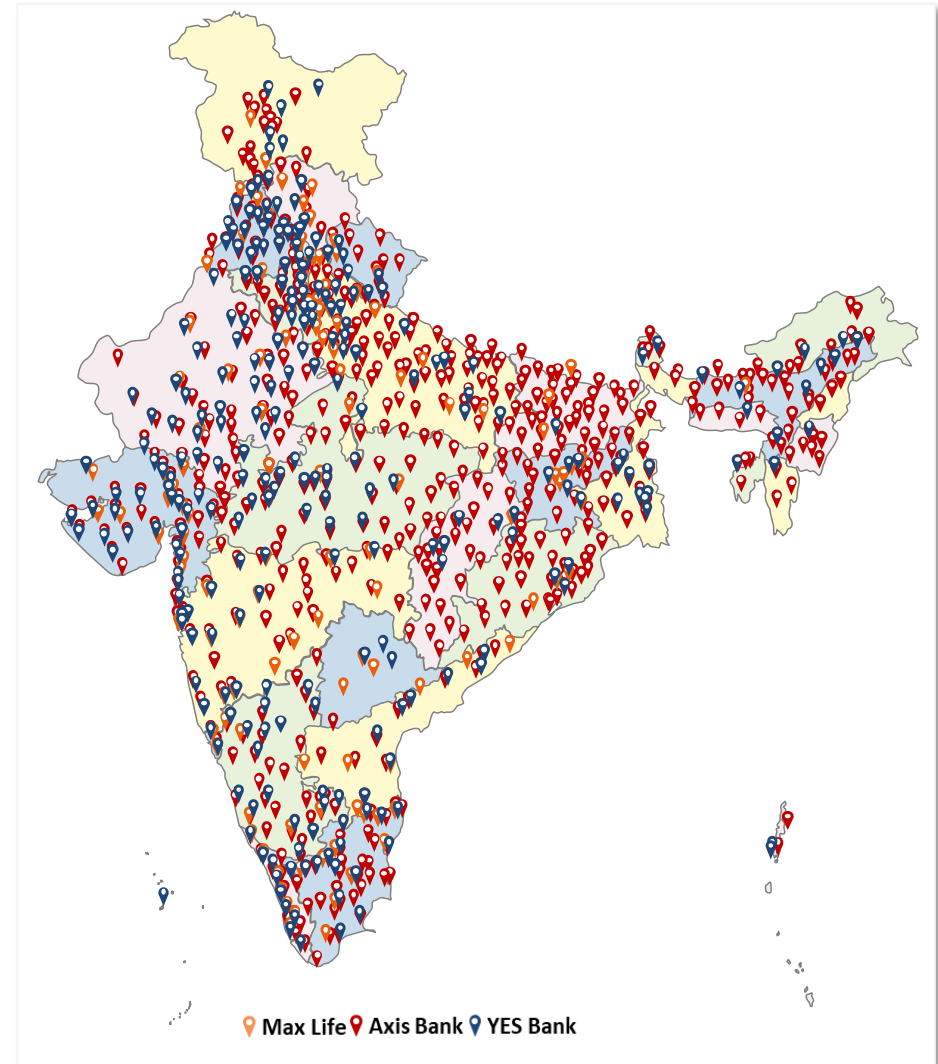
4th Largest AUM



~12 Tn Sum Assured

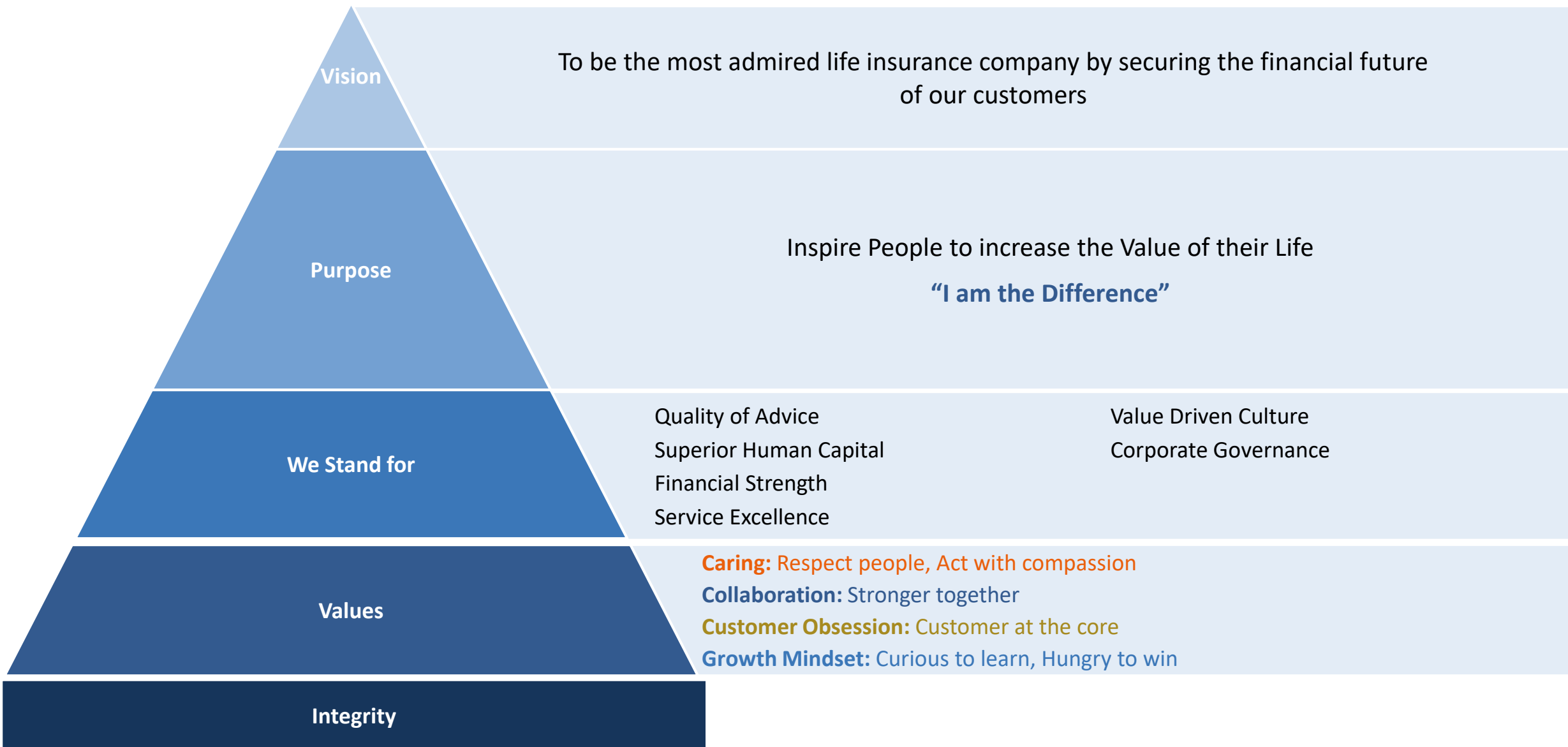
~10 Mn+ Lives Insured**

3.7 Mn+ Active Customers**




[^]By Individual New Sales ^{**}Individual customers

Max Life Insurance's road map to becoming India's most admired life insurance company



Max Life has a highly experienced and versatile Board of Directors providing strong and secure foundation


Chairman and Founder
Mr. Analjit Singh

Founder and Chairman of Max Group. Awarded with highest civilian honor, the Padma Bhushan




Managing Director and CEO
Mr. Prashant Tripathy

A seasoned professional with over two decades of experience. Appointed as Managing Director and CEO in January 2019




Deputy Managing Director
Mr. V Viswanand

An industry veteran with a dynamic presence in the financial services sector.




Director
Mr. Girish S. Paranjpe

Served as the Co-CEO of Wipro's IT Business from 2008-2011 and was a member of the BoD of Wipro Ltd.




Director
Mr. K. Narasimha Murthy

An experienced Cost Accountant and Chartered Accountant and serves on the board of various other companies




Director
Mr. Rajesh Khanna

Founder & CEO of Arka Capital Advisors Pvt. Ltd. and is an investor in various companies.




Director
Mr. Pradeep Pant

Seasoned business leader with experience in leading FMCG companies like Mondelez, Gillette and Nestle




Director
Mr. Mohit Talwar

Seasoned professional with 25 years of experience in Corporate Finance and Investment Banking




Director
Mr. Rajesh Kumar Dahiya

An Executive Director (Corporate Centre) of the Axis Bank. He also oversees the functioning of the Axis Bank Foundation.




Director
Ms. Marielle Theron

Fellow of the Society of Actuary (FSA). She is a Principal of Erlen Street Corporation, Switzerland



Director
Mr. Rajiv Anand

Executive Director of Axis Bank. He has also served as the MD & CEO of Axis Asset Management Co. Ltd.




Director
Mr. Subrat Mohanty

Group Executive – Banking Operations & Transformation at Axis Bank. He has more than 20 years of experience, spanning different industries and functions



Director
Mr. Mitsuru Yasuda

Seasoned professional with more than 20 years of experience in insurance industry



Director
Mr. Sahil Vachani

A Seasoned professional with experience across various sectors including consumer durables and real estate

Executive Management Team has rich insurance experience and spent ~100 years at Max Life combined

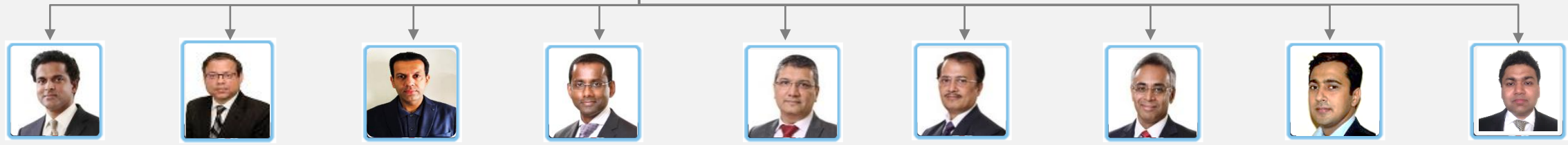


Max Life Management Team



Prashant Tripathy
Managing Director & CEO

- Stint in Max : 15+ years
- Total Experience: 25+ years
- Previous Organizations: Tata Steel, GE



V Viswanand Deputy Managing Director	Manu Lavanya Director & Chief Operations Officer	Rahul Talwar Chief Marketing Officer	Jose John Senior Director & Appointed Actuary	Mihir Vora Senior Director & Chief Investment Officer	Shailesh Singh Senior Director & Chief People Officer	Amitabh Lal Das Director - Legal - Compliance & Regulatory Affairs	Amrit Singh Chief Financial Officer	Sachin Saxena EVP & Chief Risk Officer

Stint in Max	21+ years	2+ year	~4 years	13+ years	7+ years	10+ years	~8 years	9+ years	15+ years
Total Exp.	29+ years	24+ years	17+ years	22+ years	27+ years	29+ years	25+ years	17+ years	19+ years
Previous Org.	ANZ Grindlays Bank	ITC, Cognizant, Brillio Technologies- Incendo Technologies	Pepsico, Aditya Birla Group, United Biscuits, pladis Global	Prudential UK Metlife UK	HSBC Global Asset Management, ICICI Prudential, Birla Sun Life AMC	GE, SRF Finance, Eicher Tractors	Yahoo, Sapient	PwC, Infosys, Religare Enterprises	Accenture, Cognizant, ICICI Prudential

Key Highlights and achievements for Max Life (1/2)



5-Yr CAGR of 16% on Individual new business
vs
10% for life insurance industry



Improved **market share**
from
9.2% to 9.9% in 5 years



Consistently maintained **rank#4**
since **last 5 years**



Prop channels growth of 16% for 5 years



5 year CAGR of 16% in Banca Channel



Retail protection penetration doubled to 8% in FY22



VNB CAGR of 25%
in 5 years



New Business Margin
expansion from 18.8% in FY17
to **27.4%** in FY22



5-Yr EV# CAGR of 20%

Consistent growth

Value generation

Key Highlights and achievements for Max Life (2/2)

Employee metrics



Great Places to Work rank #18 in FY21



Rank #55 among **Great Places to Work in Asia** in FY21



Experienced leadership with almost half the leadership's **tenure with Max Life more than a decade**



Employee engagement¹ score of >95% for last 3 years

Customer metrics



#1 rank in customer loyalty² in FY21



Company NPS at 49 – 14 points improvement in 3 years³



Claims paid ratio at 99.35% in FY21

Brand metrics



Strategic partnership with Axis Bank



Highest Share of Voice in the industry in FY21 at **30% share**

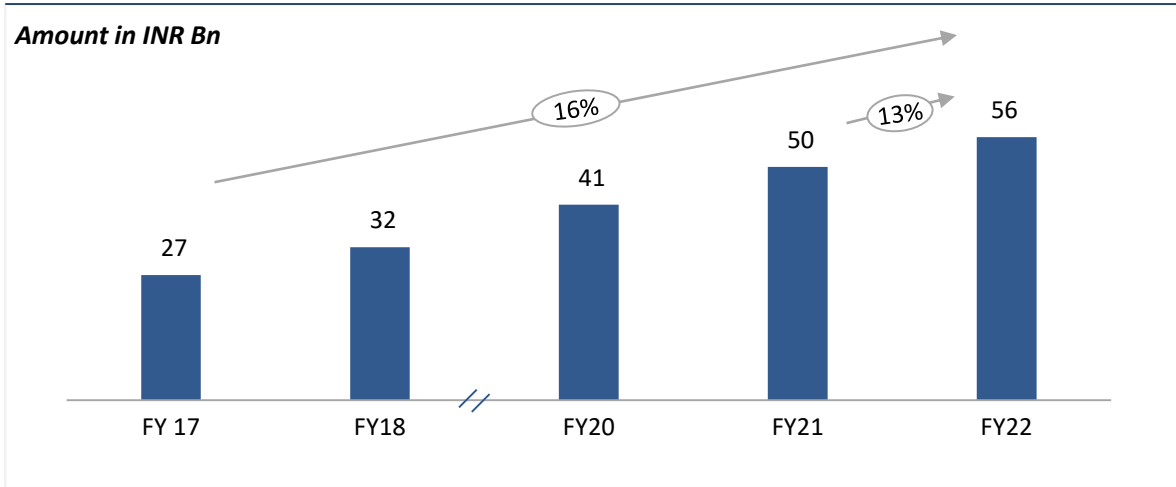


Brand Consideration score⁴ improved by 8% over FY21

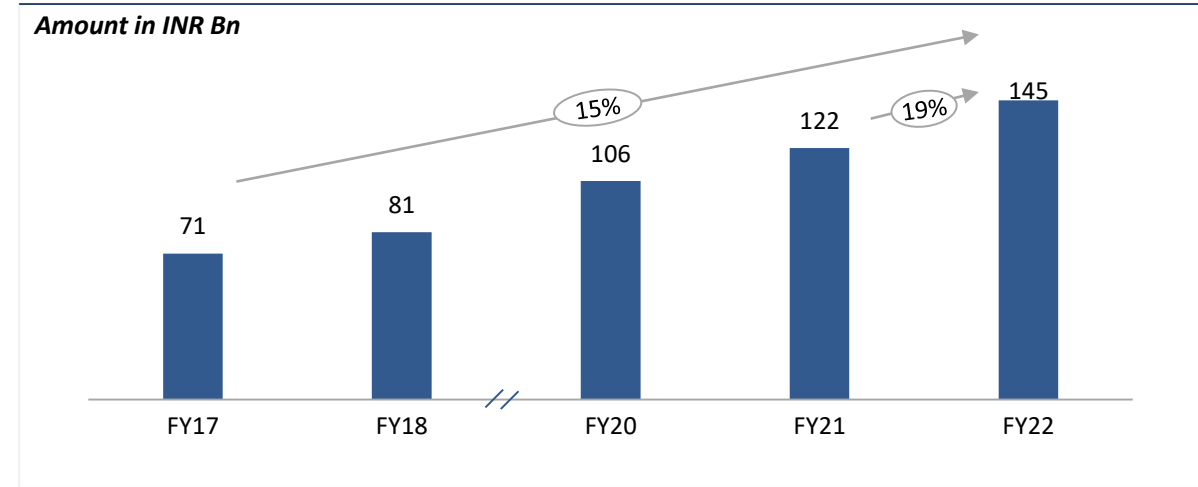
Max Life has delivered strong performance on new business ; Maintained 4th rank in the private industry on APE, 3rd in individual sum assured



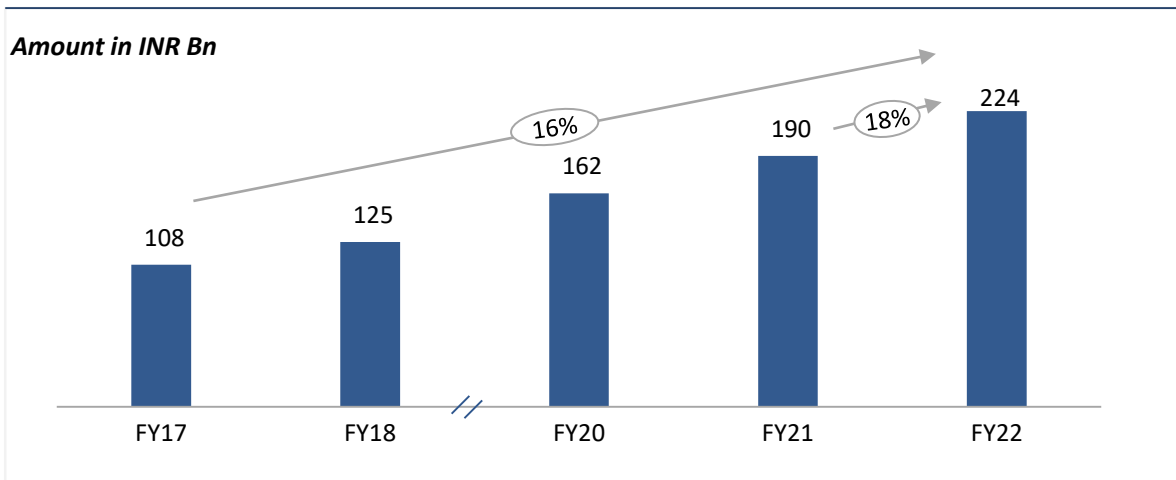
New Business Premiums (on APE basis)



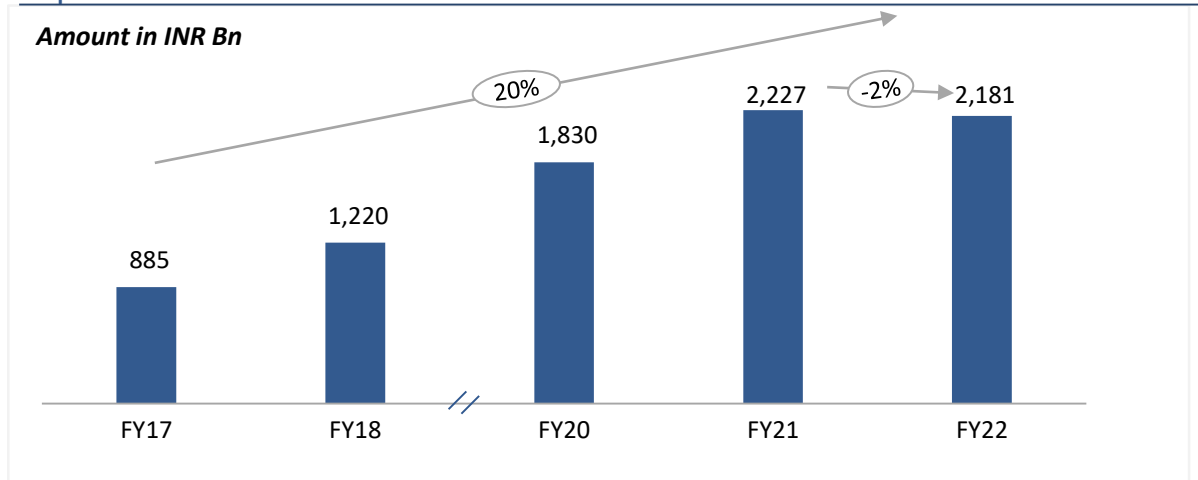
Renewal Income- Growth in persistency led to YoY growth of 19%



Gross Written Premium

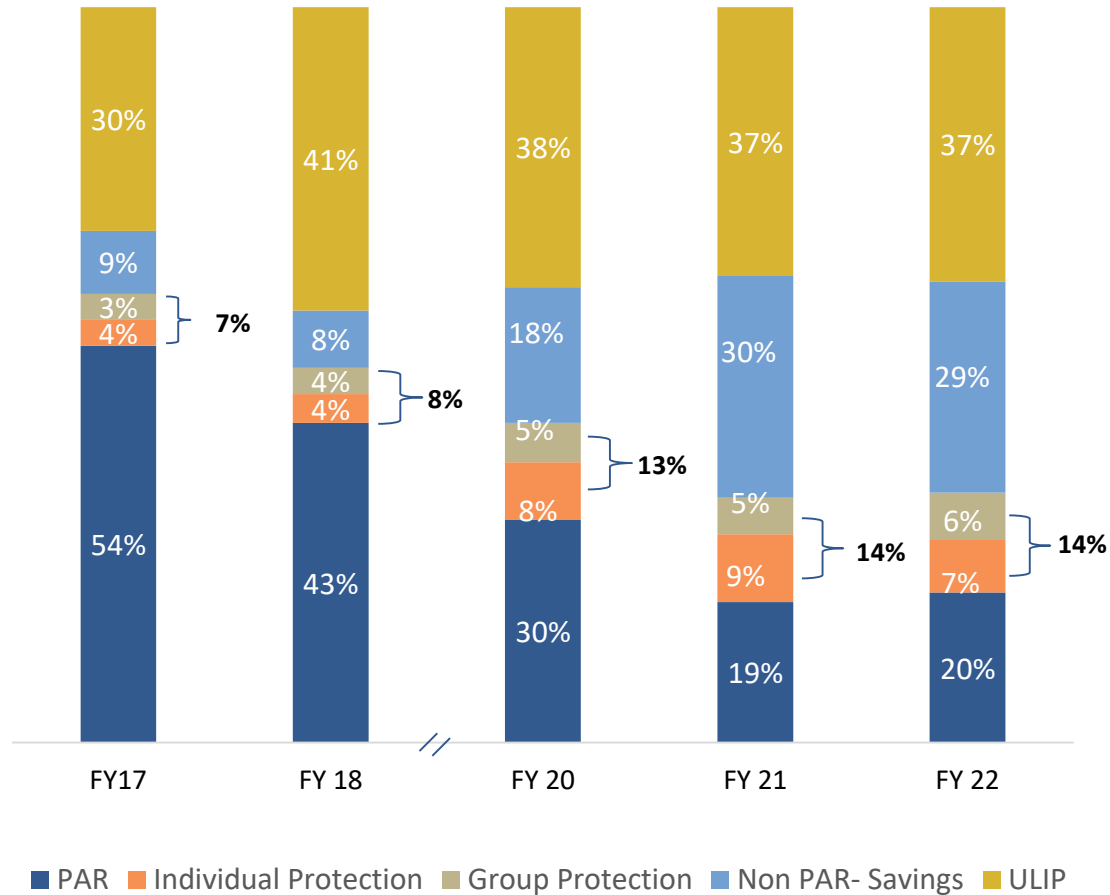


Individual Sum Assured of New business- Strong CAGR of 20% due to growth in protection

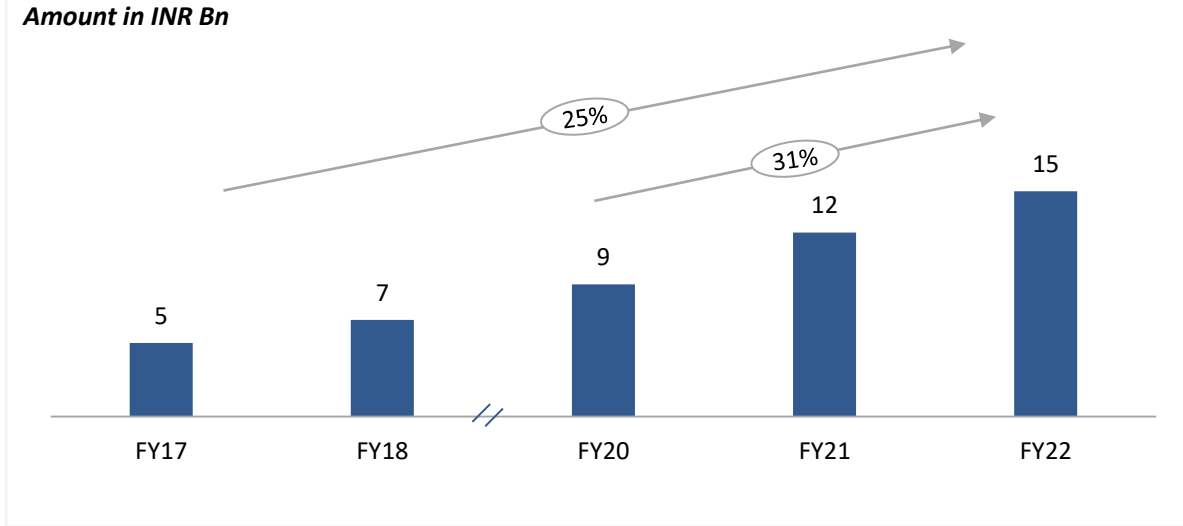


VNB more than tripled in 5 years aided by strong APE growth, balanced product mix and cost optimization

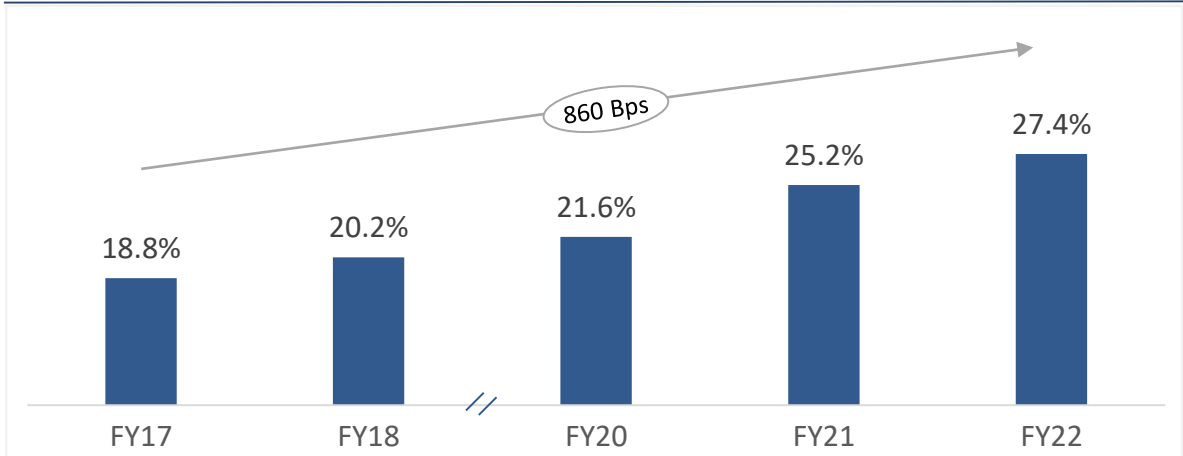
Product Mix – Increase in NPAR savings and protection over last 5 years



Value of New Business- 25% CAGR growth in VNB for a 5 year period, 2 year CAGR 31%

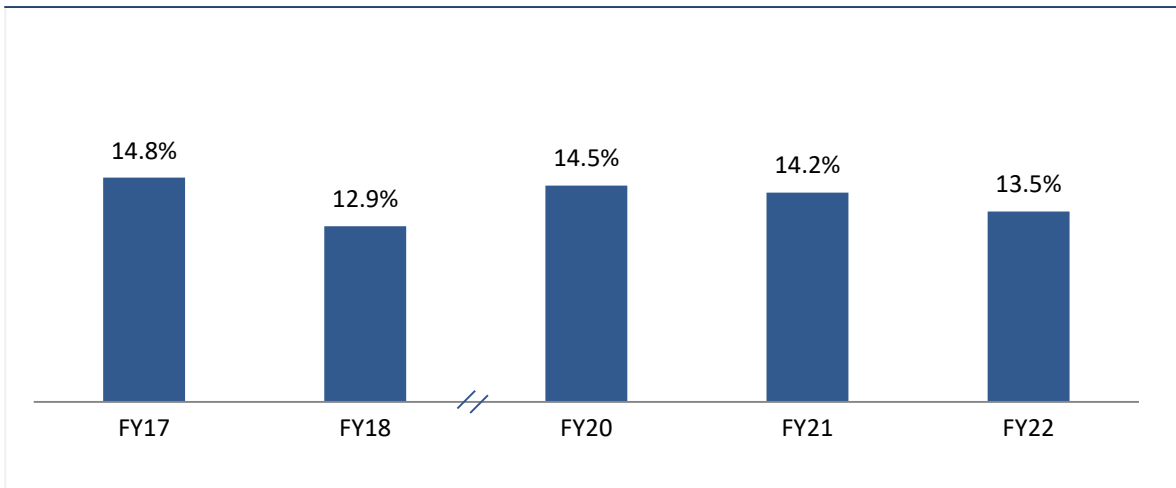


New Business Margin- Continuous improvement in margins owing to calibrated approach on product and distribution mix

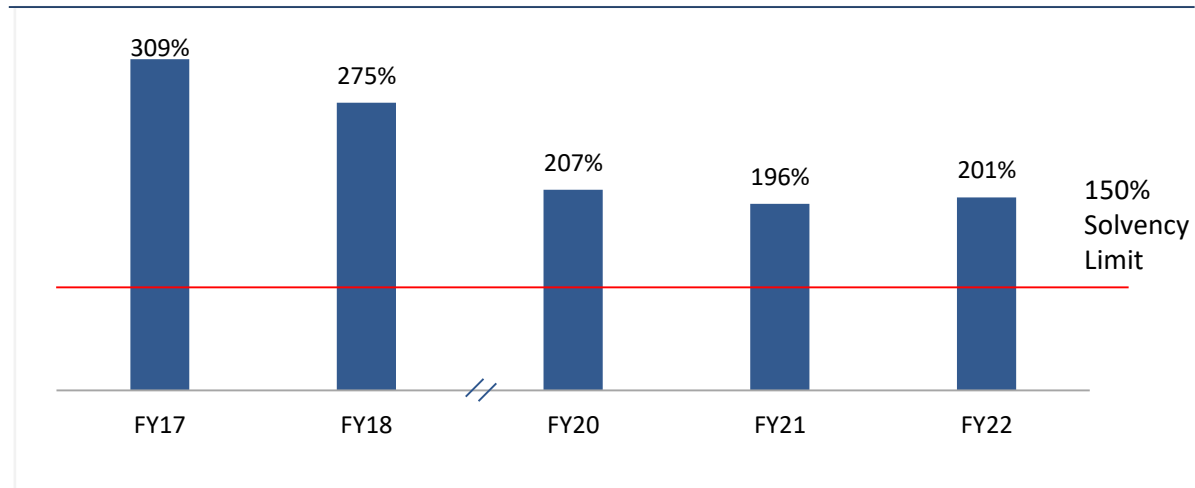


Efficient capital management with profitable growth

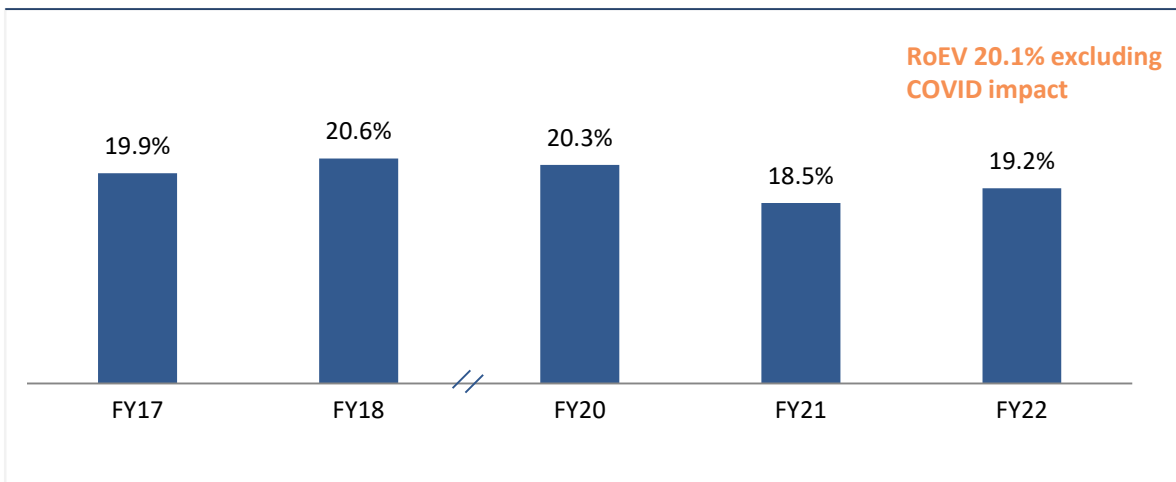
Opex to GWP* - Constant improvement in Opex



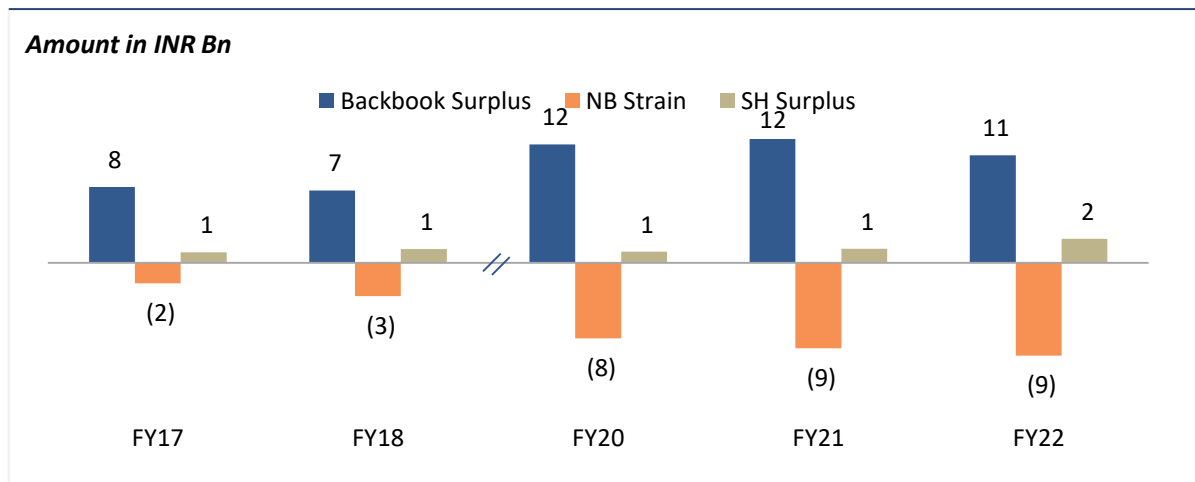
Solvency Ratio (pre dividend)



Operating Return on EV (RoEV) – Delivering consistent healthy returns

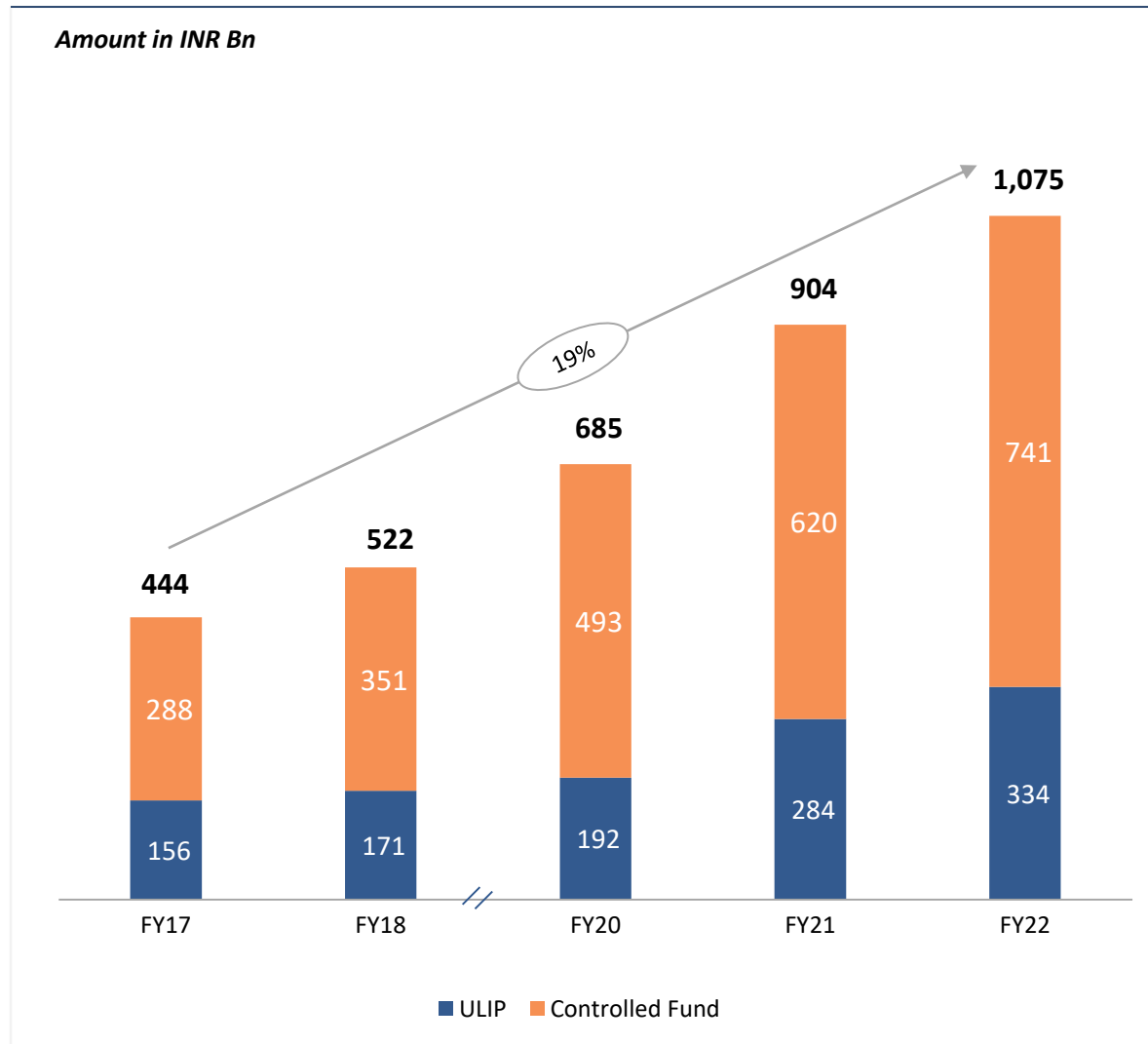


Underwriting Profits

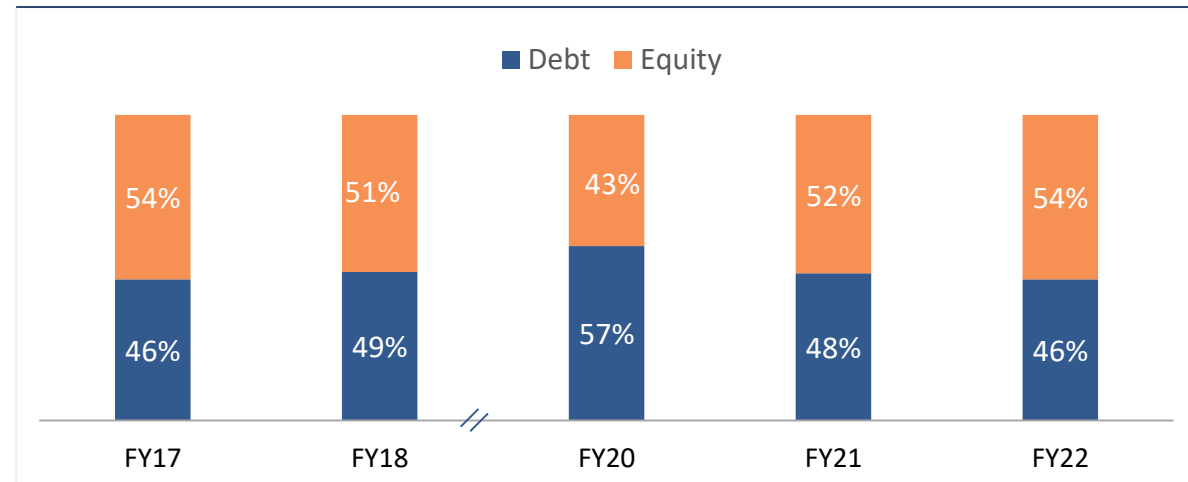


Max Life has consistently grown its Asset Under Management

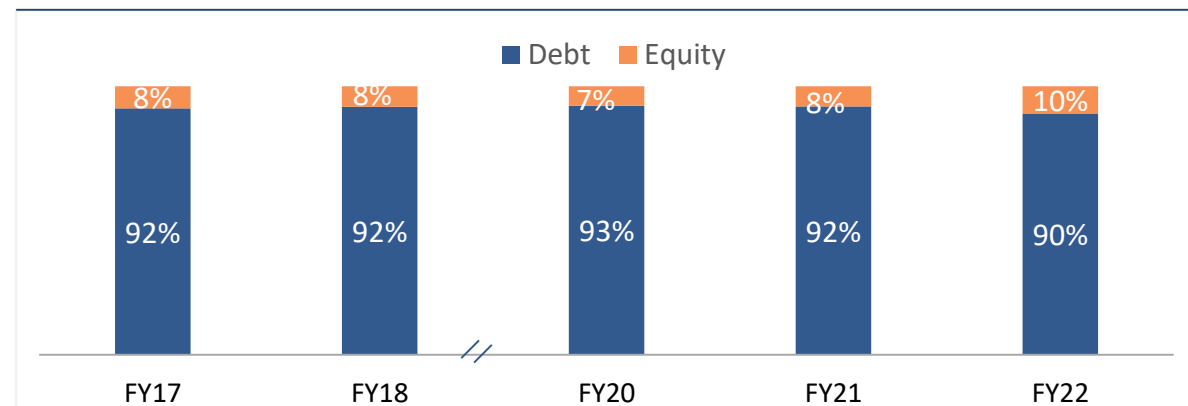
Assets Under Management - MLI is the 4th largest manager of private LI AUMs, Par fund size ~530 Bn



ULIP: Healthy mix of Debt and Equity



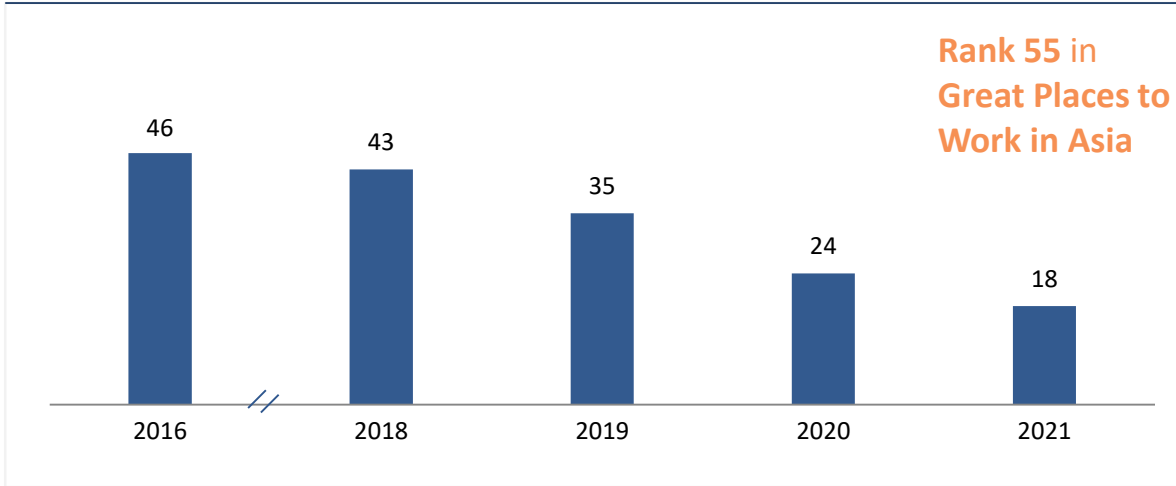
Controlled: Healthy mix of Debt and Equity



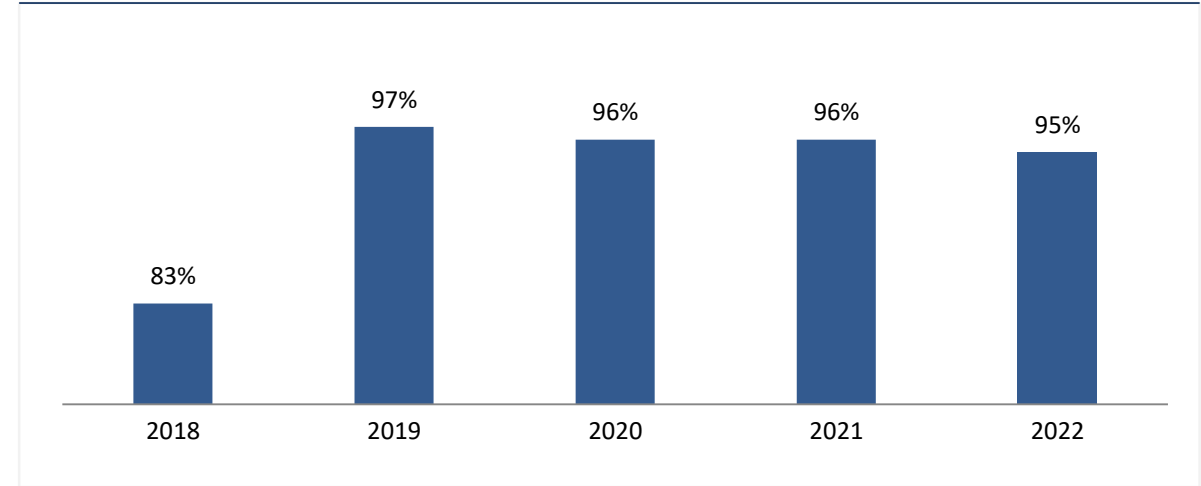
More than 95% of debt investments is in sovereign papers and AAA rated securities

Unwavering focus on leadership strength and has a vintage employee pool, both of which are critical for success in long term businesses such as Life Insurance

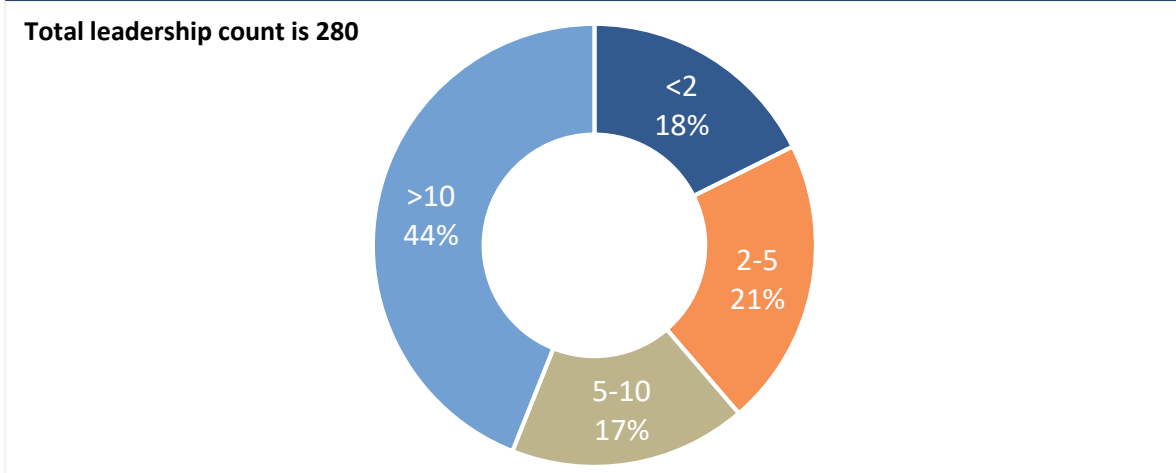
Great Place to Work Survey - Max Life recognized in India's Best Workplaces in BFSI 2021.



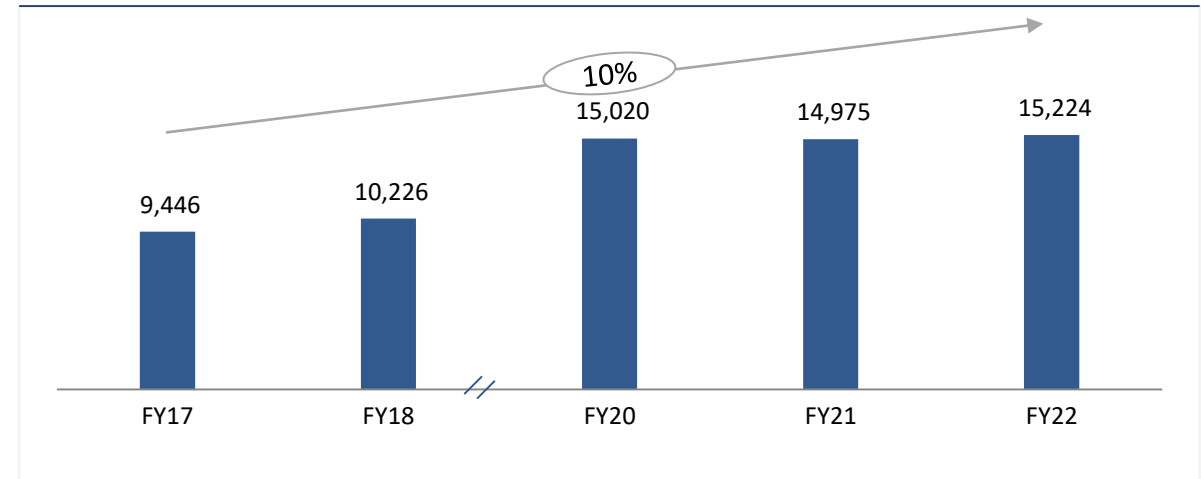
Employee Engagement[^] - Consistently amongst top decile



Leadership Experience – Almost half (44%) of the leadership has been with the company for more than a decade*



Headcount



*Leadership defined as Vice President and above, Data as of Mar 31, 2022

[^] Conducted by IBM Kenexa till 2018 and Willis Tower Watson from 2019 onwards. 2019 score is adjusted for methodology change done in 2020

Max Life has been recognised by a number of Indian and foreign business bodies for its excellence in business, customer service and focus on people






Business Excellence

- 
 Awarded Gold for Lead Generation campaign under BFSI services at Adgully Digixx Awards 2022
- 
 Garnered 5 awards for BTL activity, Customer Service, Email marketing, Mobile Marketing and Digital Marketing at the 11th ACEF Global Customer Engagement Awards
- 
 4 wins including Excellence in Digital Transformation, Customer Experience, Brand Management and Consumer Insights/ Research at ACEF Asian Leaders Forum & Awards for Branding, Marketing and CSR
- 
 Won 'Excellence in Digital Sales and Process Enablement' at FICCI Insurance Industry Awards 2021
- 
 Max Life awarded Best FinTech Partnership/Start-up Alliance Initiative of the Year [Insurance] and Silver for Best Marketing Initiative of the Year [Insurance] at ETBFSI Excellence Awards 2021
- 
 Max Life awarded Best Security Practices in Insurance Sector at NASSCOM DSCI Awards 2021

Leaders in Quality

- 
 No. 1 in Customer Loyalty survey by IMRB
- 
 Gold at ASQ World Conference
- 
 Winner of IMC Ramkrishna Bajaj National Quality Award
- 
 Winner of CII Industry Innovation Award
- Asia Pacific Quality Organization (APQO) award for global performance excellence
- Silver Award in ASQ ITEA 2019 for Sell Right for Customer Delight at Axis Bank
- Silver Award in the 12th QCI-DL Shah Quality Awards for Enhancing S2R Conversion% Select 60 offices in Agency.
- At CMO Asia Awards , won Best Term Plan Company of the Year
- Max Life awarded recognized as 'Challenger' by NASSCOM AI Gamechangers awards 2021

Focus on People

- 
 Ranked 55th amongst '2021 Best Workplaces in Asia' by Great Place to Work®
- 
 Ranked 18th amongst 'India's Great Places to Work For' in 2021
- 
 Max Life recognized in India's Best Workplaces in BFSI 2021
- 
 Max Life has been awarded "Excellence in Gender Diversity" at the 4th D&I Summit and Awards by Transformance Forums
- 
 Max Life won Gold in Best Use of Internal Communications for 'Harnessing the Power of Connect, Conviction and Confidence for Employee well-being' campaign at Fulcrum Awards 2021
- Max Life awarded Gold in Best Internal Communication for employee campaign, Silver in Best SEO campaign at Afaqs Digies 2021
- Max Life awarded Best Financial team at the 5th Annual Edition of BW Best CFO & Finance Strategy Summit & Awards 2021



SECTION III

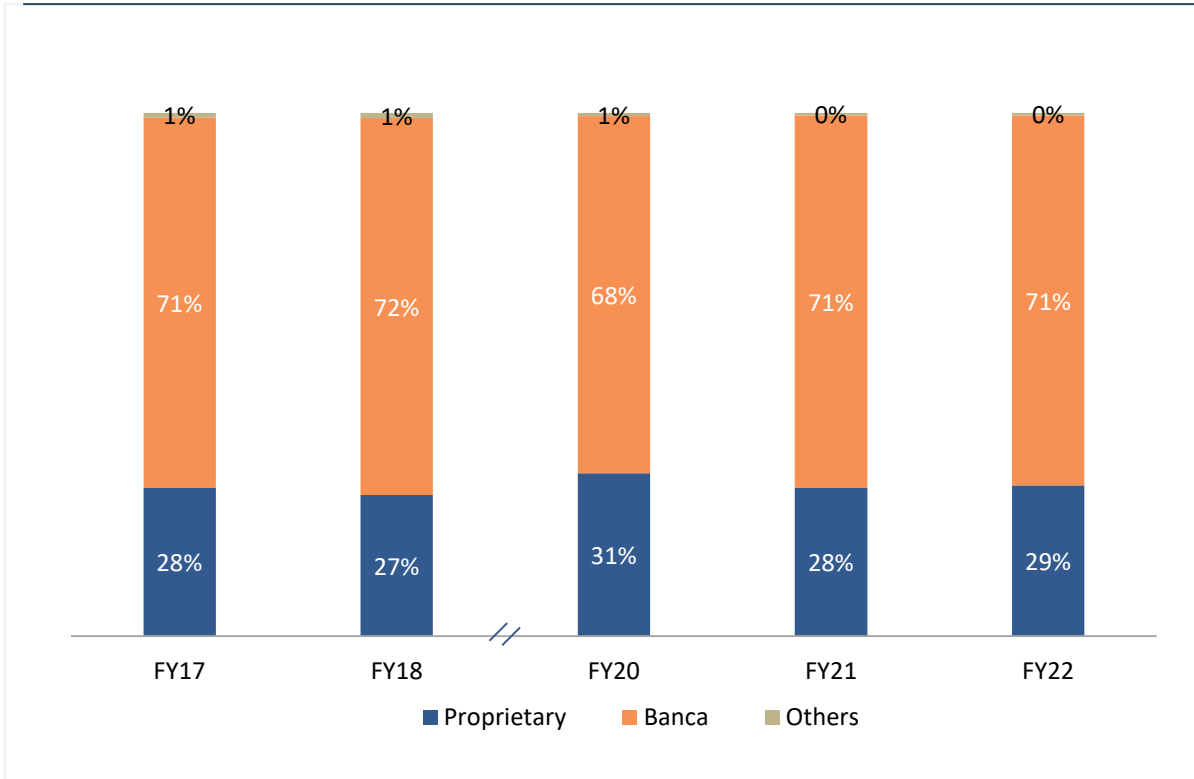
- ▶ Max Life Insurance: Business Strategy
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Max Life will continue to focus on its chosen strategic pillars with emphasis on long term imperatives

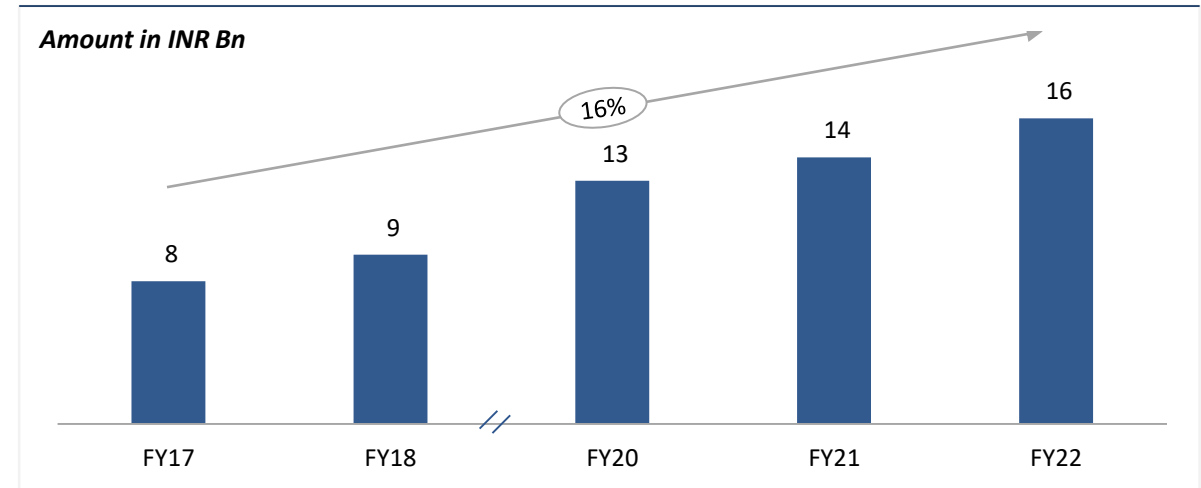
A Predictable and sustainable growth	B Product innovation to drive margins	C Customer centricity across the value chain	D Digitization for efficiency and intelligence	E Augment human capital
<ul style="list-style-type: none"> Fastest growing profitable proprietary distribution Leader in Online Acquisition Leverage synergy potential with Axis Bank Win in open architecture at Axis Bank and YES Bank Inorganic Expansion 	<ul style="list-style-type: none"> Leader in Protection + Health & Wellness proposition Leader in Retirement Differentiate on underwriting and onboarding capabilities for winning in protection Drive Non Par Savings Enhanced investment and mortality risk management 	<ul style="list-style-type: none"> Improvement on comprehensive customer measures Aspiration to be industry leaders across all key customer metrics Continuous improvement in Net Promoter Score (NPS) 	<ul style="list-style-type: none"> Continue with digitization agenda across the organisation Build intelligence (AI) in all digital assets Offer best in class customer experiences enabled by frictionless onboarding, seamless customer service, omni-channel customer experience Cloud enabled legacy modernization and enterprise data hub 	<ul style="list-style-type: none"> Build organizational capabilities to prepare for the future Maintain top 25 GPTW rank

Key focus areas for long term

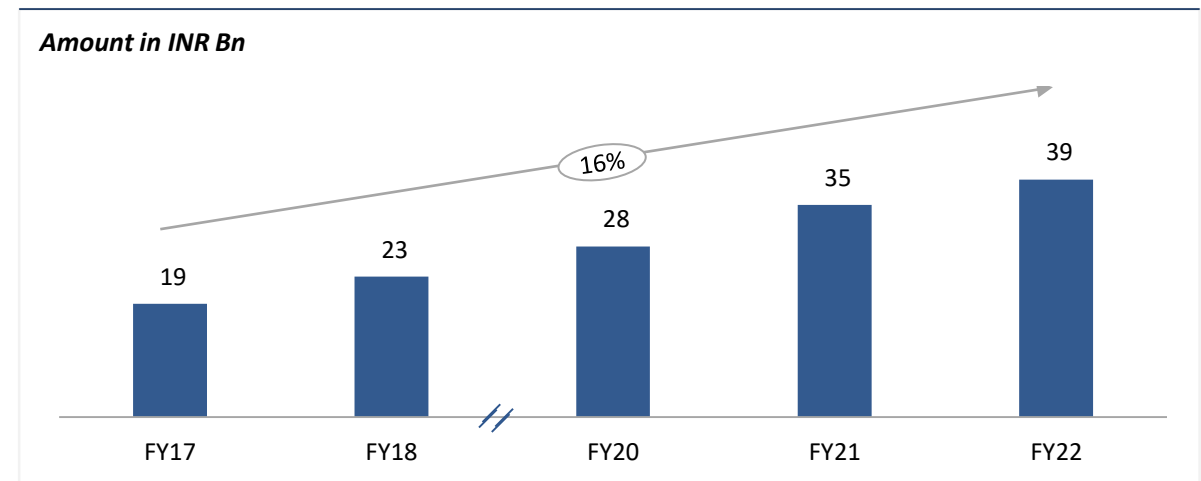
Channel Mix - Max Life has focused on maintaining a balanced distribution mix



Proprietary Channels New Business (APE)

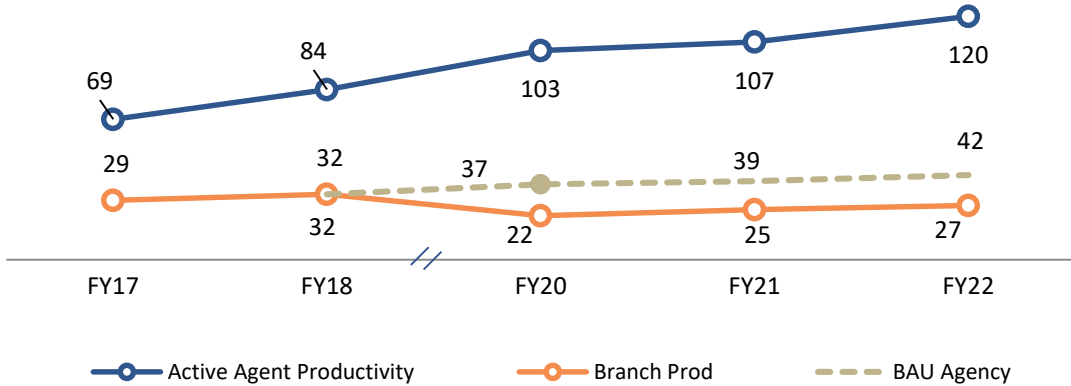


Bancassurance Channel (APE)



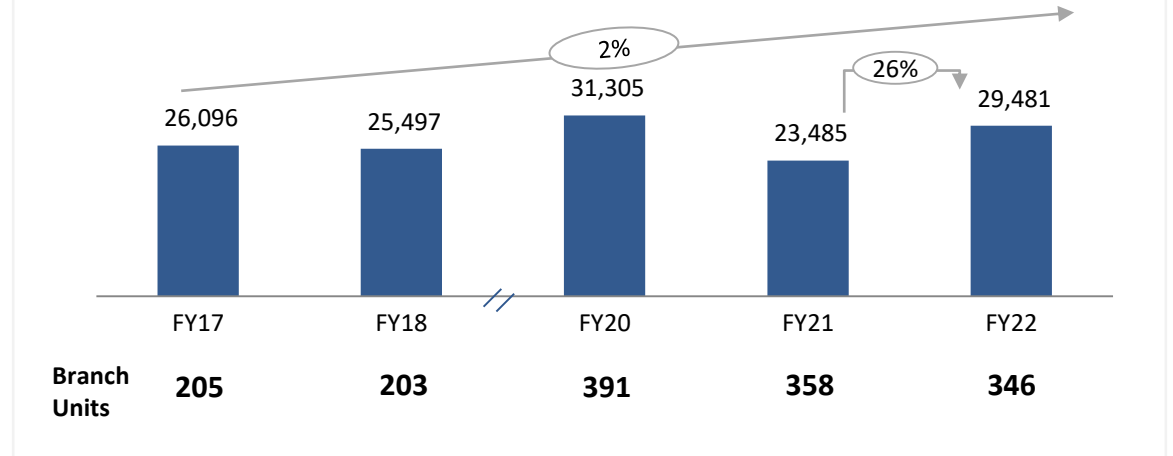
Active agent and branch productivity increased over the last 5 years

Active agent productivity in INR '000 per month and Branch productivity and BAU Agency in INR Mn



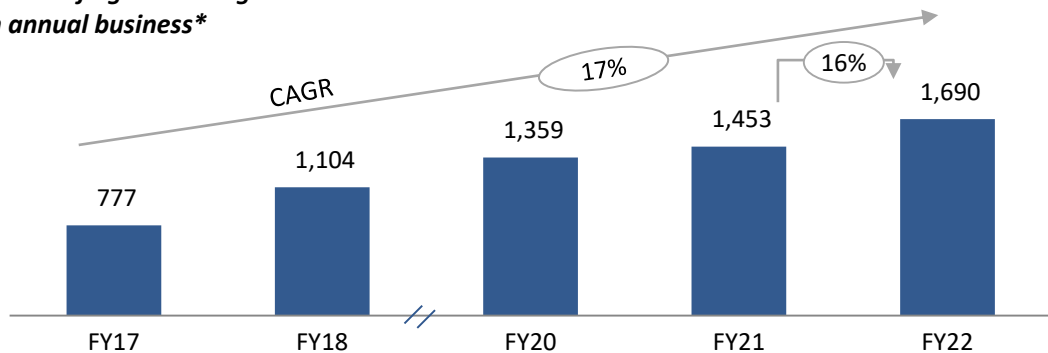
Recruitment growth over last year owing to a slew of initiatives across all recruitment sources

Number of agents recruited



Consistent focus on increasing the number of agents doing business of more than INR 1 Mn per annum

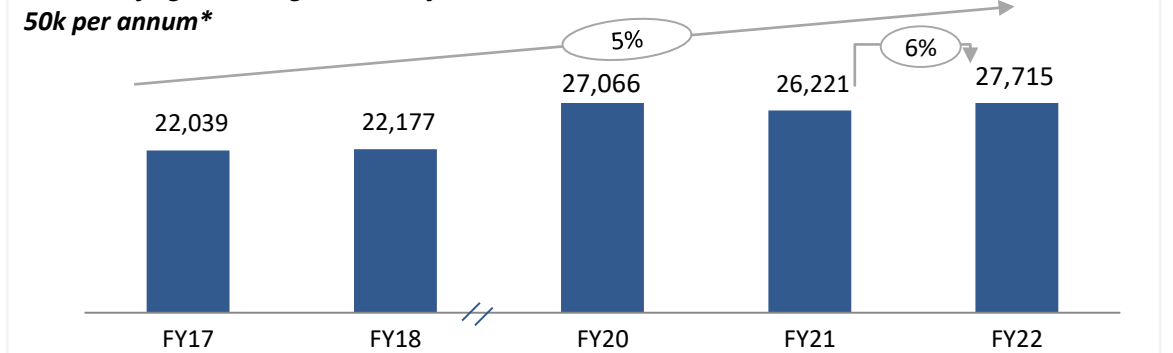
Number of agents with greater than Rs 1 Mn annual business*



* Total Adj. MFYP by an agent, including new initiatives data since FY20

Focus has also been on ensuring that agents contribute atleast INR 50K per annum

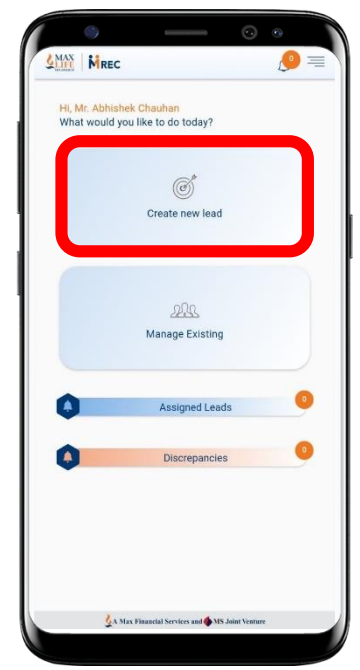
Number of agents doing business of more than Rs 50k per annum*



Max Life's Agency is enabled with digital assets end-to-end across the value chain



Digital Tools Across the Value Chain



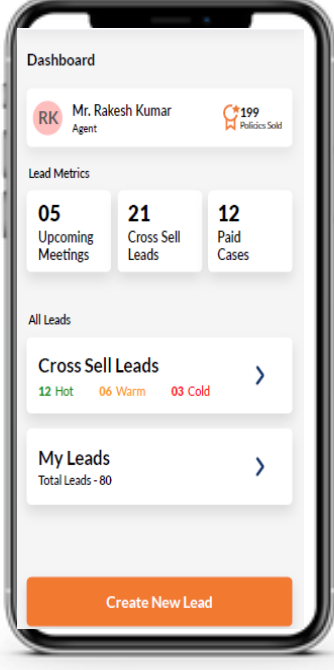
Integration of career seminar options and website leads URNs can be generated in less than 5 min

- 100% Agents recruited digitally in FY21
- 100% ADMs provided digital banners to source leads from social media



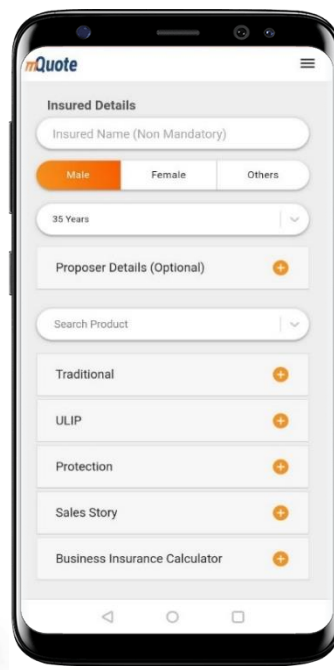
Self Learning Tool for Agent advisors & ADM

- 12k Unique users / month
- 20-25k assessments / month



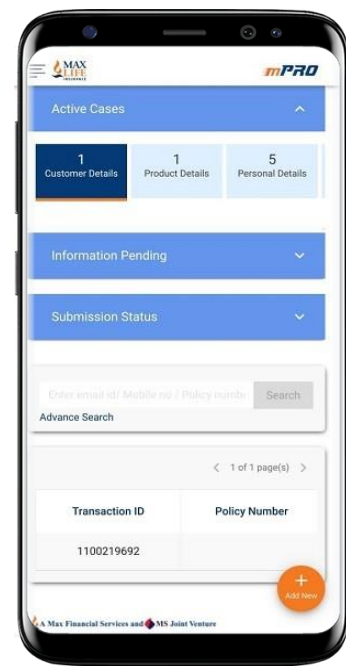
Lead lifecycle tracking with campaign tagging capability and Notifications

- 10k+ Agents/month using the tool and 500k+ leads/month
- 21% of the leads gets converted to meeting



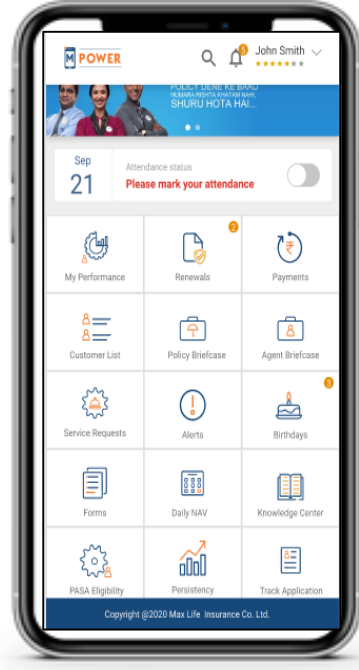
Management of Self & Central Leads. Visual Customer Illustrations

- 8k+ active agents /month using the tool



Mobile access, Shorter form, Digital Login of policies

- 98% of policies logged through mPro



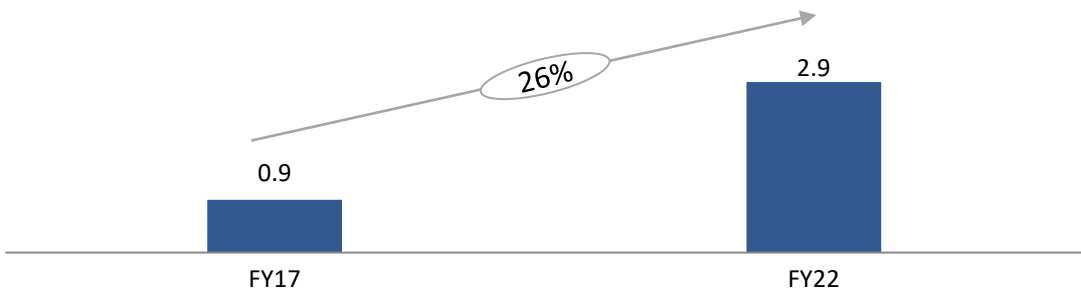
On-The-Go Visibility of Agents Book of Customers, Incentives & Reminders

- 80k+ average monthly impression on customer service and self serve

A Cross-selling Direct Channels: Max Life has set up a channel focused exclusively on cross-selling. Cross-sell engine is powered by strong analytics and robust on-ground execution

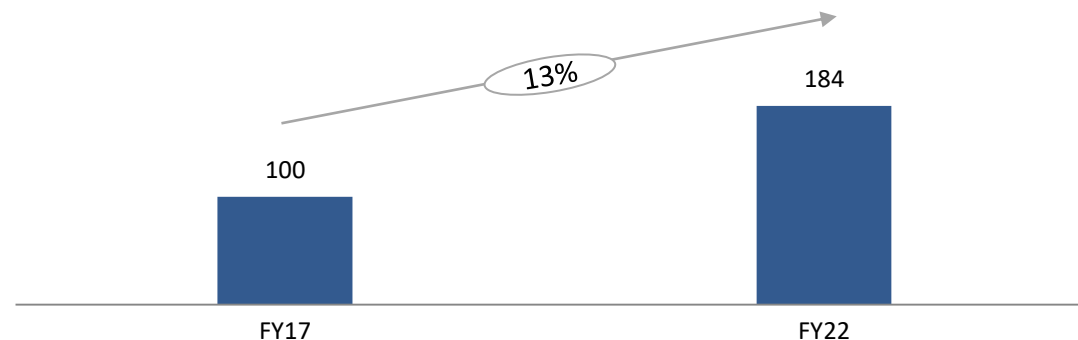
New Business Premium from direct channels

Amount in INR Bn

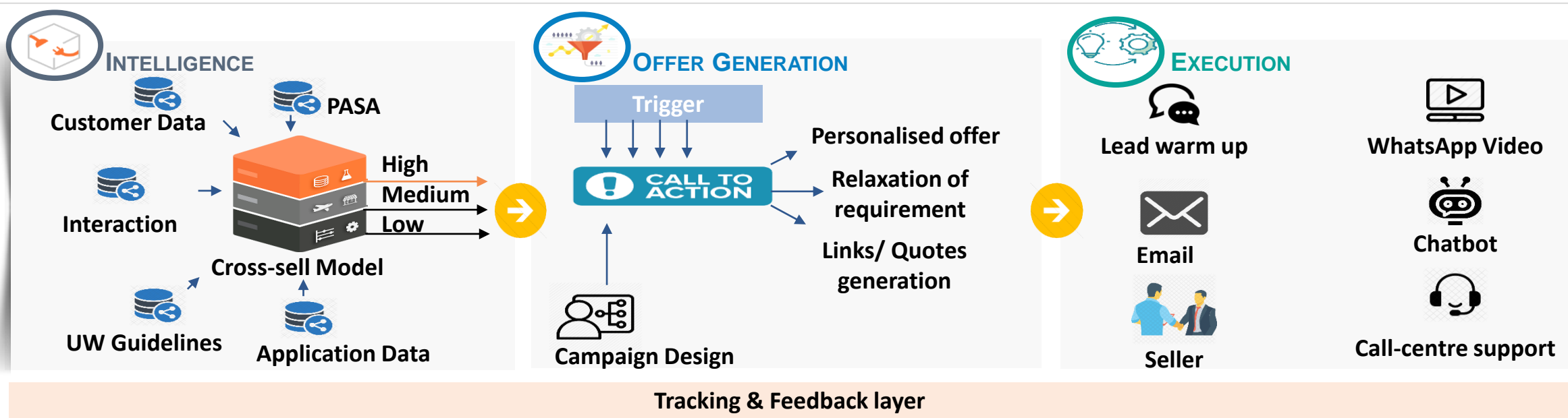


Cross-sell Policies - Strong growth in number of cross-sell policies

Policies sold in FY17 baselined to 100



Cross sell engine

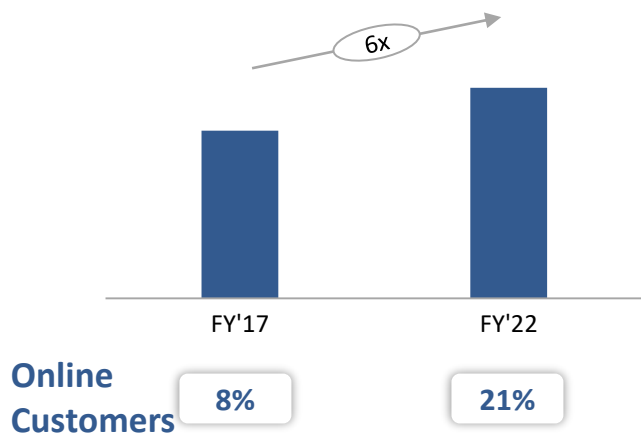


Cross-sell rate at ~28% (NOP basis) and ~40% (Premium basis) in FY22

A

Continued leadership in online acquisition

APE grew 6X in 5 years

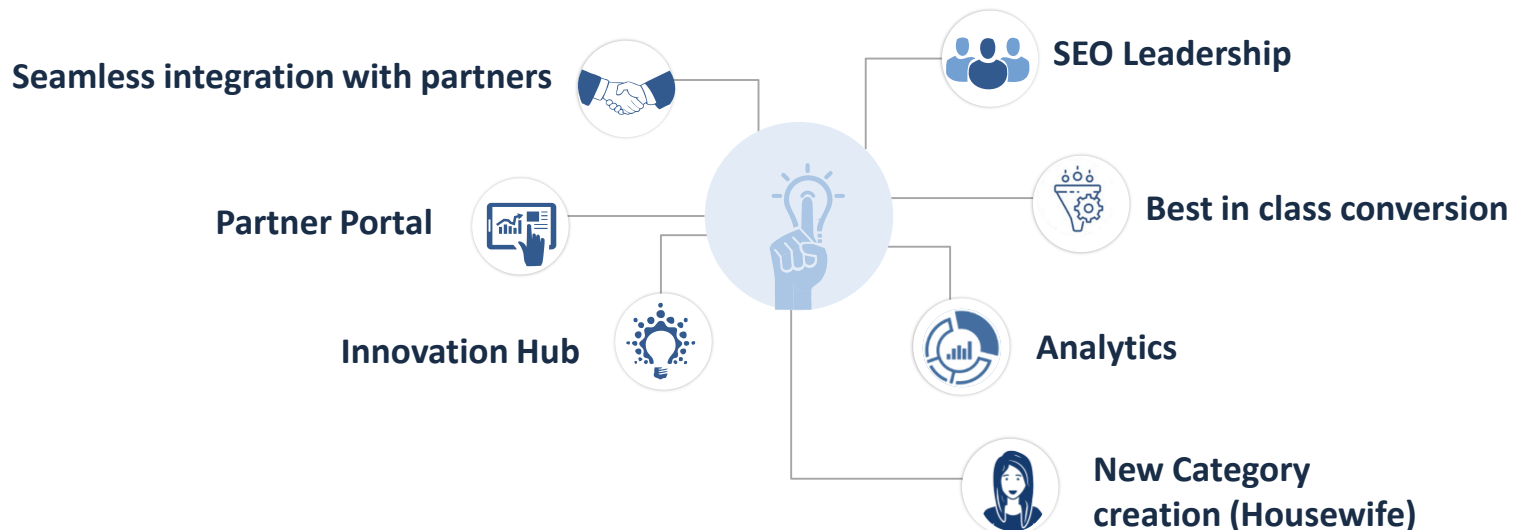


Leadership position in protection in Direct & Partnership

Key Partners



Key Success Factors



Vision to continue dominance in protection & scale up savings

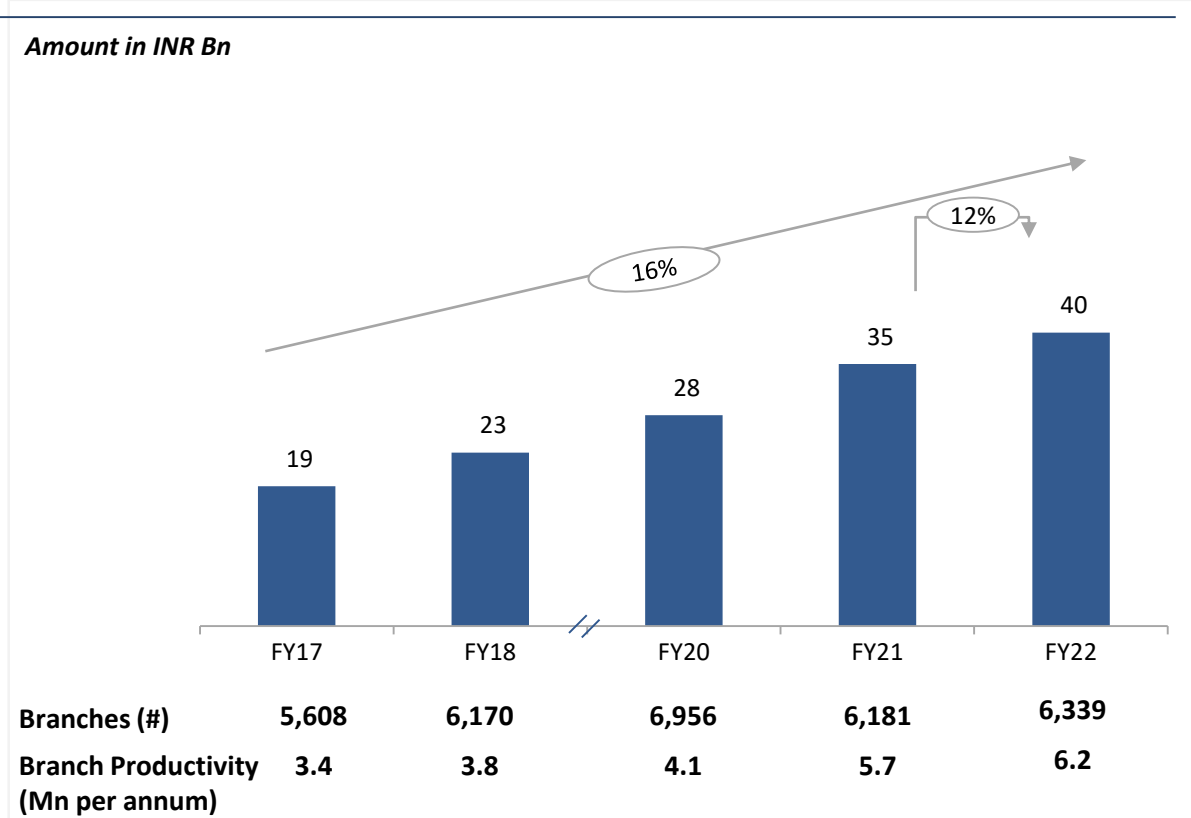
Protection

- Launch of innovative products
- Drive top of the funnel traffic

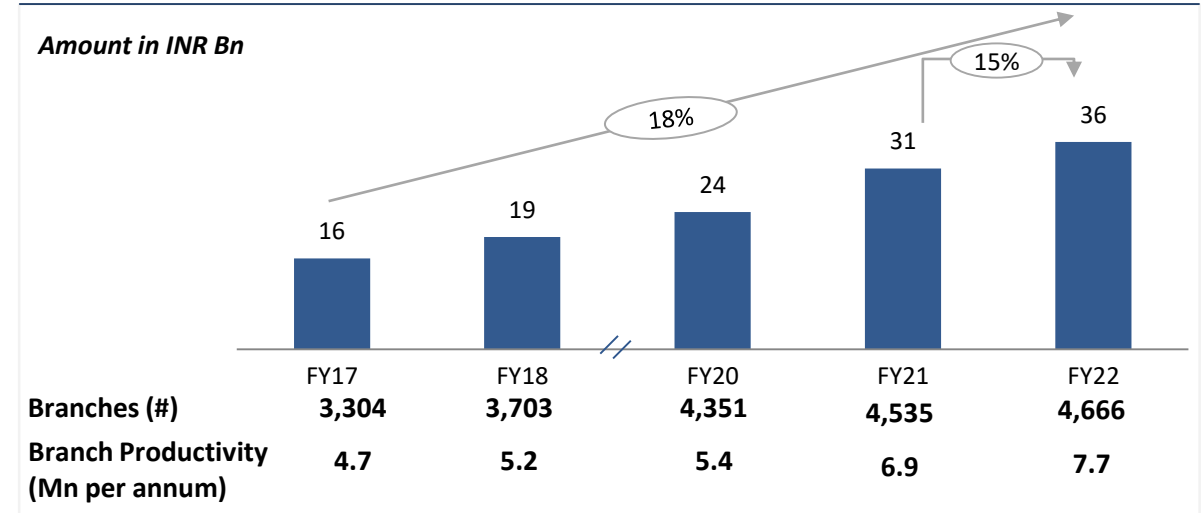
Savings

- New products
- New funds
- Best in class issuance
- Scale up new segments

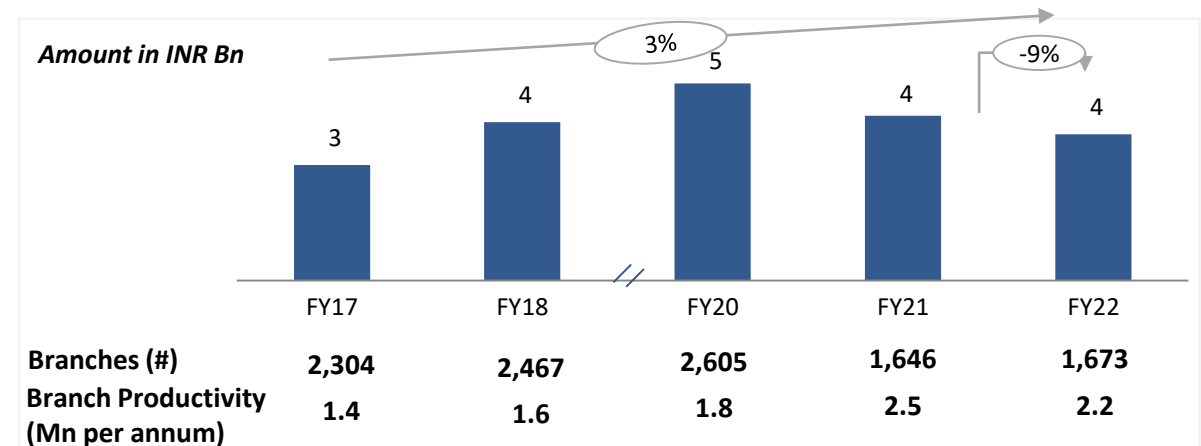
Banca channels have grown at CAGR of 16% while increasing branch productivity



Axis Bank: Axis bank grew by CAGR of 18% over last five years



Other Bancassurance Partnerships: Growth impacted due to structural issues in bank partners



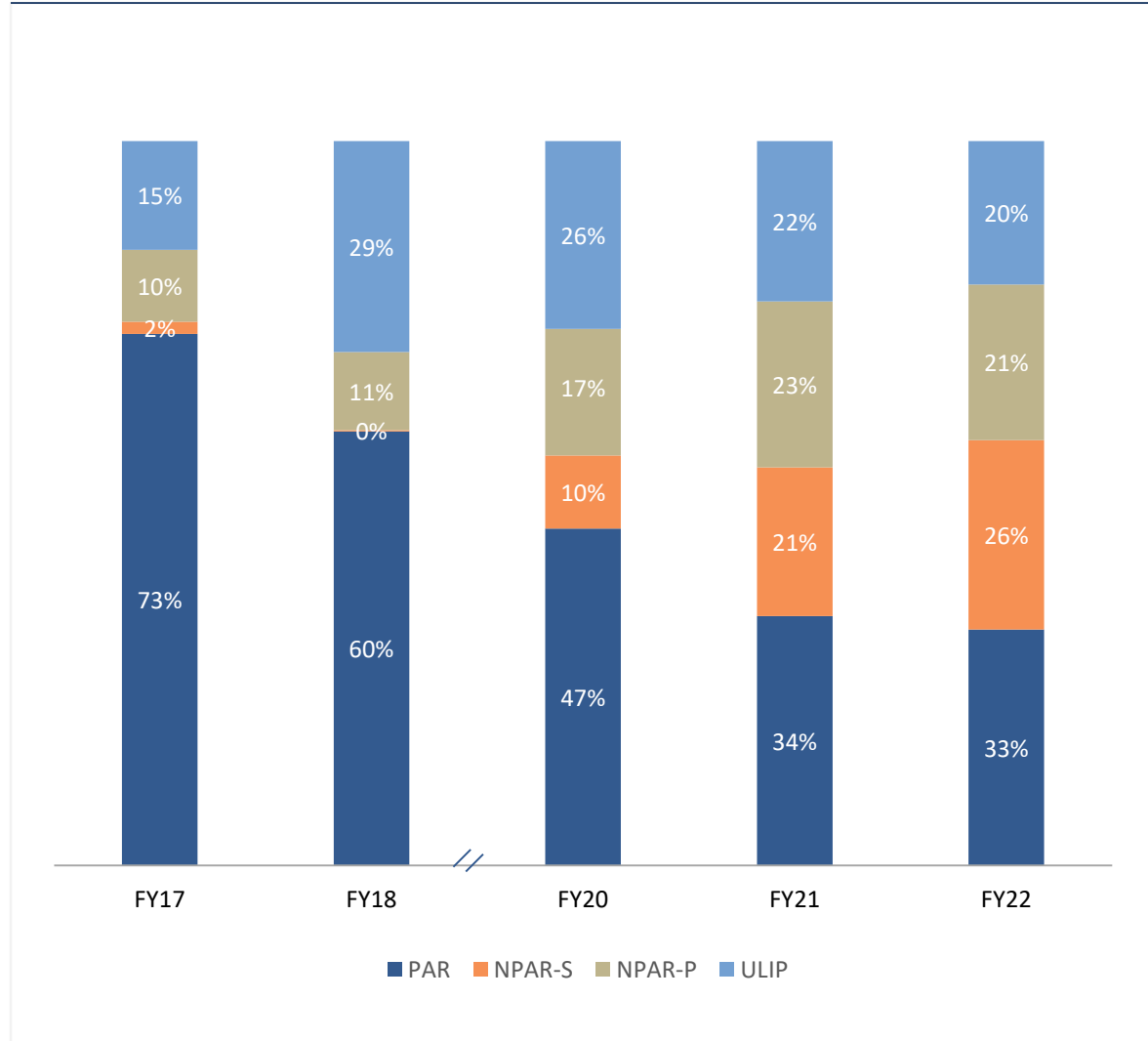
A Max Life has been augmenting distribution capability by participating in the emerging ecosystem opportunity to get access to large customer pools

Ecosystems	Key partners signed by Max Life			
Wealth Tech				
Web aggregators				
Insure Tech				
Others				

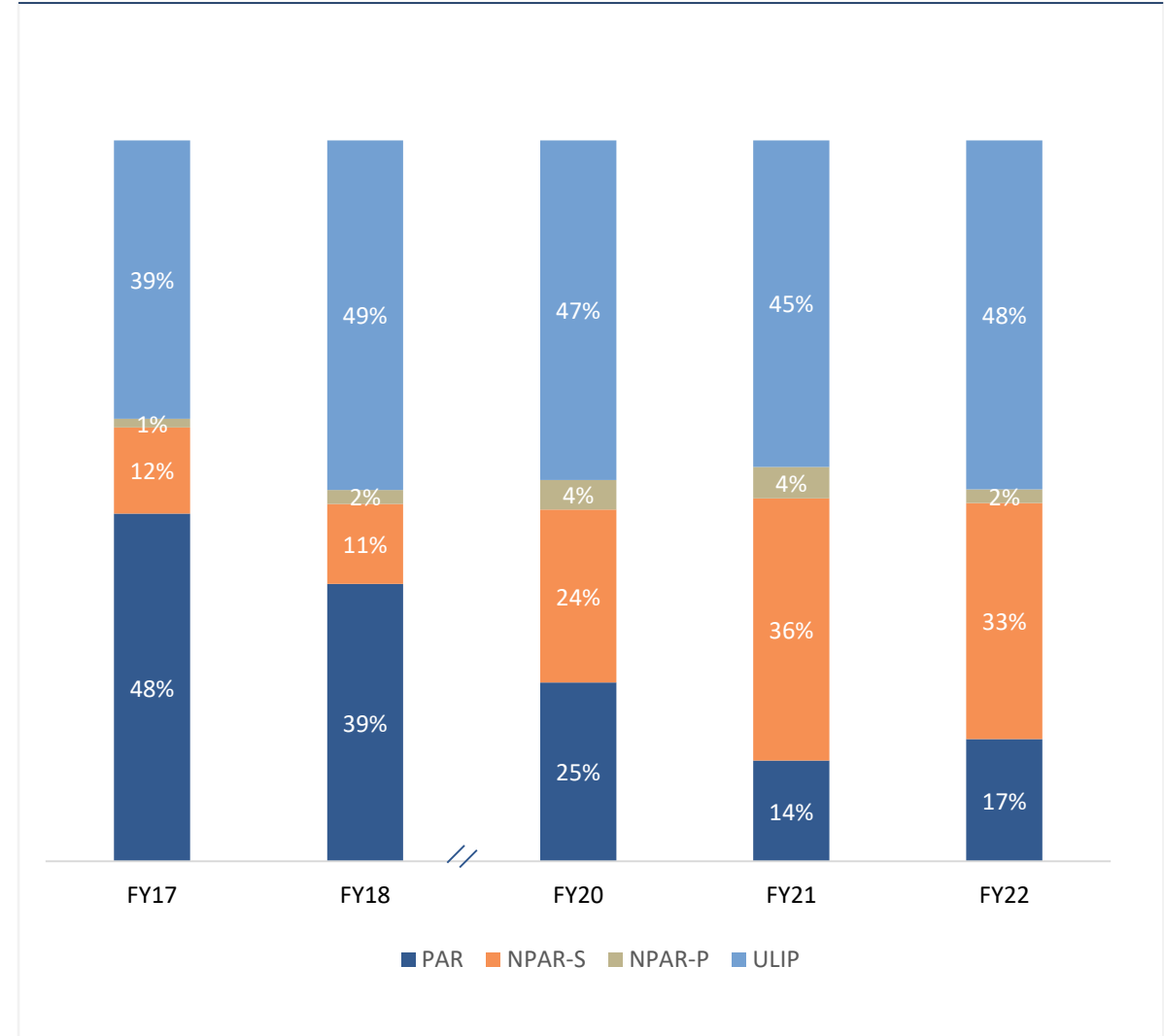
- Max Life works with **30+ partners** in emerging ecosystems
- These partnerships contributed **~15% of individual policies** in FY22

A **Balanced Product mix aligned to customer needs; Strategic focus on NPAR savings and protection share increase to further strengthen the product mix and drive margins**

Proprietary Channels Product mix - biased towards traditional products and protection for driving margins



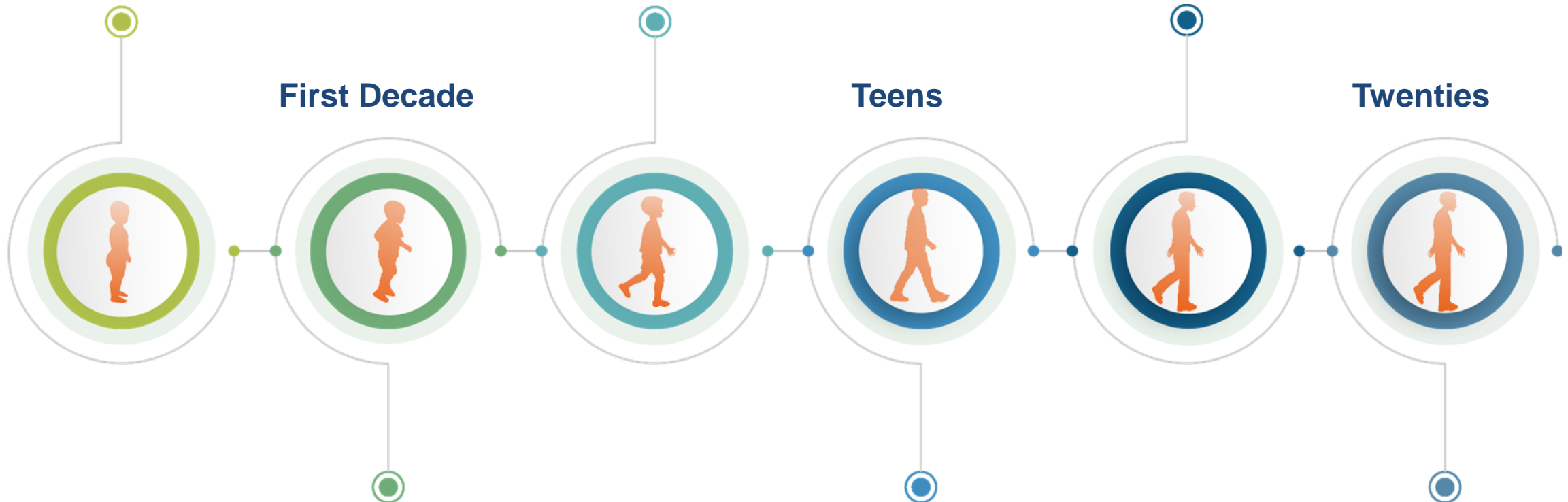
Bancassurance Product Mix - has been biased towards ULIPs to cater to target customer segments



1. Break the endowments category clutter with Industry **First Whole Life plan**
2. Provide **liquidity & flexibility through First Cash & Premium Offset Bonus** options
3. **First PAR Top Up** option

6. Enabled transparent customer participation in Bonds with **First Index-Linked Non PAR plan**

10. **Hedged Guarantees with Derivatives**
11. Launched industry **First COVID-19 Rider** (diagnosis & death benefit)



4. Enable Customer Obsession through **First "Freelook Period"**, became Regulation later
5. **Created Universal Life product** – Enable transparent customer participation in Debt market

7. **Scaled "Monthly Income" category** first on Non PAR and then on PAR platforms

12. **Differentiated Term plan** with industry firsts (Special exit value, Premium holiday option)
13. **Strengthened PAR proposition** (guarantees under early income variant)

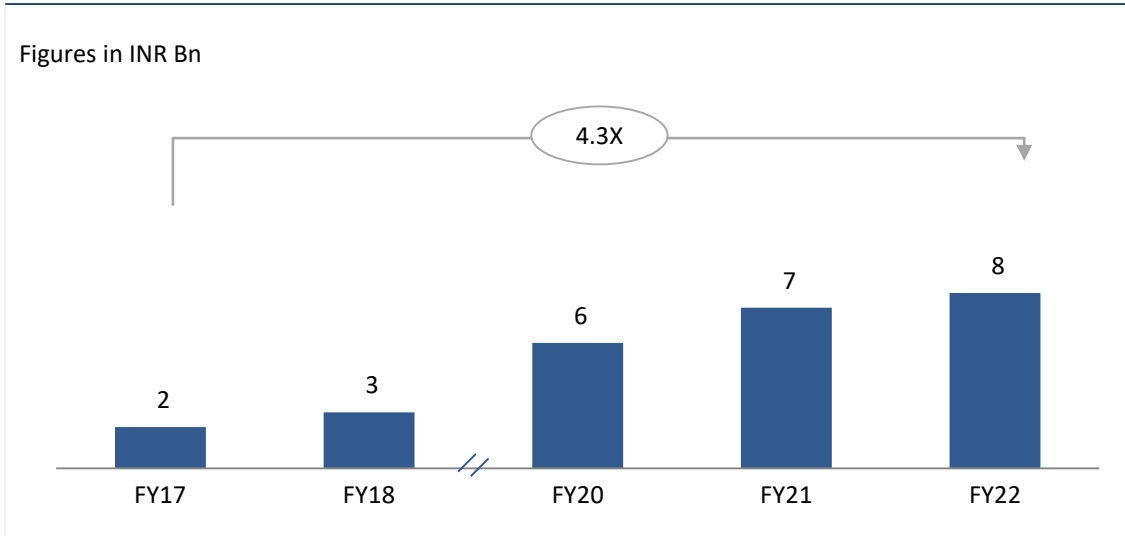
B

Max Life offers product suite at affordable premiums to cater to all customer segments across various life-stage needs



Life stages	Young Adults / Single <25 years	Married 25 to 35 years	Married with newly born kid/kids 30 to 40 years	Married with older Kid/ kids 40 to 55 years	Retirement 45+ years
<i>Dream home, Dream Car, Dream Trip, Dream Gift for a special one, Savings for exigencies</i>	Savings Advantage Plan, Monthly Income Advantage Plan				
	Assured Wealth Plan				
	Smart Wealth Plan, Smart Wealth Income Plan*				
<i>Regular Secondary Income, Regular Money Back</i>				Guaranteed Lifetime Income Plan, Saral Pension Plan	
			Forever Young Pension Plan		
	Monthly Income Advantage Plan. Life Perfect Partner Super				
	Smart Wealth Plan, Smart Wealth Income Plan*				
<i>Legacy for next generation, Grandchildren marriage</i>	Legacy Creation	Not Applicable	Whole Life Super		
			Smart Wealth Income Plan*		
<i>Children Education, Children Wedding, Milestone Gifts for Children</i>	Child	Not Applicable	Future Genius Education Plan, Shiksha Plus Super, Monthly Income Advantage Plan		
			Smart Wealth Income Plan		
<i>Shield from uncertainties</i>	Protection	Smart Secure Plus Plan, Cancer Insurance Plan			
<i>Corpus/legacy creation Retirement planning</i>	Investment	Fast Track Super			
			Platinum Wealth Plan		
		Flexi Wealth Plus. Flexi Wealth Advantage Plan			

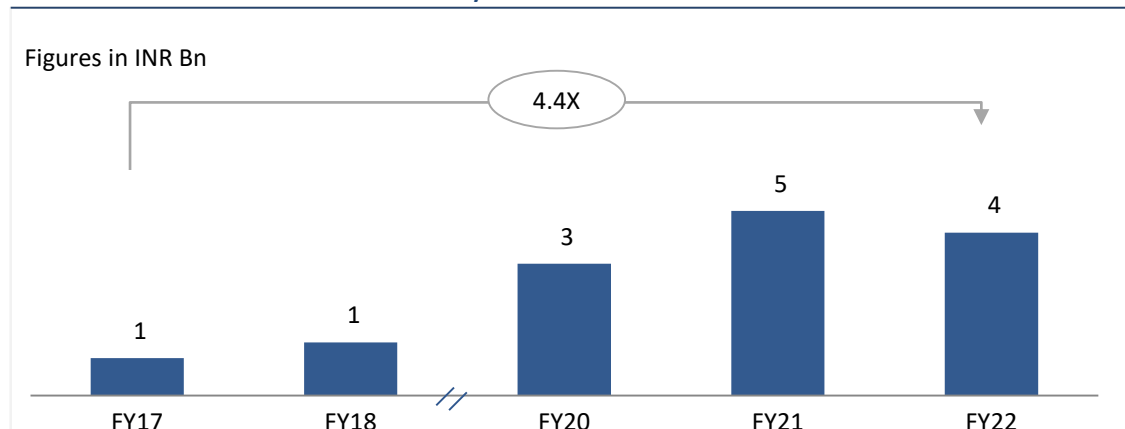
Total Protection APE- More than quadrupled over a 5 year period



Key focus areas to win in protection

- **Underwriting:** Superior underwriting **augmented by Artificial intelligence and data analytics**
- **Reinsurance:** **Strategic alignment** with re-insurance partners
- **Product and Pricing:** Product innovation to drive strategic shifts towards **under-penetrated customer segments**
- **Control:** Strengthen **claim diligence capabilities** through technology and superior process control

Total Retail Protection APE- 5 year CAGR of 34%



Key Focus areas and enablers in health portfolio

- **Innovative health offerings** combined with life to provide holistic solutions
- **Leverage digital tools** to enable touchpoints and nudges for rider purchase
- Augmented value creation through **wellness combos**
- **Exploration and launch of Rider Suites** based on customer demographic and life stage needs

B Retirement: Focus to become one of the largest annuity providers and become the retirement preferred player for >45 years segment



- **Extended insights** to IRIS launch with **V2.0** in Q2'22
- **5000+ respondents** with insights on health, emotional, financial preparedness for tomorrow
- Enhanced media presence with **Television presence & influencer backed campaign**
- India's retirement index stands at 44, health and financial preparedness a key concern amongst Indians

- **PFM company incorporated** as “Max Life Pension Fund Management Limited” and First board meeting on 23rd March
- **Certificate of Registration** received from PFRDA on 20th April
- **Certificate of Commencement** to be provided by PFRDA post physical inspection, agreement evaluation
- Launch in Q2'FY23 (Subject to approvals)



Max Life Insurance
Pension Fund
Management

Product design & mix monitoring

- 1 Prudent pricing assumptions (interest rates, risk margins)
- 2 Regular monitoring & repricing
- 3 Product designs optimization (shorter pay designs) to minimize exposure to future interest rate movement
- 4 Large part of annuity portfolio (>95%) is Return of Premium, which has negligible exposure to longevity risks

Prudent ALM approach

- 1 Cash flow matching of assets and liabilities (for non-par savings + group protection portfolio)
- 2 Duration matching to manage parallel shifts in yield curve
- 3 Enabled by a deep and liquid long sovereign bond market

Hedging

- 1 Managing the asset liability cashflow profile of entire non-par fund to derive synergies of natural cash flow hedge
- 2 External hedging (using FRAs, IRFs, Swaps etc.)

Stress test scenario indicate minimal interest rate sensitivity of solvency and EV for non-par business

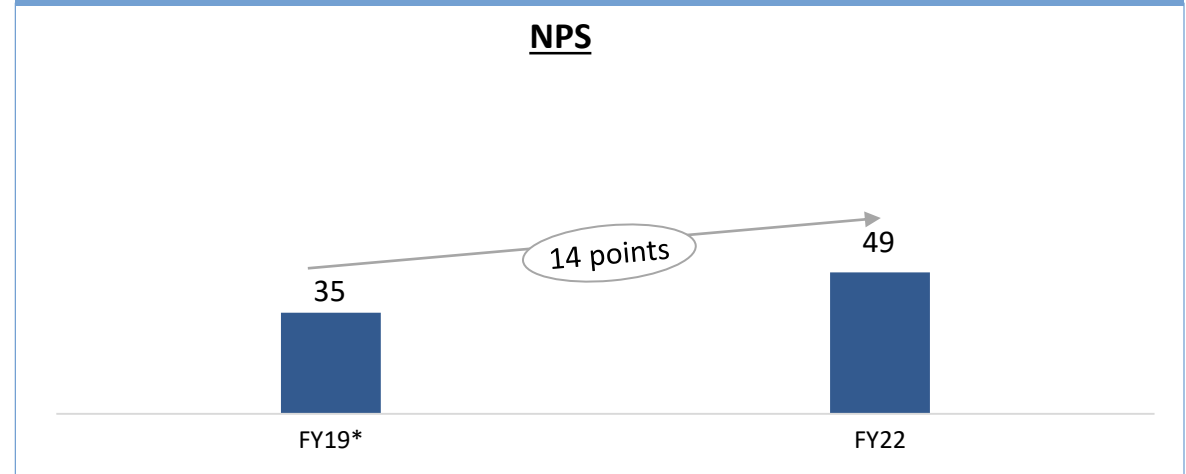
Industry-first customer centric initiatives



Significant focus on delivering on promise – highest claims paid ratio in industry for 2 consecutive years



Customer experience at the core: Continuous improvement in NPS



* NPS as a measure of customer experience was adopted by Max Life in FY19

74%

Automated Underwriting (Retail)

~84

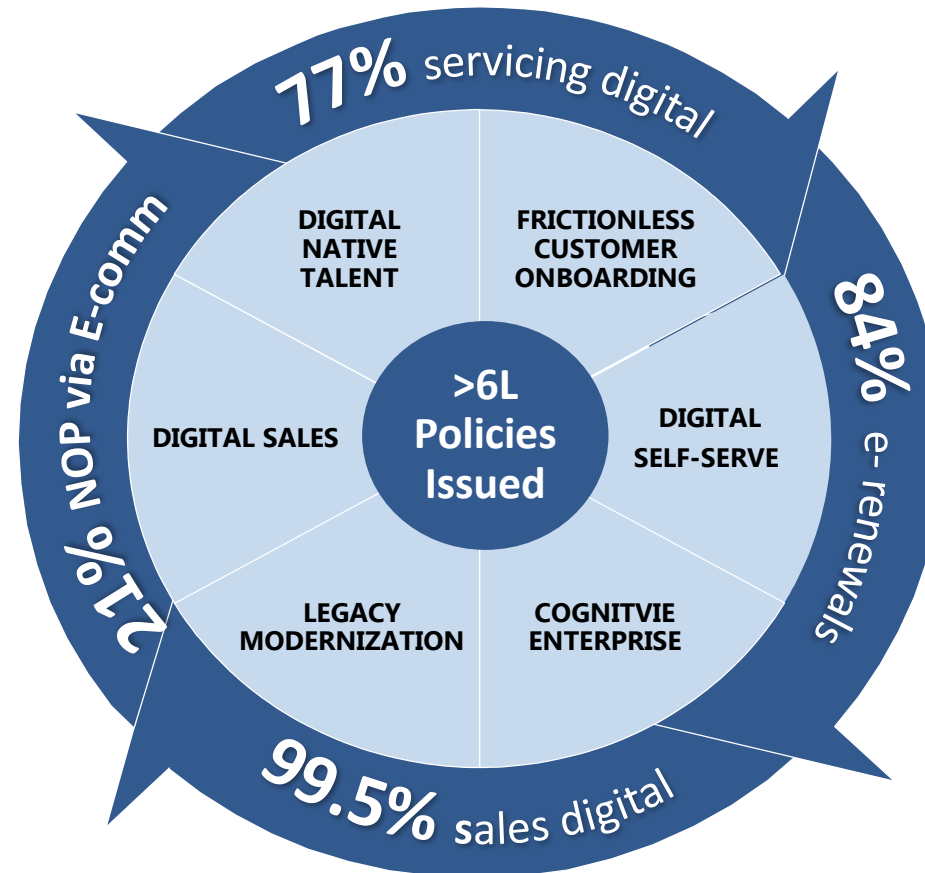
Claims paid everyday

<3 seconds

Page load time

99.35%

Claims settlement ratio

**50+**

Partners

46%

Infra on Cloud

41%

Insta COI (Axis)

100K

Bot queries per month

Scale eCommerce Business

1

- Digital Marketing Muscle (**Sharper prospecting**)
- **Mobile first** purchase journey
- **Personalized** experience
- **WhatsApp** chase journeys

Digital Sales

2

- Intelligent & Integrated **LEAD management**
- Integrated **Recruitment Funnel**
- Digital **Native Training & Content Mgt** solution
- **Smart Assistant** for seller productivity
- Digital standardized **sales governance**

Onboarding / Issuance

3

- Digital Native Onboarding platform – **SEO**
- **Frictionless Onboarding** experience leveraging eco system partnerships
- **Smart U/W** - embedded AI Models
- **Legacy Modernization** – Insta Issuance

Customer Service

4

- **Omni Channel** customer experience (Customer 360)
- Help Center / conversational BOTS for **self service**
- **Continuous customer engagement** by Leveraging Ecosystem
- Digital **Agent Servicing**
- Integration with **Social platforms**

Enterprise

5

- **Mobile First Employee Experience** – HR Self Service
- **Digital Engagement & Collaboration**
- **Back-office transformation** – Treasury, AML
- **Enhanced Security** – cloud, threat monitoring, vulnerability Mgt
- **Intelligent Automation**

Pervasive Intelligence

6

(AI /ML, Analytics embedded in all key processes)

Cloud Enabled Legacy Modernization & Enterprise Data Hub

7

Workloads on Cloud

Employer of Choice for Top Digital Talent

8

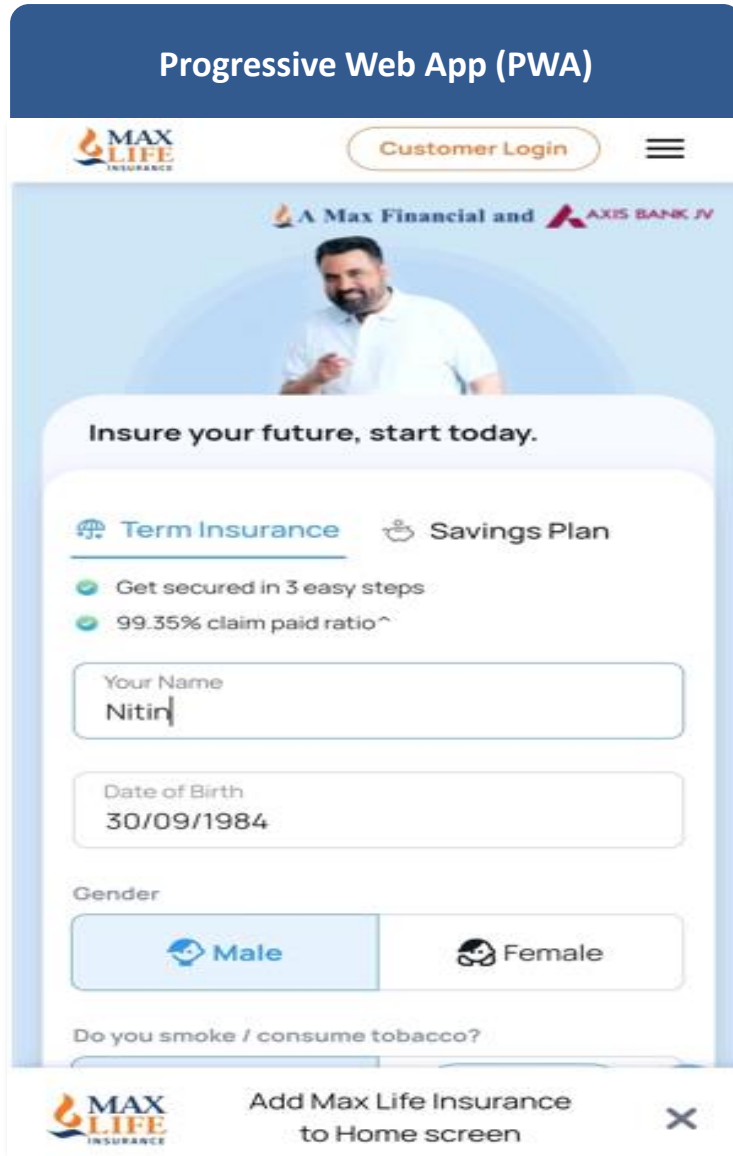
300+ engineers

Digital Culture

9

InsureTech ecosystem

Progressive Web App (PWA)



- **PWA Launched** with Push Notifications for user engagement and wider reach.
- Early Adoption in Ecom journey and Roadmap for extension to customer service

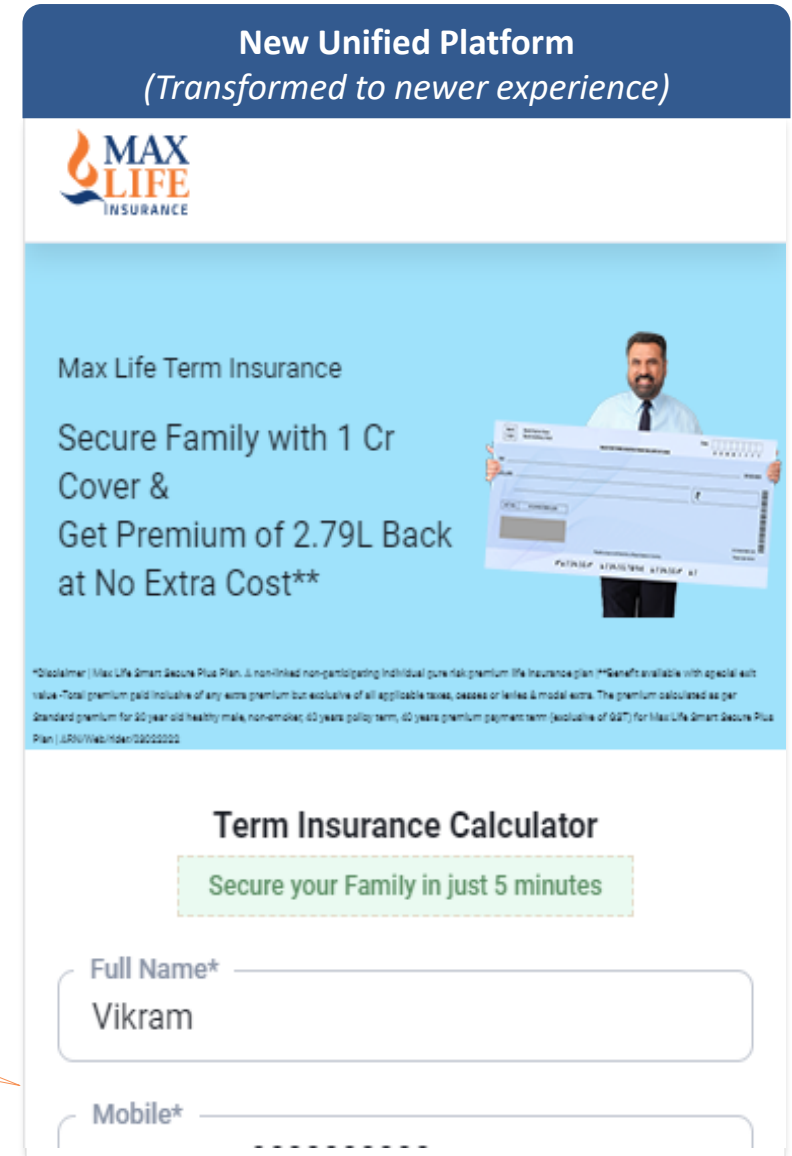
SEO Expertise:

- Visibility Score of top 15 Business Keywords: **53.75%**
 Maintaining consistent SEO leadership position in **top 15** and **top 50** Keywords search.
- Home page , PCP-PDP pages migrated to new tech.
 - (PCP-PDP) Page Load time: **1.5 Secs** (Best in class)

New Unified Platform:

- Page load time- **<3 Secs**
- Best in class session to leads - **27%**

New Unified Platform (Transformed to newer experience)



Max Life Term Insurance
 Secure Family with 1 Cr
 Cover &
 Get Premium of 2.79L Back
 at No Extra Cost**

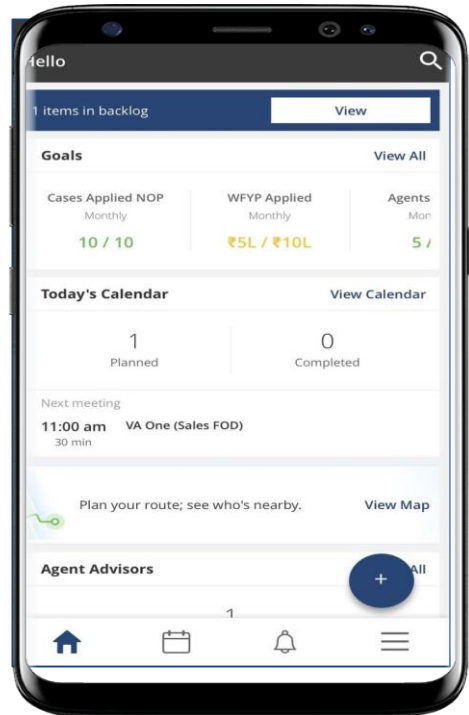
Term Insurance Calculator
 Secure your Family in just 5 minutes

Full Name*
 Vikram

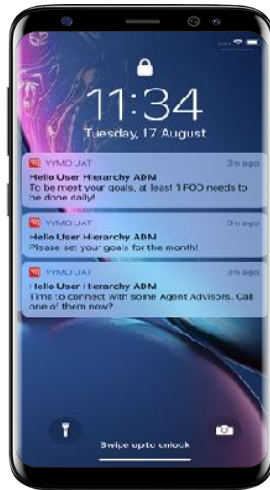
Mobile*

*Disclaimer | Max Life Smart Secure Plus Plan, is non-linked non-participating individual pure risk premium life insurance plan. **Benefits available with special exit value. Total premium paid includes of any extra premium but exclusive of all applicable taxes, cesses or levies & modal extra. The premium calculated as per Standard premium for 30 year old healthy male, non-smoker, 60 years policy term, 60 years premium payment term (exclusive of GST) for Max Life Smart Secure Plus Plan (LRN/VIN/under/0000000)

mSMART



Intelligent nudges on next best action



mSMART

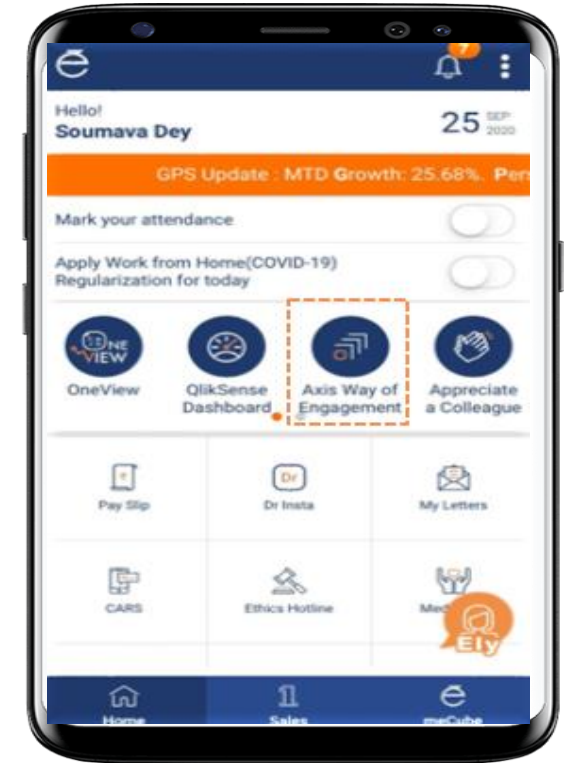
Enables ADM to track and create monthly plan, activities, goals and PRP

Smart Class



Virtual Training for Agents

AWE & Y.E.S



Sales management system for partnership Channels



92k+ activities created with in a month



53k+ FODs done with in a month

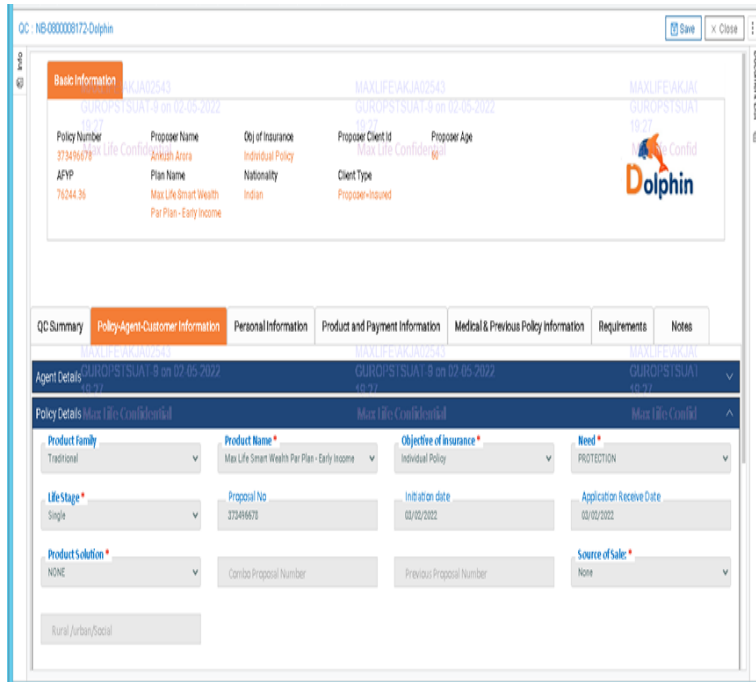


~87%+ Adoption

D ...Enabled by a state-of-the-art cloud Native issuance and underwriting system,
Integration with Bank marketplaces & eco-system integration.

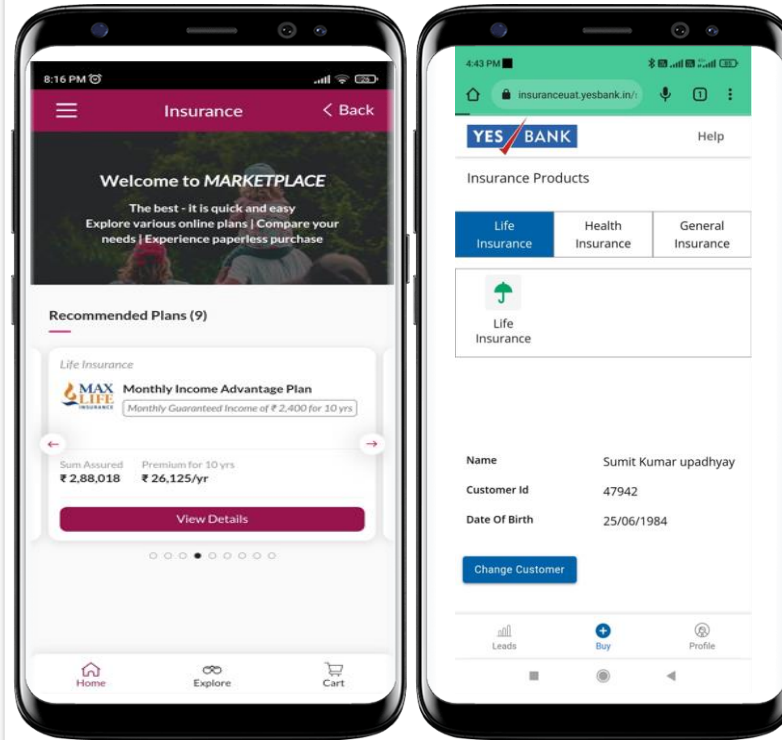
3

Dolphin Scale-Up



New Age Cloud Native & Intelligent UW System

Integration with Market Places



Banca Partners Market Places

Eco-system Integration



For KYC details and document

Waiver of Financial Document

Integration with TPA for Medical scheduling and digital report



80% reduction in HO hubhold processing time

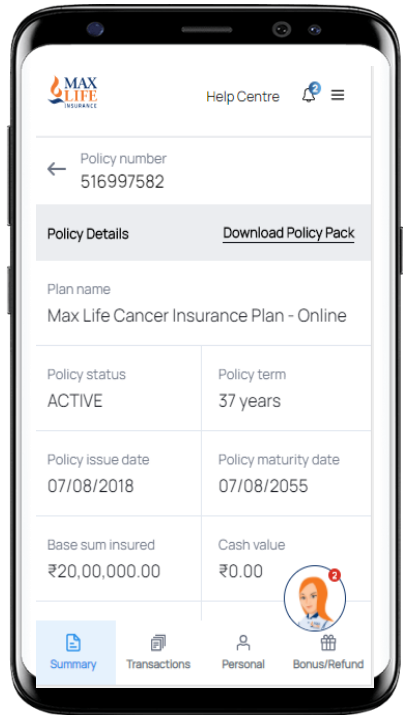


Improvement in First Time Right by **4%**

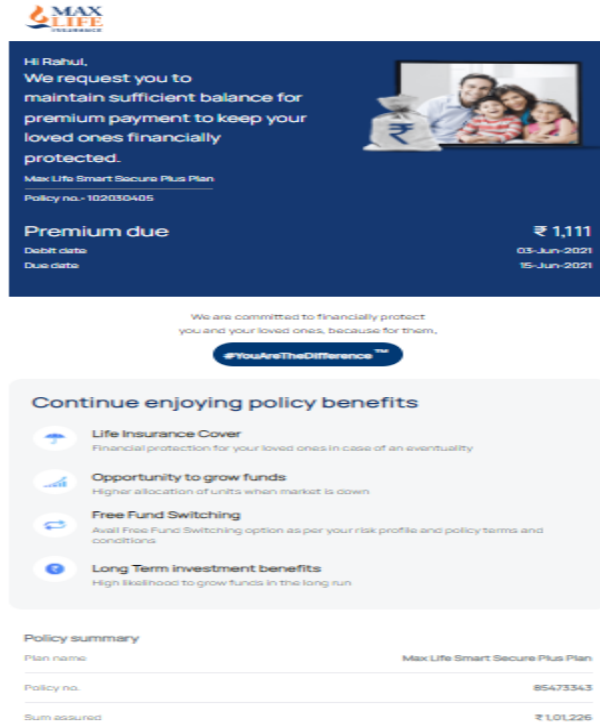


Clear Case – **75% (Retail)**

Revamped Website

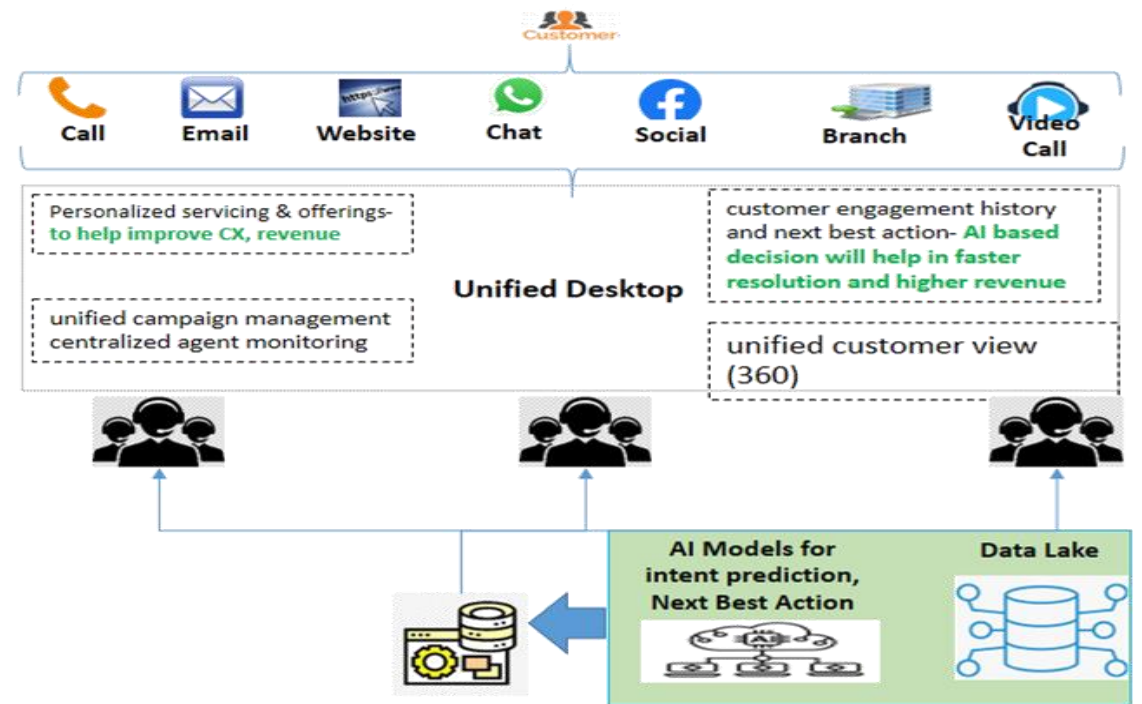


Revamped Customer Communications



Centralized communication Management System

Omni Channel Customer Service



One view for all servicing touch points



50L+ self-service transactions annually 75% Penetration



25% Emails Auto Response through Intelligent BOTS



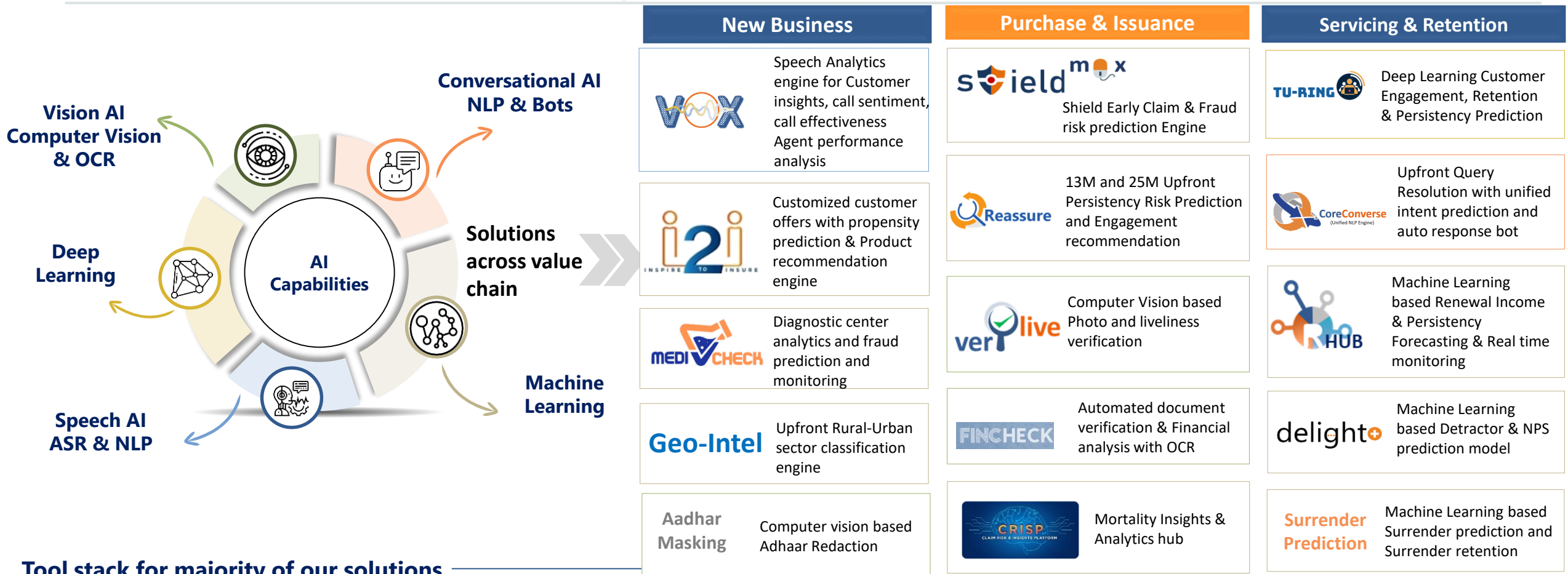
10+ Uplift in Digital NPS for customer Portal



40% + efficiency increased in agent productivity

D Max Life has implemented cutting edge AI application at scale enabling superior business outcomes across the customer touchpoints

6



Tool stack for majority of our solutions



90% VOX- Transcription & NLP Accuracy (Hindi, English, Hinglish)	3X I2i engine- 3X Conversion Rate in High Propensity Leads	100% Real time Risk prediction	40% Core Converse – monthly email volume automatically handled by Bot
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NLP: Natural Language Processing
 ASR: Automatic Speech Recognition

D Our investments in cloud and system modernization is helping us scale business in an agile way...

7



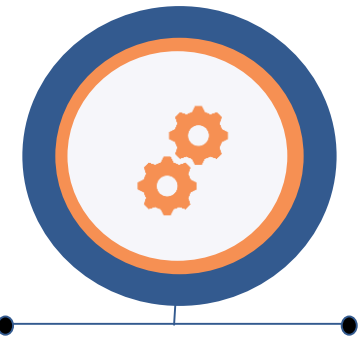
Cloud Data & Analytics Platform

- Data Lake Foundation & Customer 360
- Data stores consolidation and real-time reporting
- AI/ML – Speech to Text, Claims Risk Insight Engine



Cloud Foundation

- Agility in operations support for 4X volume on peak days with response time <1sec
- Footprint increase form 18% to ~46%



Legacy Modernization

- Modernized Treasury, HR, Contact Center, Communications and AML platforms
- Policy Administration Platform migration PoC



DR 100% for application migrated



Real-time Backup



Improved resiliency and peak volume support via auto-scaling



Provisioning from 8 weeks to 2-3 Days

MAX LIFE INNOVATION LABS

Ecosystem Partners

Use cases Shortlisted for POC

- Speech Recognition
- Smart Underwriting
- Smart hiring / training of Agents / Sales force
- Document Parsing
- Health & Wellness
- Personalized Videos for Customers
- Group Policy Admin Portal
- Non/Minimally Invasive Medical Testing
- Digital Twin
- Online Digital Ecosystem

Digital Partners (>150)

POC Outcome

Selected POCs are in progress and under scale-up phase

>400 Applications received for Innovation Labs 1.0 & 2.0

Key Digital Initiatives

Customer

Selling
<3 Sec
 Page Load Time
(New Age Common onboarding platform)

15%
 Session to quote
(New Age Common onboarding platform)

Servicing
80%
 Self Serve Penetration
(Work flow automation, Help centre)

90%
 Self Serve Adoption
(WhatsApp, Help centre)

Engagement
60%
 Insta Servicing
(Business process Automation, BOTS)

0.3 Mn
 Health & Wellness APPs Active

Fulfilment
65%
 Insta Issuance
(Dolphin, Surrogates, EBCC)

10 Mn
 Issuance TAT
(BOTS, Core system Modernization, Smarts)

Underwriting
85-90%
 Human less UW
(BOTS, AI)

Distribution

Recruitment, Onboarding and Skilling
10%
 Improvement in Agent / ADM Retention
Digital Agent On boarding & Recruitment

99%
 Digital Training Certification
New Age on the Go Learning Mgt systems

Prospecting & Selling
95%
 Fully Automated Sales Governance

50%
 Lead Conversion(Axis Bank)
End to End Lead Mgt

Employee

Productivity Tools
90%
 Collaboration Tool Usage(HO)
(Reduced Email)

80%
 Information Automated
(BOTS, Self Service)

Employee Lifecycle Management
90%
 Employee Self Service
(New Age HRIS, Employee Portal)



**On Demand Digital Infra on Cloud
(70%)**



**Data Democratization & Analytics
(Cloud Data & Analytics Platform)**



**Cyber security
(4 on Scale of 5)**

Key Focus areas to drive superior Org outcomes

 Innovation

 Speed & Simplicity

 Values focus

 Agile Cross Functional teams

 Extensively leverage Digital

Max Life has identified strategic focus areas for future and has set bold aspirations around those

1

Leader in online customer acquisition

2

Build fastest growing profitable proprietary distribution

3

Leader in Protection + Health & Wellness proposition

4

Leader in Retirement (among top 3)

5

Explore opportunities for Inorganic Expansion



SECTION IV

- ▶ ESG
- 

The Sustainability Framework at Max Life is built around four pillars with key focus areas

Four Pillars of Approach to Sustainability



Work Ethically & Sustainably

- *Corporate Governance*
- *Ethics & Compliance*
- *Digital Initiatives*
- *Ethical usage of Data*
- *Operational Risk Management*



Care for People

- *Diversity & Inclusion*
- *Employee Development*
- *Health & Wellness programs*
- *CSR (with Financial Empowerment)*



Financial Responsibility

- *Sustainable Investing*
- *Product responsibility*
- *Customer feedback integration*



Green Operations

- *Waste Management*
- *Water Management*
- *Energy efficiency*
- *Emissions control*

Work Sustainably & Ethically



Governance

- Dedicated ESG Management Committee in place from 2021
- Appointed ESG Head to oversee ESG initiatives and actions in the organization
- Diverse Board composition with Independent Directors in Board (~50%- MFSL; ~30%- Max Life Insurance)
- Average board experience > 30 years

Risk Management

- Max Life has a robust governance framework with Board risk committee (REALMC) supported by domain expertise committees (MRC, ALCO, DMC, ORG, IS BCM etc.)
- Risk Appetite and Risk Management framework in place
- Robust derivative program as well as an ALM framework
- Detailed review process of Business Plan in place by CRO with focus on solvency risk and capital management

Data Privacy & Security

- MLI received the DSCI Excellence Award for Best Security Practices in India in 2021
- Recertification of ISO 27001 completed
- Data privacy policy available on the website
- Adherence of data privacy and security policies in line with Aadhar ACT, IT act and other regulatory guidelines

Compliance & Policies

- Platforms, mechanisms, channels in place for grievance addresses, incident investigations and corrective actions and policies
- Dedicated whistle-blower platform managed by independent external partner
- The company has Board/board committee approved Business Code of Conduct, Anti Bribery, Gifts and Meals policies, along with certain other policies to drive the Ethical culture at workplace

Care for People and Community

Care for People & Community



Diversity & Inclusion

- Current gender diversity ratio at 25% at Max Life
- Launched a career comeback program called Pragati for women on a break
- Extended capability building program for 107 women at early career stage
- Max Life featured in “Rendezvous” by India Diversity Forum on D&I practices
- Max Life has been awarded “Excellence in Gender Diversity” at the 4th D&I Summit & Awards by Transformance Forums

Employee Development & Policies

- Ranked 18th in Great Place to work survey in 2021
- Unlimited sick leave policies for eligible employees
- High employee engagement
- Robust Organization talent review process
- Max Life has built 20 Mentors within the organization
- Launched POSH (Prevention of Sexual Harassment) e-learning and certification on intranet / mobile app

Health & Wellness

- Counselling & Mental Well-Being sessions are conducted to employees & family members through third party health services partnerships
- Max Life has tied up with Healthifyme and conducted health sessions for all employees for their physical and mental wellbeing
- Ongoing employee engagement on health & wellness (Doctors for consultations, mental well being sessions, COVID-19 helpline etc.)

CSR Initiatives

- Joy of Giving : Employees volunteered in our office communities
- Covid Prevention kits distributed to front line workers (Primary health givers and Police)
- Nutritional intervention support for malnourished families in Haridwar through Akshaya Patra
- Partnered with 4 Max India Foundation NGOs: Teach for India, Simple Education, Kshamtalya Foundation and Saajha – to conduct sessions on Financial Literacy
- Green Project with GMDA (Gurgaon Metro) to maintain the green belt from IFFCO Chowk to Sikanderpur metro station – 4.4 km stretch

Financial Responsibility



OUR TOP COMMITMENTS IN RESPONSIBLE INVESTMENTS

Max Life has set some targets in responsible investment decision making

- 100% ESG integration will be ensured in all equity investment research and decision making by FY23
- 75% of equity portfolio to be ESG compliant at all times from FY23
- 100% compliance for equity portion of Shareholders fund to be adhered to from FY23

Responsible Investments

- Comprehensive stewardship policy in place and a detailed summary of MLI's voting actions are disclosed on a quarterly basis.
- Max Life evaluates detailed governance reports of all its investee companies in detail
- Launched new ESG Fund
- There is now a dedicated ESG Update in every Investments Committee Meeting

Product Responsibility

- Special rates for females to precipitate financial inclusion for women - Under Smart Wealth Insurance Plan (SWIP), we provide a preferential discount for Female lives
- Max Life annuity plans, and Smart Wealth Plan offer senior customers guaranteed income throughout their life
- Additional health protection through our Rider Suite. Critical Illness and Disability Rider can be attached to almost the entire product portfolio, and offers protection against 64 critical illness and disability

Integrating Customer Feedback

- We continuously focus on integrating feedback from policyholders in our services. That is reflected in our NPS ratings, as per Kantar studies. Company NPS improved from 35 in FY19 to 49 in FY22

Green Operations



Conducted a carbon footprint assessment of our pan India offices.

Mitigation plan currently in place to achieve the Carbon Neutrality target by FY28

Energy Management

- Home Office (HO) building is a LEED Platinum certified building with “5 star rating” in health and safety by British safety council
- Replacement of CFL with LED lights ongoing in all offices to reduce energy consumption : Replacement concluded in 30% offices in last 3 yrs. ~3% of energy reduction achieved
- Replacement of old air-conditioners ongoing: Plan to replace 500 ton of AC in FY23
- 25 KVA solar panel installation & commissioning ongoing in new Office building in Gurgaon






Water Conservation

- All water is being recycled with the help of STP: 30 kilo litres per day of water recycled in FY22 at Head office
- 100% tap sensors and water aerators in place in HO. With the help of these ~70% water consumption is reduced

Waste Management

- MLI has pledged to completely ban single use plastic in the next few years with emphasis on recycled plastic at tuck shop and Pantries
- Dry and wet waste segregation process is implemented in HO
- Used 10000 kg of plastic, 3000 being single use and 7000 being recycled plastic

Some progress made in our key strategic shifts identified in our ESG journey

	Indicators	Key Metric for ESG Indicators	Key Targets	Current Status
	Digital Operations	Digital enablement (Self Servicing) in Business transactions	90% of all self servicing operations to be digital by FY25	92% self-service enablement by March'22
	Diversity & Inclusion	Overall Gender Diversity Ratio	Achieve 30% gender diversity ratio by FY25 (23% in FY21)	25% gender diversity ratio in FY22 (23% in FY21)
	Workforce Training	Number of Digital Learning hours to upskill and reskill employees	Improve total training hours by ~3X by FY25	21609 training hours in FY22
	Responsible Investments	ESG integration* & Compliance^ in Investment Decision Making	100% ESG integration in all investment research and decision making by FY23 75% of equity portfolio to be ESG compliant at all times from FY23	External Consultant on-boarded for ESG integration process Tracking ongoing for ESG compliance
	Carbon Neutrality	Reduce carbon footprint and achieve Carbon Neutrality	To achieve carbon neutrality by FY28	Carbon Assessment completed. Mitigation plan in progress

*ESG Integration refers to evaluation of ESG risks and opportunities for each company in the portfolio

^ESG compliance refers to all ESG rating categories excluding severe risk category, as per rating agency scores



SECTION V

- ▶ Max Life Insurance – MCEV Disclosures: FY'21
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Key Results

The Embedded Value¹ (EV) as at 31st March 2022 is **Rs 141.74 Bn.**

The Operating Return on EV (RoEV) over FY22 is **19.2%**, which increases to **20.1%** after excluding one-off impact of COVID19. Including non-operating variances, the total RoEV is **19.8%**².

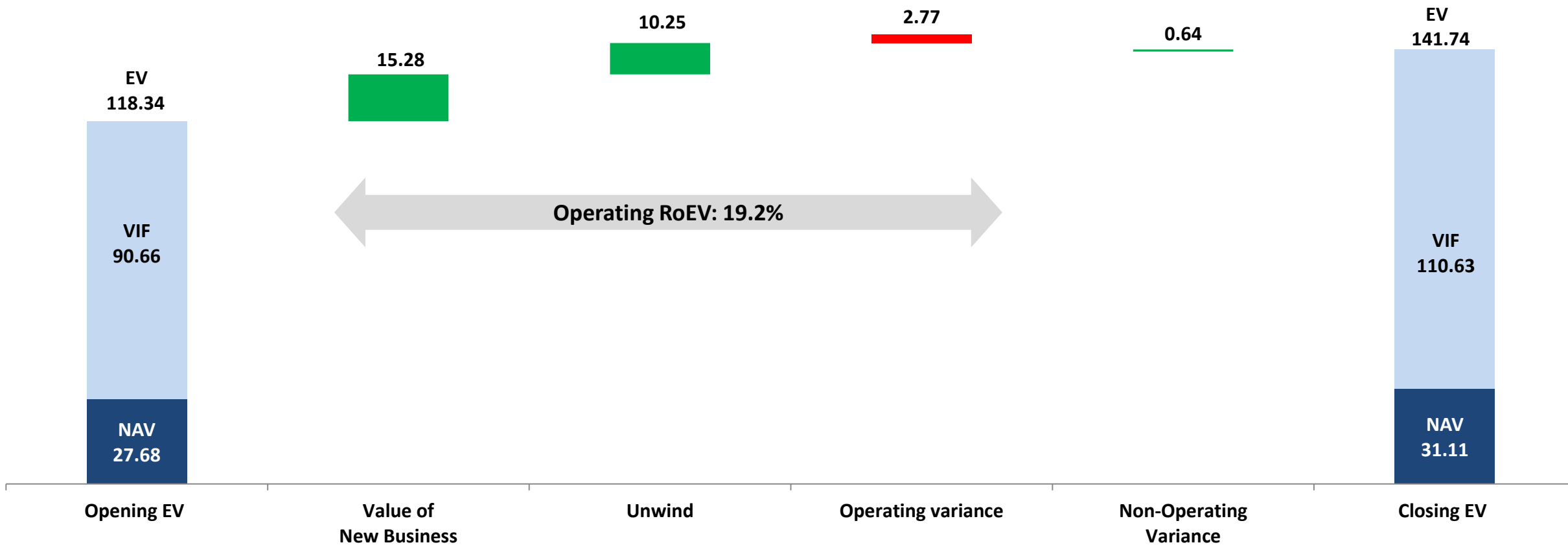
The New Business Margin (NBM) at actual cost for FY22 is **27.4%**, with Value of New Business (VNB) written over the period being **Rs 15.28 Bn.**

Notes:

¹ Max Life's Embedded Value (EV) is based on a market consistent methodology. However, they are not intended to be compliant with the MCEV Principles issued by the Stitching CFO Forum Foundation (CFO Forum) or the Actuarial Practice Standard 10 (APS10) as issued by the Institute of Actuaries of India.

² The Return on EV is calculated before capital movements during the year e.g. dividends.

EV movement analysis: March 2021 to March 2022



- The Operating Return on EV (RoEV) over FY22 is **19.2%**, which increases to **20.1%** after excluding one-off impact of COVID19.
- Operating return on EV is mainly driven by value of new business and unwind.
- Operating variance includes Covid impact and strengthening of assumptions
- Non-operating variances are mainly driven by positive economic variances during the period.

Value of New Business and New Business Margins as at 31st March 2022

Description	FY21	FY22	Y-o-Y growth
APE ¹	49.57	55.88	13%
New Business Margin (NBM) (post cost overrun)	25.2%	27.4%	+220 bps
Value of New Business (VNB) (post cost overrun)	12.49	15.28	22%

- The New Business Margin (NBM) has increased by circa 220 bps to 27.4% for FY22 as compared to 25.2% for FY21.
- The increase in margins is primarily driven by changes in product and distribution mix

¹ Annual Premium Equivalent (APE) is calculated as 100% of regular premium + 10% of single premium.

² The VNB is accumulated from the point of sale to the end of the reporting period (i.e. 31st March 2022), using the beginning of quarters' risk free yield curve.

Value of New Business (VNB) and New Business Margin (NBM) Walk



Sensitivity analysis as at 31st March 2022

Sensitivity	EV		New business	
	Value (Rs Cr)	% change	VNB (Rs Cr) NBM	% change
Base Case	141.74	-	15.28 27.4%	-
Lapse/Surrender - 10% increase	140.45	(1%)	15.02 26.9%	(2%)
Lapse/Surrender - 10% decrease	143.00	1%	15.53 27.8%	2%
Mortality - 10% increase	139.32	(2%)	14.65 26.2%	(4%)
Mortality - 10% decrease	144.18	2%	15.92 28.5%	4%
Expenses - 10% increase	140.43	(1%)	14.39 25.8%	(6%)
Expenses - 10% decrease	143.05	1%	16.18 28.9%	6%
Risk free rates - 1% increase	139.45	(2%)	15.92 28.5%	4%
Risk free rates - 1% reduction	143.50	1%	14.49 25.9%	(5%)
Equity values - 10% immediate rise	143.10	1%	15.28 27.4%	Negligible
Equity values - 10% immediate fall	140.39	(1%)	15.28 27.4%	Negligible
Corporate tax Rate - 2% increase	138.81	(2%)	14.82 26.5%	(3%)
Corporate tax Rate - 2% decrease	144.67	2%	15.75 28.2%	3%
Corporate tax rate increased to 25%	122.40	(14%)	12.21 21.9%	(20%)

1. Reduction in interest rate curve leads to an increase in the value of assets which offsets the loss in the value of future profits.
2. Risk free rate sensitivities under new business allow for the change in the value of assets as at the date of valuation.

Thank you