

EW/Sec/2023-24/109

August 4, 2023

BSE Limited P J Towers, Dalal Street, Fort, Mumbai - 400 001. Scrip Code: 532922	National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051. Symbol: EDELWEISS
--	--

Dear Sir/Madam,

Sub: Business Update on Life Insurance Business

Please find enclosed herewith the business update (in INR) of Edelweiss Tokio Life Insurance Company Limited, a subsidiary of the Company.

Kindly take the same on record.

Thanking you,

Yours faithfully,

For Edelweiss Financial Services Limited

Tarun Khurana
Company Secretary

Encl.: as above

Edelweiss Tokio Life Insurance



01



Industry

02



Edelweiss Tokio Life Insurance

03



Way Forward

01 | Industry

* Indian Market

- * Increasing financialization of savings and access to diverse instruments has led to savings being channelled to beyond fixed deposits

* Insurance Opportunity

- * Opportunity to significantly grow Insurance Penetration and leverage Protection Gap in the years to come

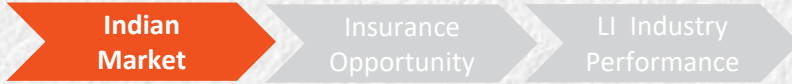
* Life Insurance Industry Performance

- * Indian life insurance industry has leveraged above trends to gain and maintain a steady growth momentum

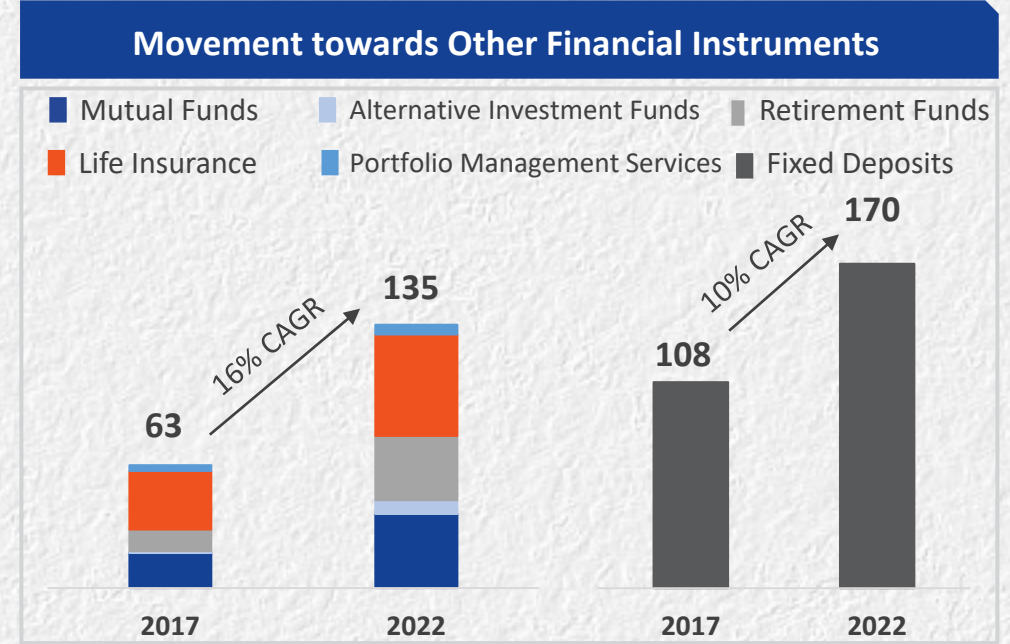
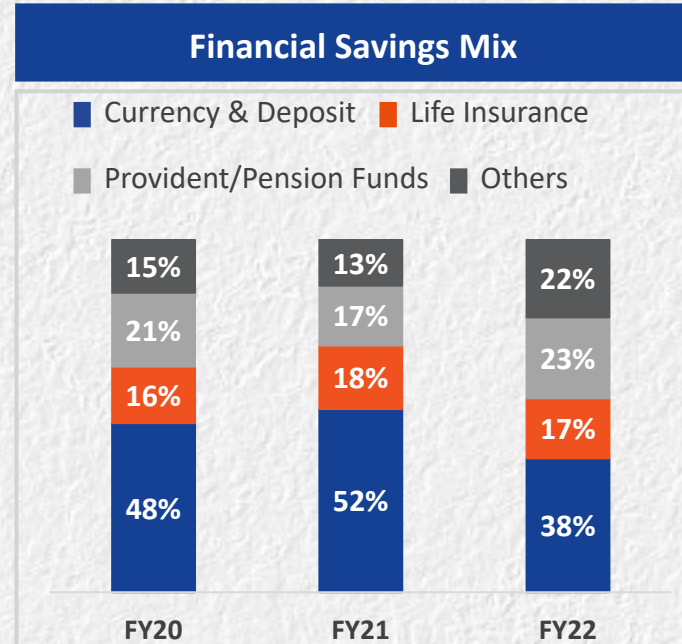
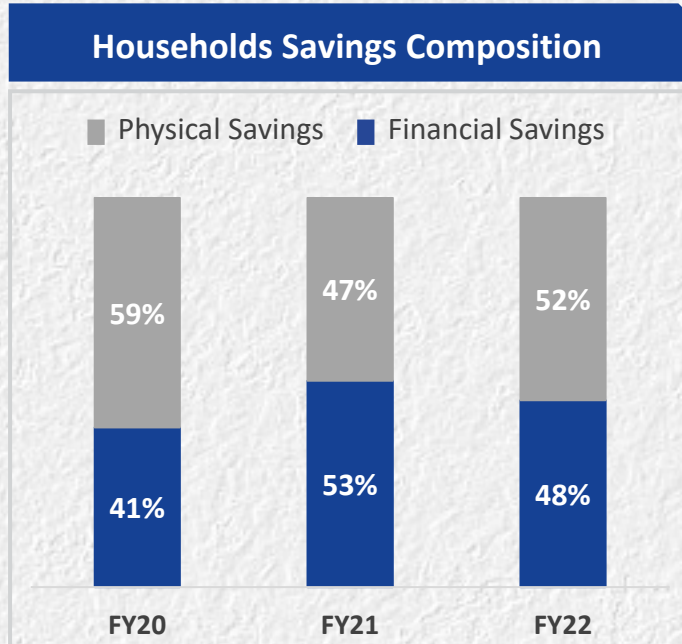
02 | ETLI

03 | Way Forward

Financialization of Savings significantly increasing savings opportunity in India



Amount in ₹ Crore



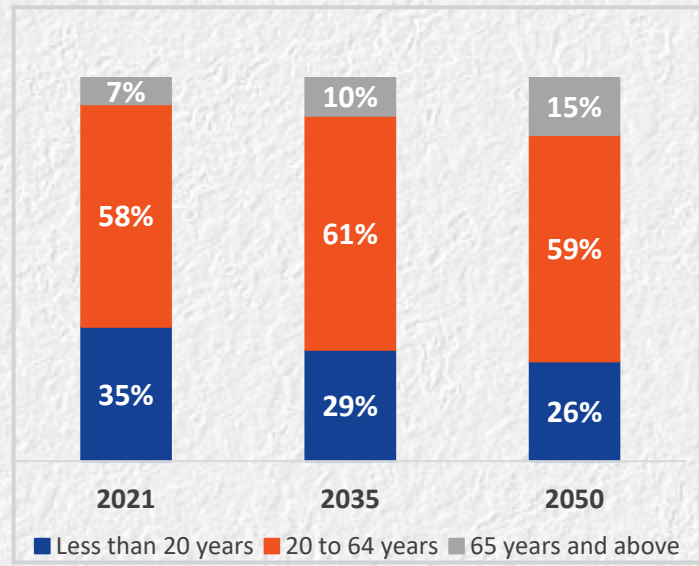
Financial Assets:
Growing preference as a savings avenue

Investment Industry Assets:
Grown at a faster pace in the past 5 years compared to bank deposits

Favourable demographic spread offers robust opportunity to insurers

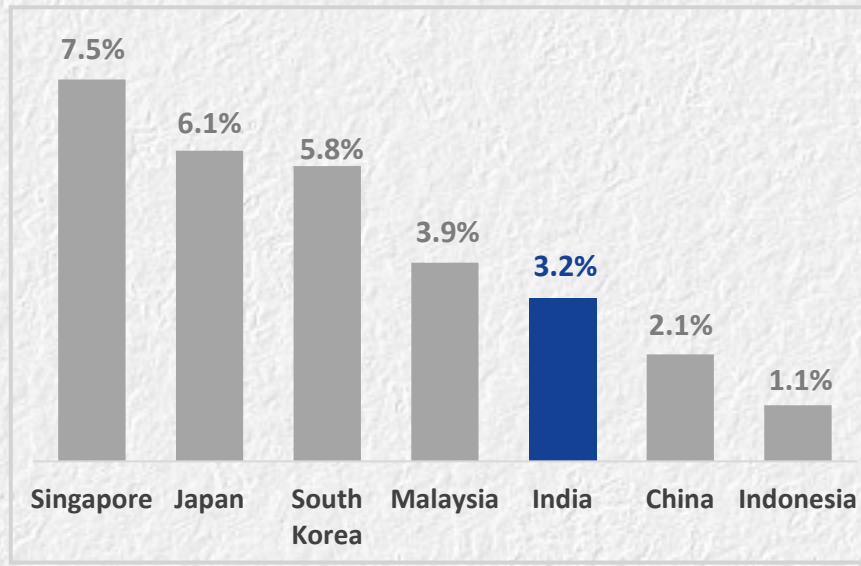


Population Composition - India



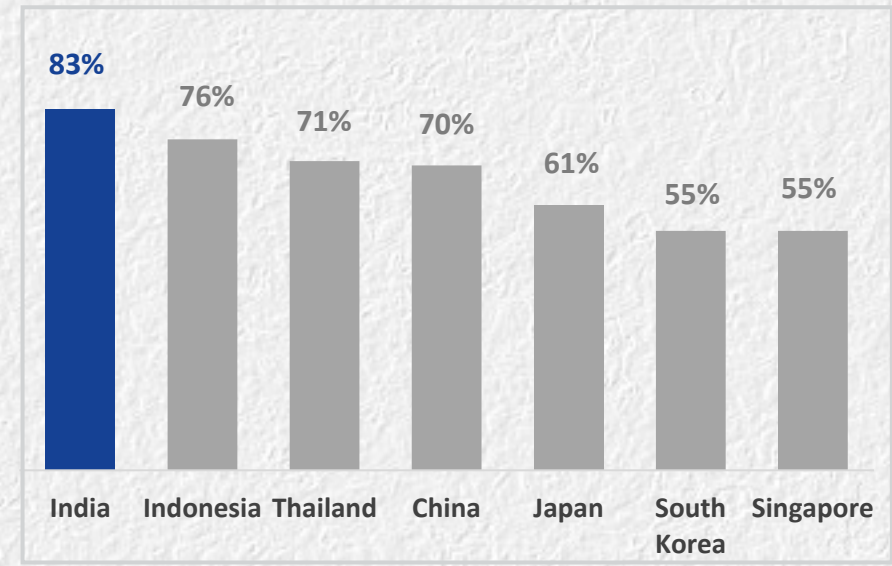
Growing young population:
Expected increase in addressable market

Life Insurance Penetration



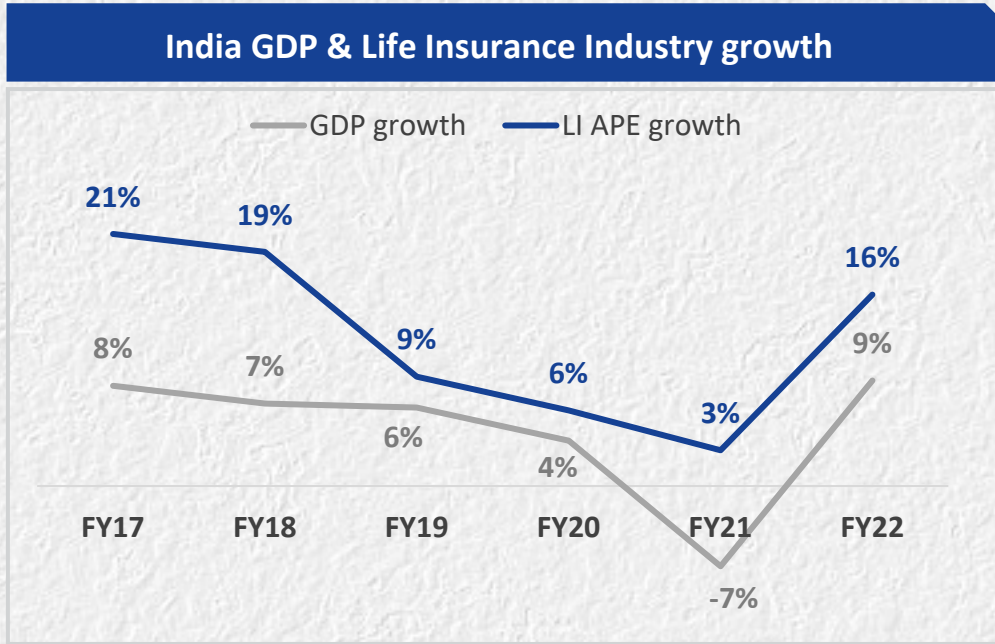
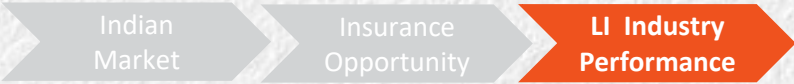
Lower penetration:
Opportunity to grow

Protection Gap

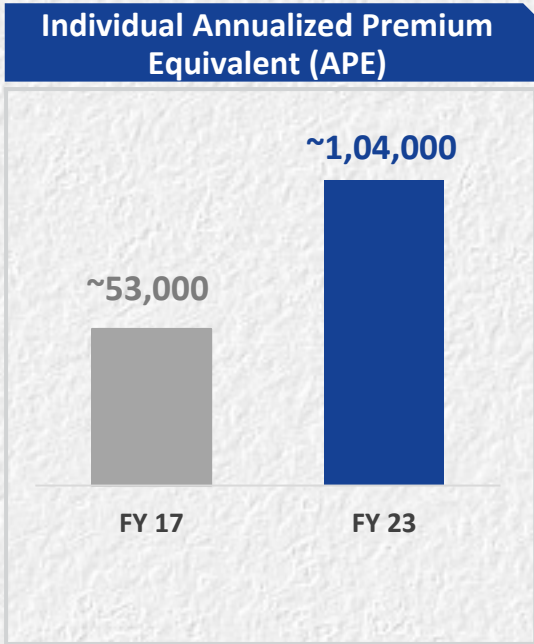


High protection gap:
Significant potential for sustained growth

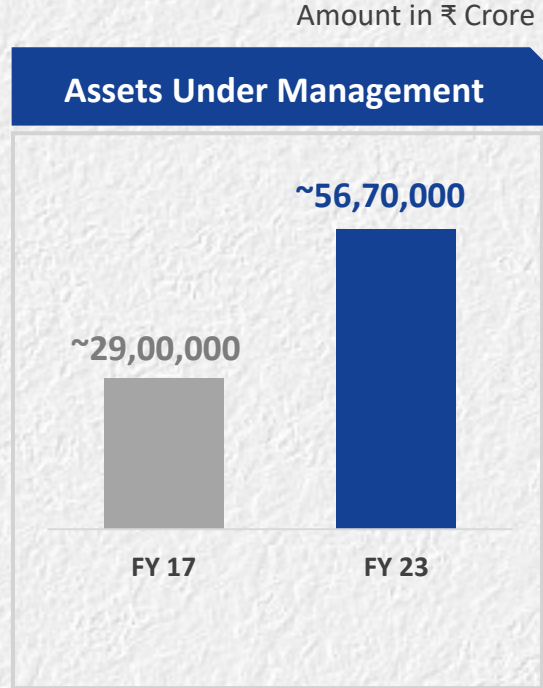
Life insurance industry has capitalised on the opportunity



LI Industry growing at a **faster pace** than GDP



Industry **crossed ₹ 1 lakh crore** milestone on APE basis



Industry AUM grew by **~2x in 6 years**

01 | Industry

02 | ETLI

03 | Way Forward

* Our key tenets of Value Creation

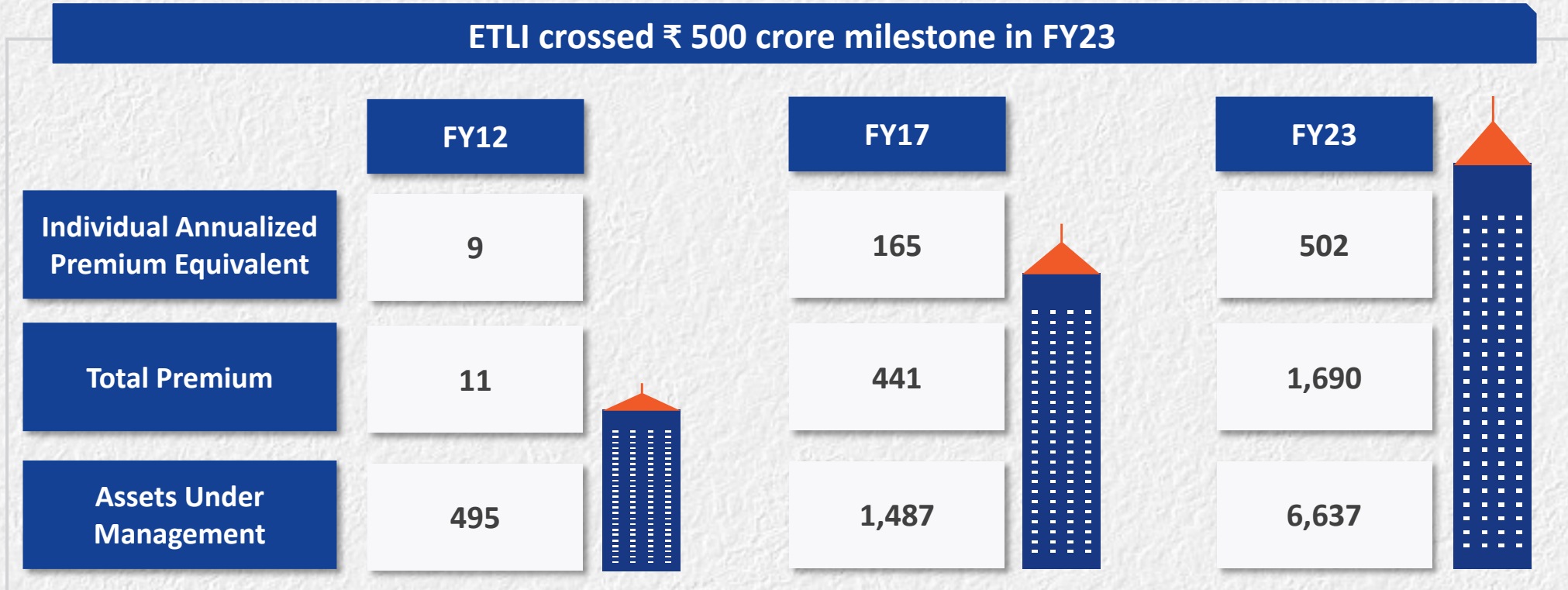
- * Steady growth path across parameters has been driven by our **consistent** strategic approach
- * **Superior quality** and **efficiency** have been the cornerstones of our performance
- * Innovation drives our **customer-centric** strategy to build Trust, foster Loyalty and ensure Long-term commitment

Consistency

Achieved 44% CAGR growth since inception



Amount in ₹ Crore

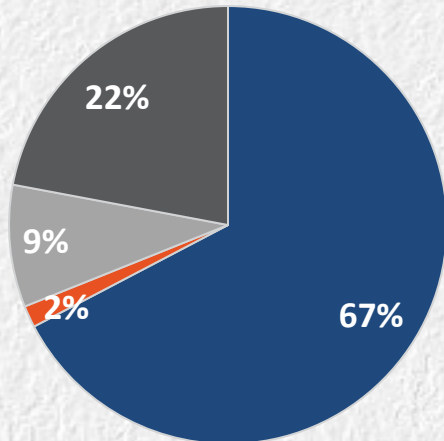


With a well-balanced and expanding distribution mix

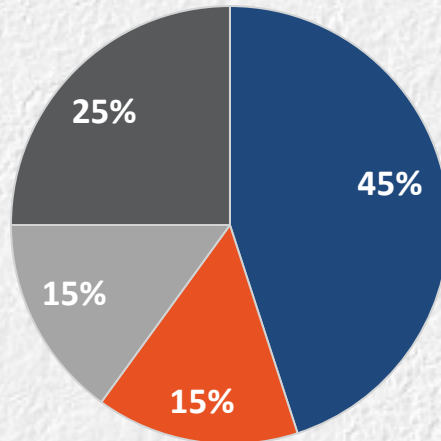


Distribution Mix

■ Agency
 ■ Direct
 ■ Edelweiss
 ■ Banca & other partnerships



FY 17



FY 23

Presence



109
Branches

700+
Cities

Personal Financial Advisors



~69,000

Employees



~3,400

Customers



~3.6 Lacs
Count

~11 Lacs
Lives Covered

While delivering superior returns

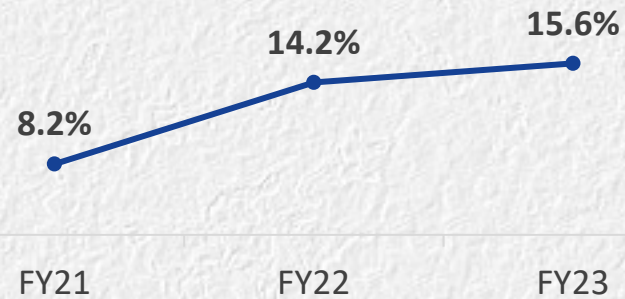
Consistency

Quality &
Efficiency

Customer
Centricity

Double-digit returns on Shareholders' funds and returns on Policyholders' funds exceeding 8%

Shareholder's Funds Return



Policyholder's Funds Return – Non Par



Policyholder's Funds Return – Par



Returns to Policyholders

Consistent
Policyholder Bonus for
the last 11 years

Quality & Efficiency





Superior quality in the 12th year as compared to industry

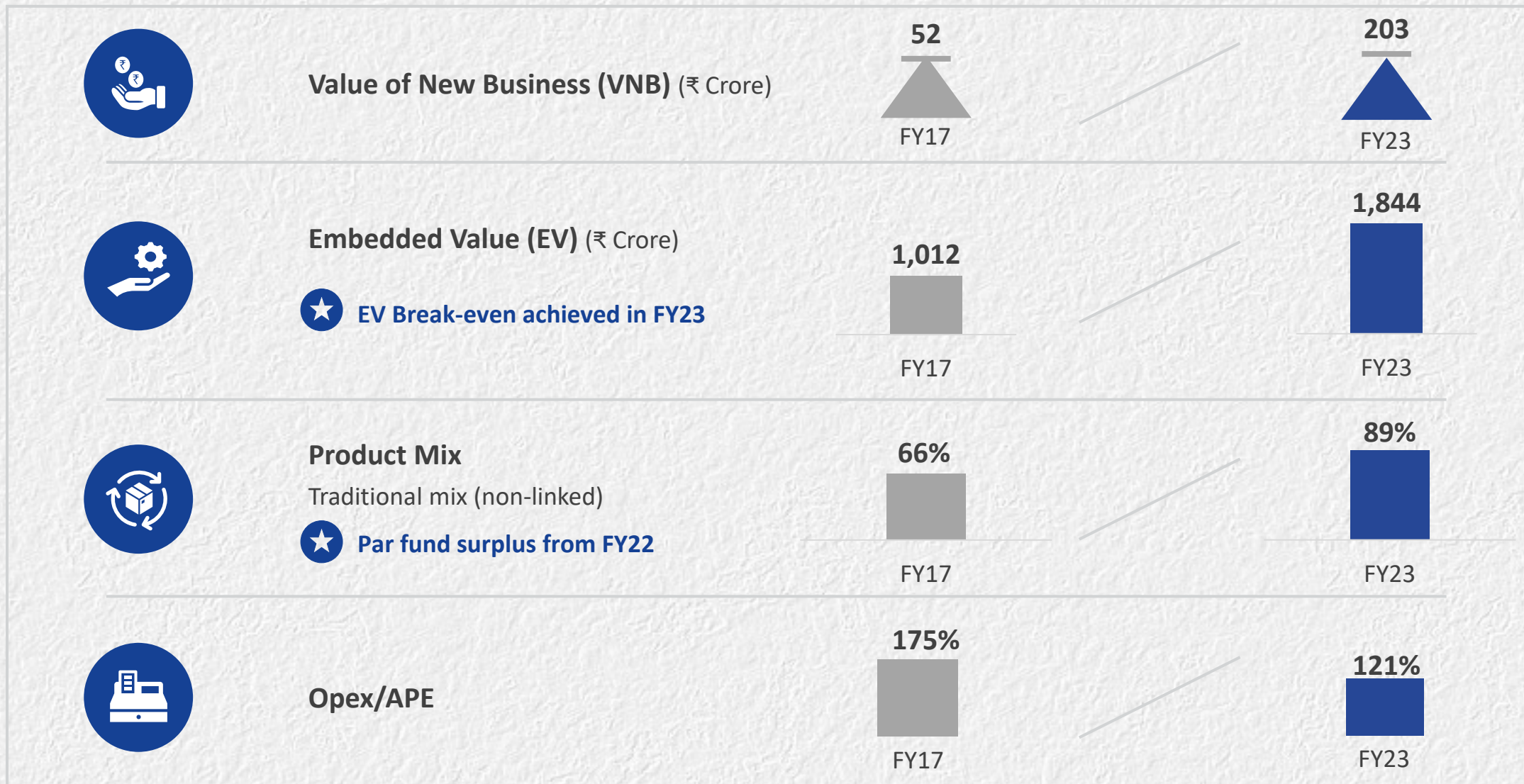
Consistency

Quality &
Efficiency

Customer
Centricity

	ETLI 12 th year - FY23	Private Industry 12 th year average
 Claims Settlement Ratio	99.20%	90.53%
 13M Persistency	75%	~70%

While driving optimal margins and capital efficiency



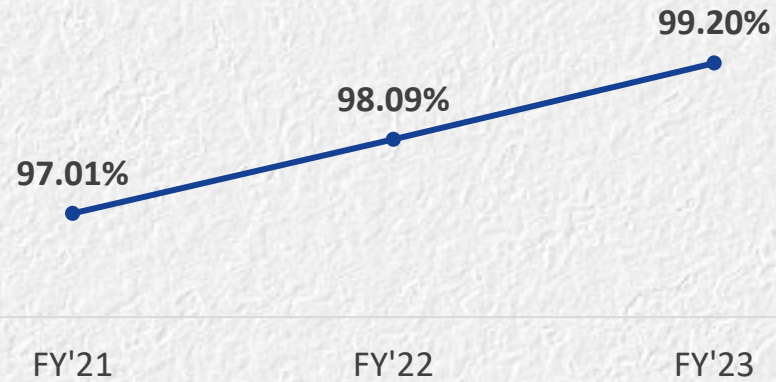
With robust risk management practices

Consistency

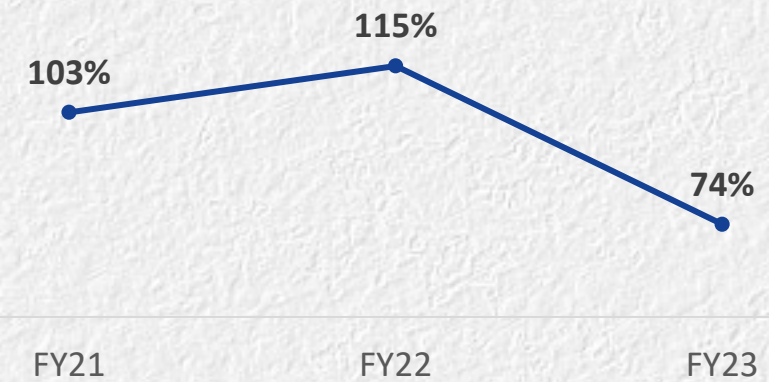
Quality &
Efficiency

Customer
Centricity

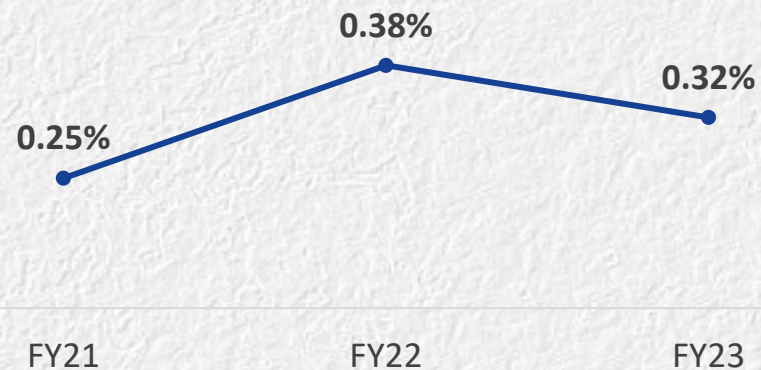
Claims Settlement Ratio has improved



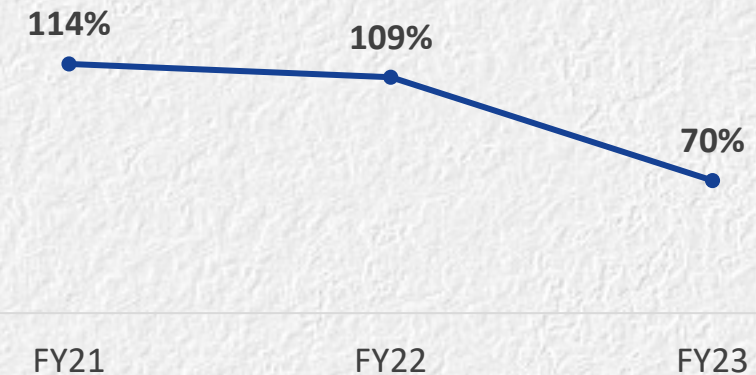
Overall Mortality Experience Actual/Expected is < 100%



Fraud Rate has decreased



Early Claims (< 2 Yrs) Actual/Expected has decreased



Winning accolades across the board

Consistency

Quality &
Efficiency

Customer
Centricity



Golden Peacock
Award 2018

Best Life Insurer - 3 times winner

BFSI Excellence Awards 2021 | Insurance Alerts 2020 | Outlook Money Awards 2016

Great Place to Work - 3 times in a row

Certified 2021, 2022, 2023 | Top 100 in 2022 | Top 50 in 2023

Product Innovation - 11+ times winner

BFSI Excellence Awards 2021 | India Insurance Summit 2020 | Golden Peacock Award 2018

CSR & Marketing - 21+ times winner

ACEF Global Customer Engagement Awards 2020, 2023 | Most trusted BFSI brands 2023 | Insurance Asia Awards 2021

Sales Enablement & Contact Centre - 5+ times winner

TISS LeapVault CLO Awards India 2020 | MarTech Leadership Summit & Awards 2019

Customer Experience & Risk - 2 times winner

Anti-Fraud Conclave Awards of Achromic Point 2023 | ET CX Summit 2022

And recognized as Great Place To Work – 3rd year in a row

Consistency

Quality &
Efficiency

Customer
Centricity

Among Top 3 Best Workplaces in Life Insurance



2021



2022



2023

Best
Workplaces™

in BFSI

Great
Place
To
Work[®]

INDIA
2022

Best
Workplaces™
in Life Insurance

Great
Place
To
Work[®]

INDIA
2022

Best Companies
To Work For™

Great
Place
To
Work[®]

INDIA
2023

Best
Workplaces™
in Building a Culture of
Innovation by All

Great
Place
To
Work[®]

INDIA
2023

Among India's Best Companies to Work For

Customer Centricity



Innovation, the catalyst behind our customer-centric approach

Consistency

Quality &
Efficiency

Customer
Centricity



Industry 1st products and features

Our competitive edge is creating **innovative products** with focus on customer satisfaction



Personalization

From earlier **Vijaypath** - Industry first approach to personalisation of solutions to **U Unlimited (U2)** - new digital advisory & need based product recommendation tool



Instant Issuance Capabilities

Best-in-class customer onboarding, state-of-art **workflow-based solution** and **Do-It-Yourself** capabilities



Digital Sales Enablement

Single Platform for all activities, **Analytical tools** and real time visibility of data, Digital training interventions through Learning Management System, Mobile App etc.



Our product suite with countless Industry Firsts

Consistency

Quality & Efficiency

Customer Centricity

Industry

1
Products

ST

One of the 1st plans with guaranteed early income and long-term guarantee with bonuses



Point of Sales product to be launched in the industry



Covid product in the Life Insurance industry



Industry

1
Features

ST

Option of Premium Break Benefit and Accrual and Preponement of income
One of the 1st plans with income from the end of 1st month



First-of-its-kind product offering customers greater freedom & flexibility in personalizing their cashflow



Term product with spousal coverage feature



Fourth generation ULIP product with industry best expense ratio



Driving excellence through performance in key metrics

Consistency

Quality &
Efficiency

Customer
Centricity



**Transactional Net Promoter
Score (TNPS)**

FY20

48

FY23

54



Unclaimed Amount (₹ Crore)

3.49

3.37

Way Forward



Focus on our strategic drivers will fuel growth



**Well- balanced
Distribution Mix**



**Optimum Product
Mix**



**Focus on Quality
Parameters**



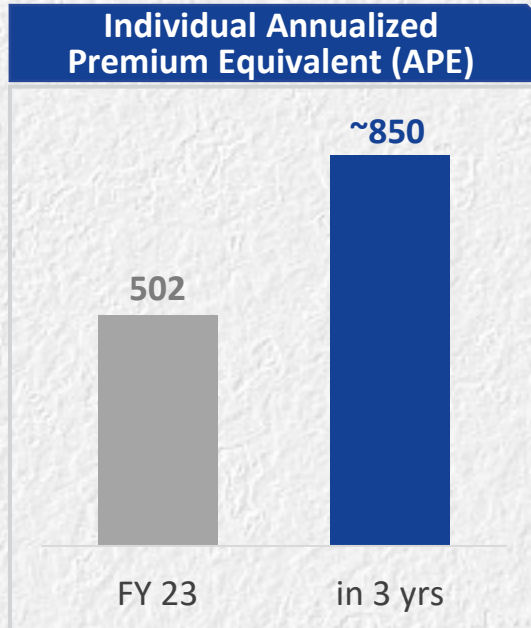
Capital Efficiency



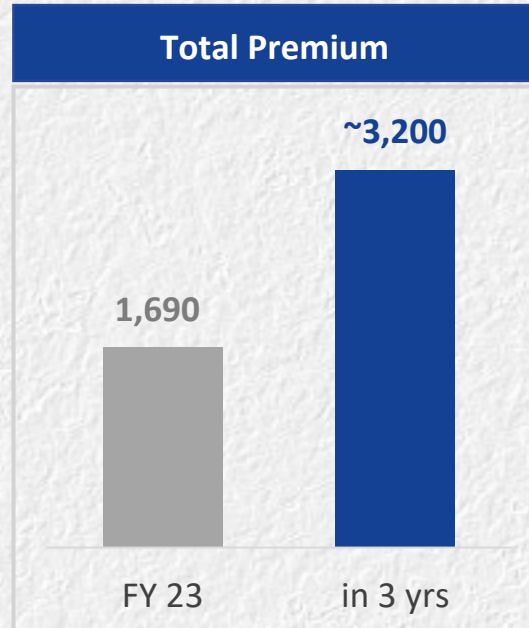
Cost Consciousness

And create substantial value

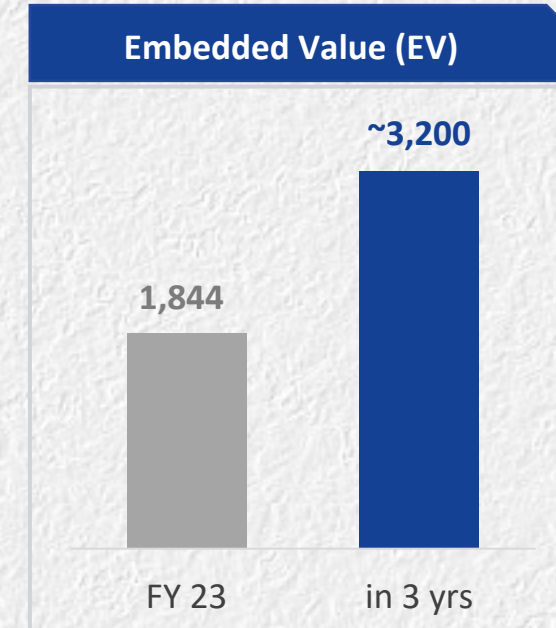
Amount in ₹ Crore



~1.7x growth in Individual APE



~2x growth in Total Premium



~2x growth in EV



This document may contain certain forward - looking statements, which are tentative, based on current expectations of the management of Edelweiss Tokio Life Insurance Company Ltd (“ETLI”). The results in future may vary from the forward-looking statements contained in this document due to various risks and uncertainties. These risks and uncertainties include, inter alia, the effect of economic and political conditions in India and outside India, volatility in interest rates and in the securities market, new regulations and Government policies that may impact the businesses of ETLI as well as its ability to implement the strategy. ETLI does not undertake any obligation to update these statements. The presentation relating to financial performance of various businesses of ETLI herein is based on Management estimates. Certain numbers and figures may have been rounded off, re-casted, regrouped/reclassified in the interest of easier understanding, wherever required.

All information in this document has been prepared solely by ETLI and has not been independently verified by anyone else. This document is for information purposes only and any action taken by any person on the basis of the information contained herein is that person’s responsibility alone and ETLI or its directors or employees will not be liable in any manner for the consequences of such actions. The company regularly posts all important information at its website www.edelweisstokio.in

- Slide 4 Physical savings include savings in the form of gold, silver, assets like land etc.. Movement towards Other Financial Instruments basis AUM (in INR Lakh Crore) of respective instruments | Value of AIFs refers to commitments raised ; Source - RBI, CSO, Crisil Research
- Slide 5 Life Insurance penetration as on FY22, measured by premium as a % of GDP. Protection Gap considered as on 2019 | Protection gap = Protection amount that a household needs – Protection amount actually purchased Source - Swiss Re Research
- Slide 6 GDP at Constant Prices (Base Year : 2011-12) ; Source - RBI, IRDAI Annual Report, Life Insurance Council, RBI Handbook, NSO
- Slide 9 Total Premium considered as First Year Premium+ Individual Renewal Premium+ Group Premium
- Slide 13 Persistency ratio is on premium basis for Individual (Regular Pay+ Limited Pay), corresponds to policies issued during the period Apr-Mar Simple Average used for Industry Average Calculation | Private Industry is excluding ETLI