May 12, 2023

General Manager
Listing Department
BSE Limited,
Phiroze Jeejeebhoy Tower,
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

Please note the updated investor presentation enclosed alongwith this letter.

The same is also made available on the website of the Company.

Thanking you,

Yours sincerely,

For ICICI Prudential Life Insurance Company Limited

SONALI NITIN CHANDAK

Digitally signed by SONALI NITIN CHANDAK
DN: c=IN, st=Maharashtra, 2.5.4.20=adeb78f6e93967a1a715210b47478ca979cb97bc1f9cd4522abe279db46240da, postalCode=400101, street=Mumbai, pseudonym=3fd752088c1fd9a176a8a069c256b294, serialNumber=9130c95220b4b56e3bfed4d800982e8f97581715ab811366faa253a4697d7814, o=Personal, cn=SONALI NITIN CHANDAK
Date: 2023.05.12 14:23:57 +05'30'

Sonali Chandak
Company Secretary
ACS 18108

Encl.: As above

Performance update

May 12, 2023

April 2023 update

ICICI PRUDENTIAL LIFE INSURANCE

Premium growth

₹ billion	FY2023	April 2023
New business sum assured	10,413.92	840.55
Y-o-Y growth	34.7%	(1.1%)
New business premium	169.22	7.34
Y-o-Y growth	12.5%	(17.1%)
APE[1]	86.40	3.68
Y-o-Y growth	11.7%	(24.3%)
ICICI Bank APE	*11.94*	*0.46*
Y-o-Y growth	*(38.0%)*	*(54.5%)*
Other channels APE	*74.46*	*3.22*
Y-o-Y growth	*28.2%*	*(16.6%)*
RWRP[2]	67.38	2.33
Y-o-Y growth	7.0%	(31.3%)

ICICI PRUDENTIAL LIFE INSURANCE

[1]Annualized premium equivalent
[2]Retail weighted received premium
Year on year (Y-o-Y)
Components may not add up to the totals due to rounding off

Agenda

- Company strategy and performance
- Opportunity
- Industry overview

Agenda

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

Value of new business (VNB) journey

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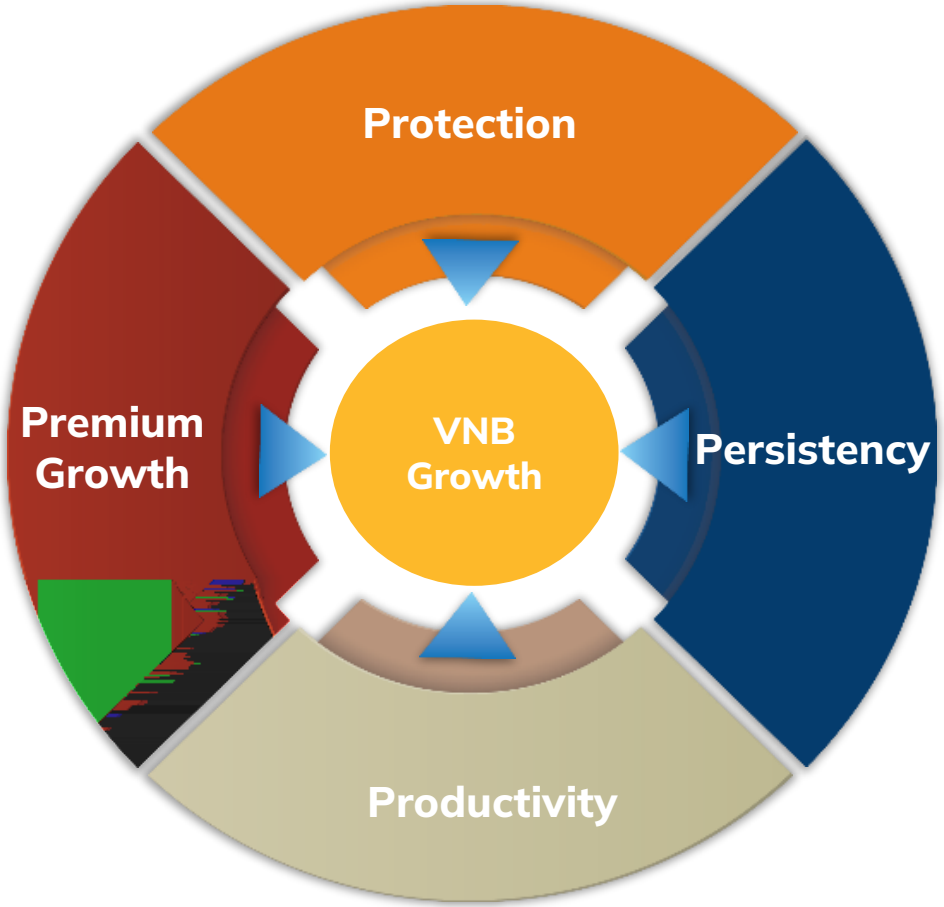
Key strategic elements

Customer centricity continues to be at the core



Integrating ESG with business management

Aspiration to double the FY2019 VNB in four years

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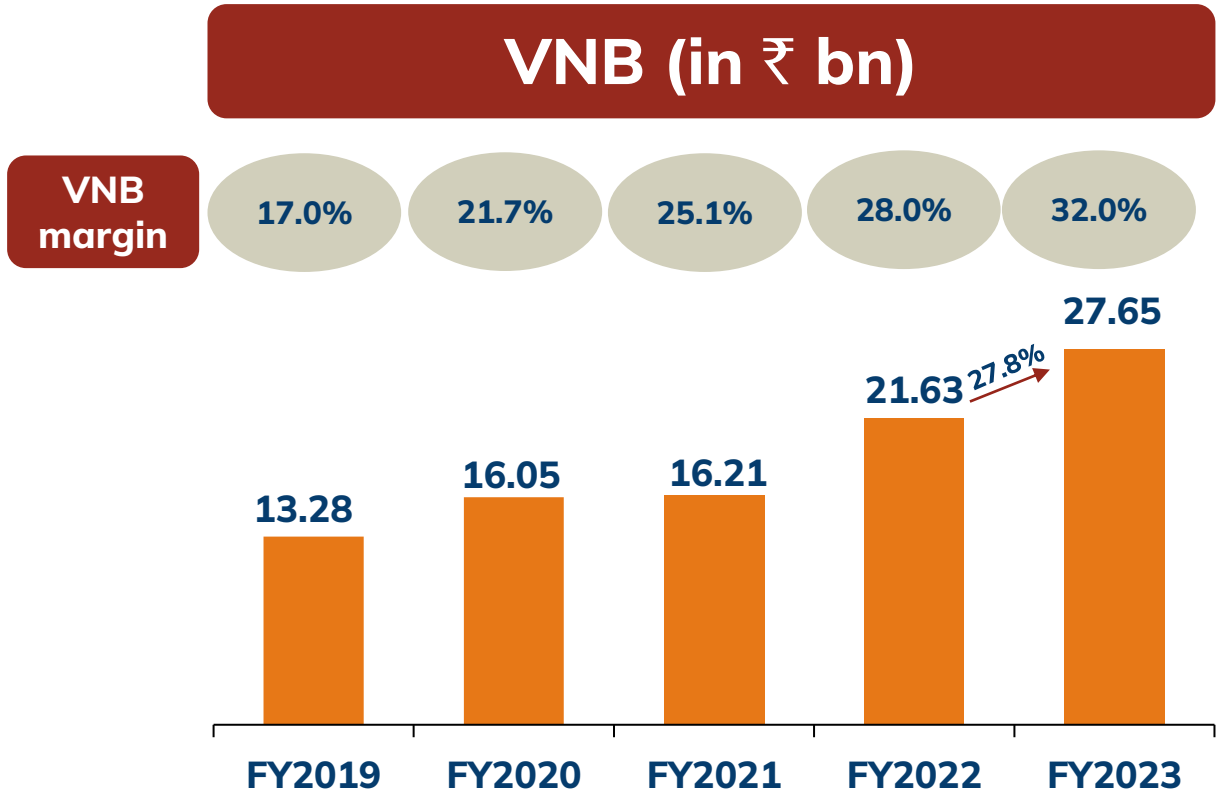
FY2023: 2xFY2019 VNB

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



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

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VNB: Value of new business; Y-o-Y: Year on year
CAGR: Compounded annual growth rate for four years from FY2019 to FY2023

Customer centricity continues to be at the core

Integrating ESG with business management

Organisational capabilities

- People
- Process
- Technology & Analytics
- Distribution & Product

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Organisational capabilities: People

Capacity

Strengthened capacity for risk-calibrated business growth & profitability

- Employee strength increased by 15% to capacitise for growth
- Invested in building skill depth in specialist roles
- High-quality leadership team[1]
  - 82% leadership stability
  - 96% leadership depth
  - 97% leadership cover

Capability

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

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

Culture

Built competitive advantage through a culture of empowerment & inclusion

- 90%+ VoE score[2] on advocacy & alignment
- D&I policy & framework instituted; Diversity Council formalised; Gender diversity: 29% (FY2022: 27%)
- Enabled physical, mental & financial well-being for employees

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Figures mentioned for FY2023

[1] Leadership stability: > 10 years vintage; Leadership depth: > 3 job rotations; Leadership cover: Key roles with adequate/moderate cover

[2] Score refers to top-2 box score in biennial Voice of Employee survey

D&I: Diversity & Inclusion

Organisational capabilities: Process

Onboarding	Touchpoint	Renewal	Payout	Claims
External ecosystems integrated	Digital first, anytime anywhere	Payments through new-age digital channels enabled	Digital payout experience	Claimant centric approach

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[1] At March 2019; [2] At March 2023
NPS: Net Promoter Score is a trusted and a popular customer loyalty metric used by brands to measure the health of customer relationships

Organisational capabilities: Technology & analytics

	Scalability	Resilience	Security
Technology	Implemented seamless onboarding & servicing journey with scalable architecture	Ensured high system availability & performance through failover architecture	Enforced multi factor authentication & zero trust security across applications and infrastructure layer

	Customer journey	Productivity
Analytics	• Strengthened data analytics at every phase of customer journey • Developed machine learning models to analyze customer behavior, preferences & needs • Data-driven personalised experience	• Deployed robust machine learning models to enhance productivity & risk management • Streamlined claims process & reduced fraudulent activity

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Organisational capabilities: Distribution & Product

Extensive distribution footprint

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

Strategy: Create depth & add width
- 908 partnerships; 113 new partnerships
- Non-linked savings 70%, protection & annuity mix 22%

Strategy: Digital focused upsell campaigns
- Analytics driven upsell channel
- Protection & annuity mix 44%

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

Strategy: Partner with non-traditional distributors
- Tie-up with wallets, payment banks, fin-tech companies etc.
- Product customization

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

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

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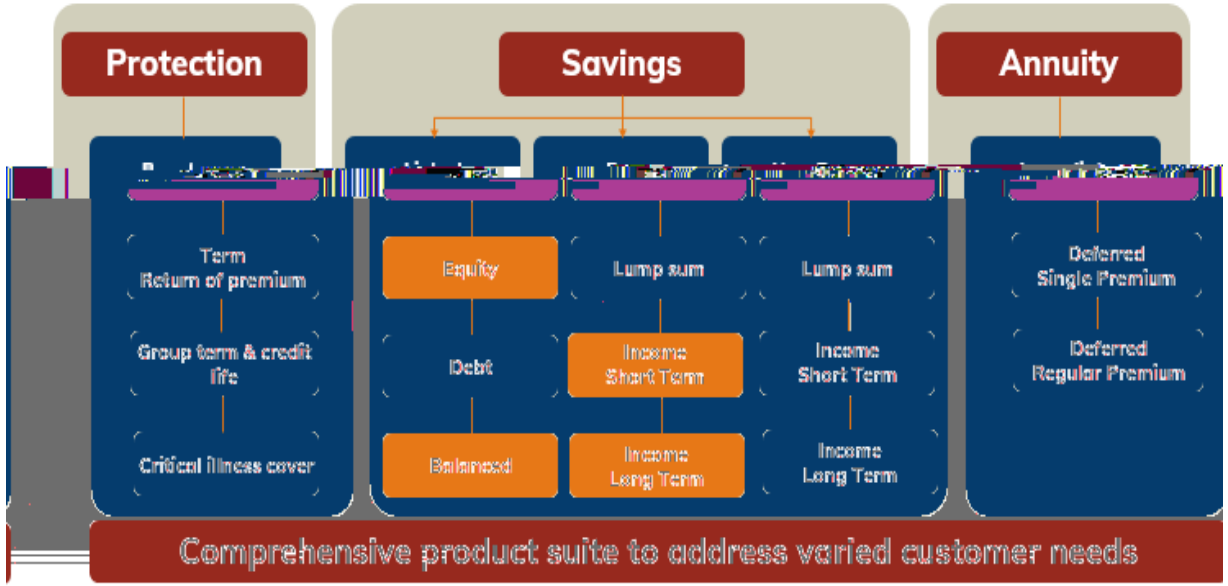
Comprehensive product suite



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

21

Figures mentioned are for FY2023
* Direct comprises sales through own website & employees on roll

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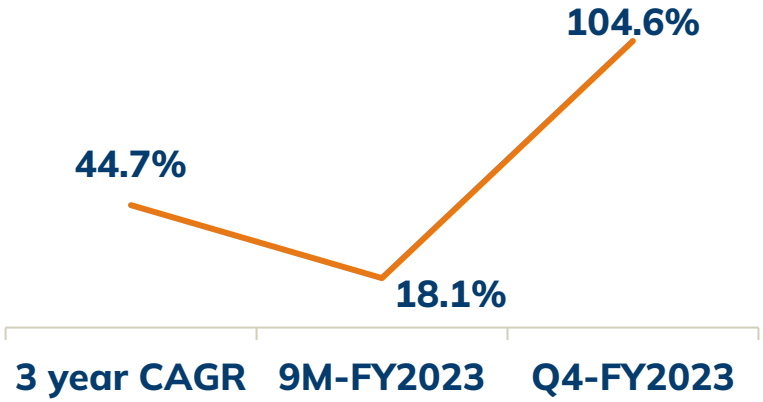
Strong growth across products

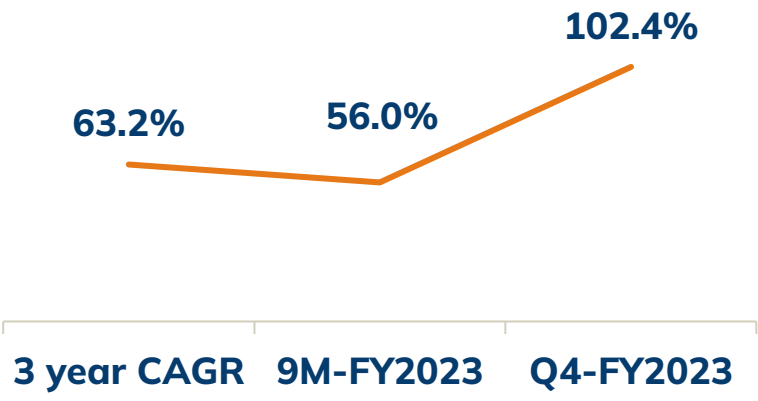
Premium growth

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

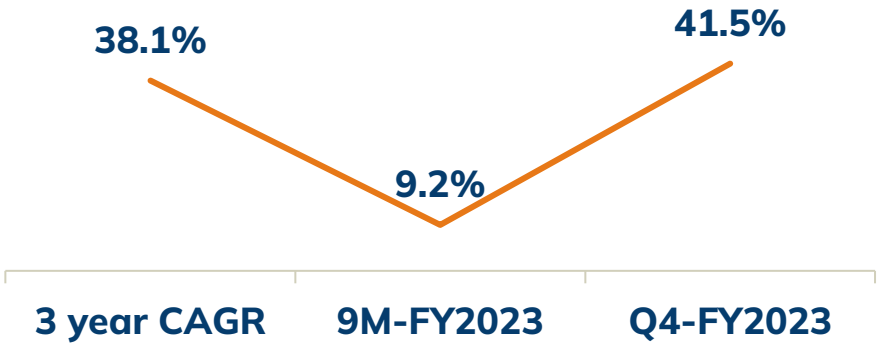
Non-linked savings



Annuity



Group funds



36.6% CAGR[1] across products (ex-linked)[1] over four years

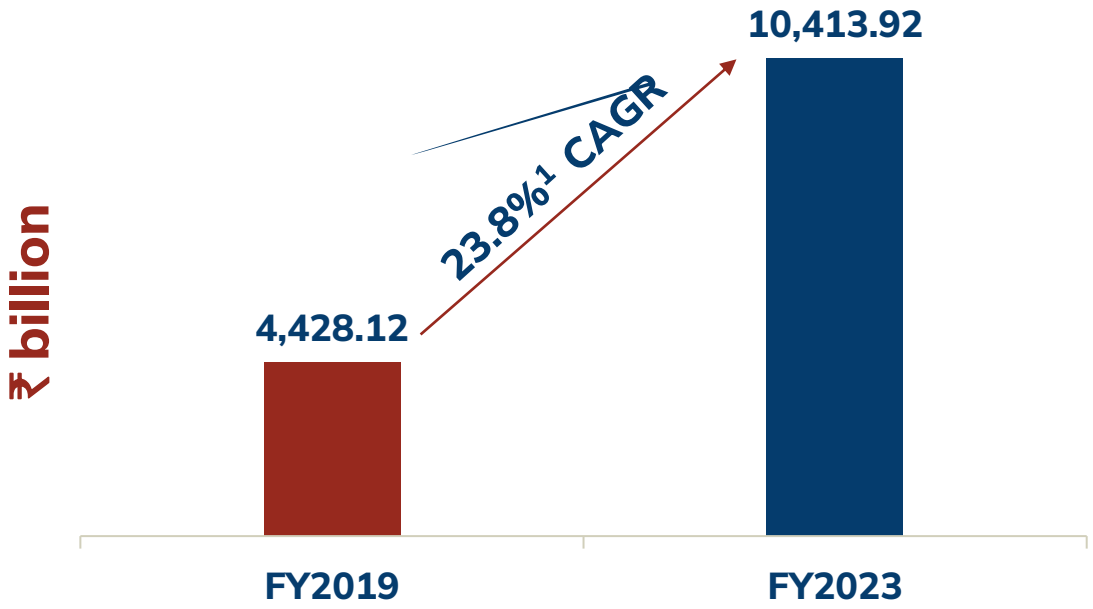
CAGR: Compounded annual growth rate
3-years CAGR: FY2019 to FY2022; y-o-y growth for 9M-FY2023 & Q4-FY2023
[1]Based on 4-year CAGR APE from FY2019 to FY2023
Growth based on APE (annualised premium equivalent)

Robust protection growth

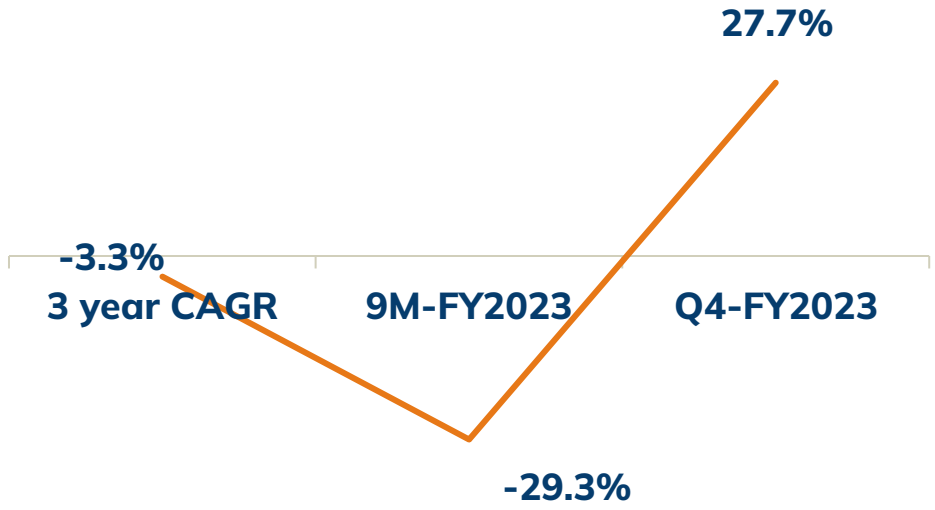
Protection focus

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

New business sum assured



Retail protection



Return to growth for retail protection, leveraged opportunity in group protection
20.2% four-year CAGR[1] for overall protection APE

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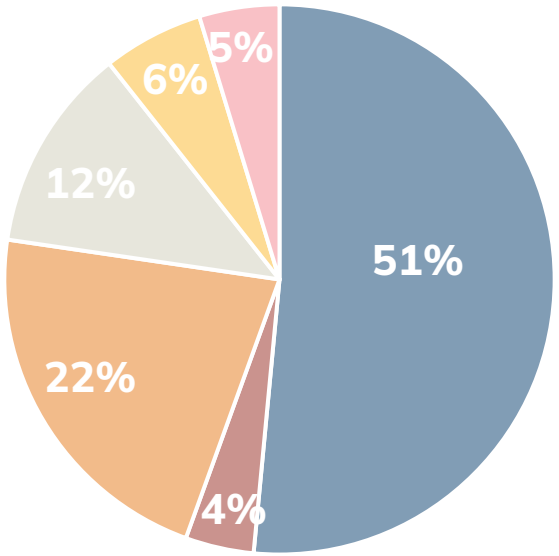
CAGR: Compounded annual growth rate
3-years CAGR: FY2019 to FY2022; y-o-y growth for 9M-FY2023 & Q4-FY2023
[1]Based on 4-year CAGR from FY2019 to FY2023
Growth based on annualised premium equivalent

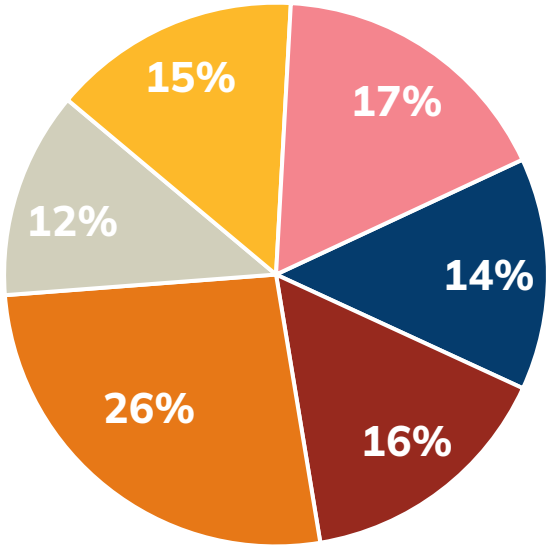
Resulting in diversified business mix

Distribution mix

FY2019



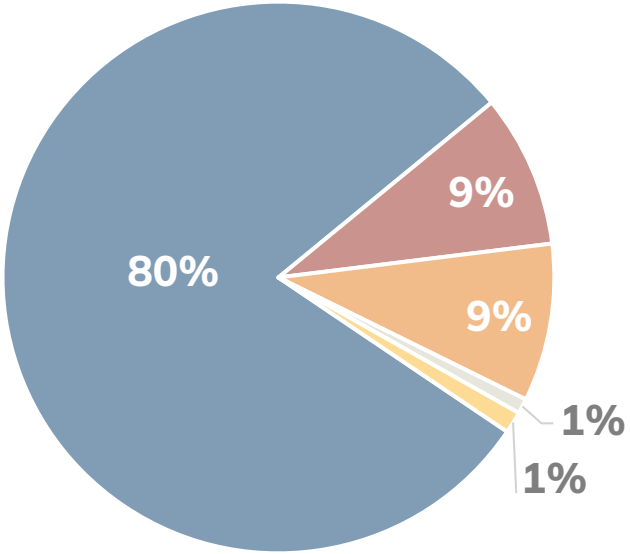
FY2023



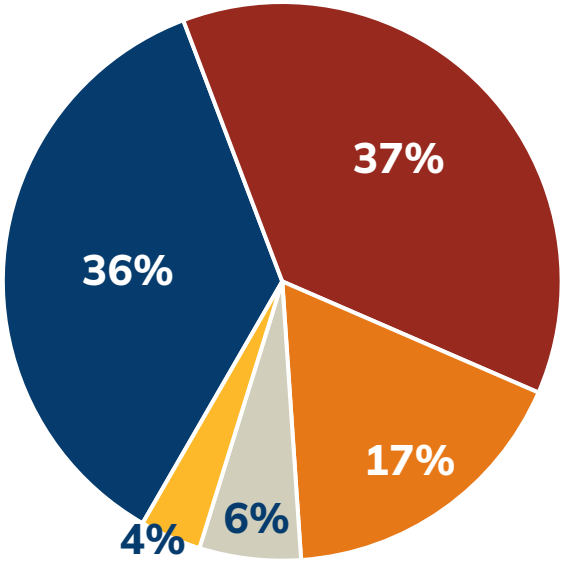
- Banca-ICICI Bank
- Banca-Ex ICICI Bank
- Agency
- Direct
- Partnership Distribution
- Group

Product mix

FY2019



FY2023



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

Well positioned to deliver sustainable growth in the future

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Based on annualised premium equivalent (APE)

Resilience across risks, capital & profitability

Insurance & investment risks

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

Strong solvency ratio

- Solvency ratio of 208.9% at March 31, 2023
- Ability to raise additional sub debt
- Economic solvency ratio[1] of 385% at December 31, 2022

Profitability

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

ICICI PRUDENTIAL LIFE INSURANCE

Figures at March 31, 2023; ALM: Asset liability management; FRA: Forward rate agreements; NPA: Non-performing assets; VNB: Value of new business; CAGR: Compounded annual growth rate from FY2019 to FY2023

[1] Derived by applying various stresses to the Economic Balance Sheet of the Company & reflects risks embedded within the business

FY2023 performance

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Extensive distribution footprint

Strategy: Create depth & add width

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

Strategy: Build profitability

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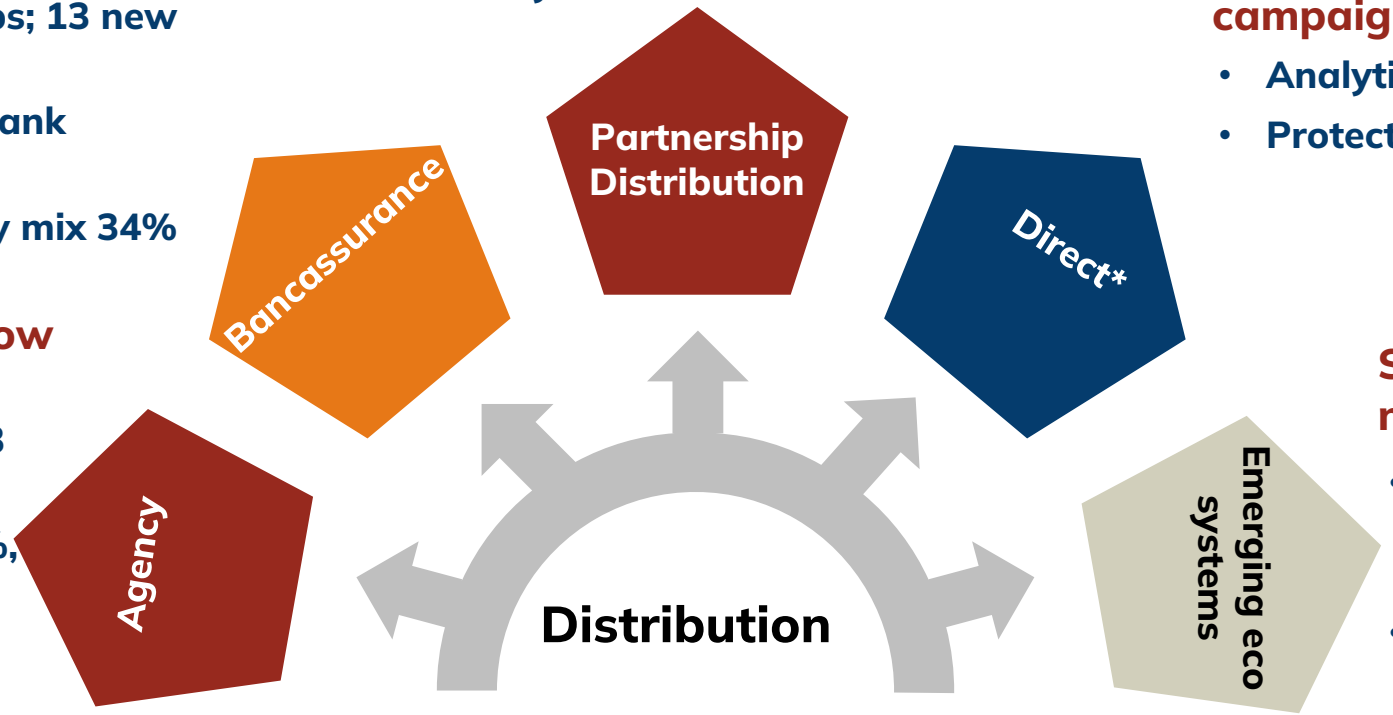


Strategy: Invest and grow

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

Strategy: Partner with non-traditional distributors

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

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

ICICI PRUDENTIAL LIFE INSURANCE

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

Premium growth (1/2)

Premium growth

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

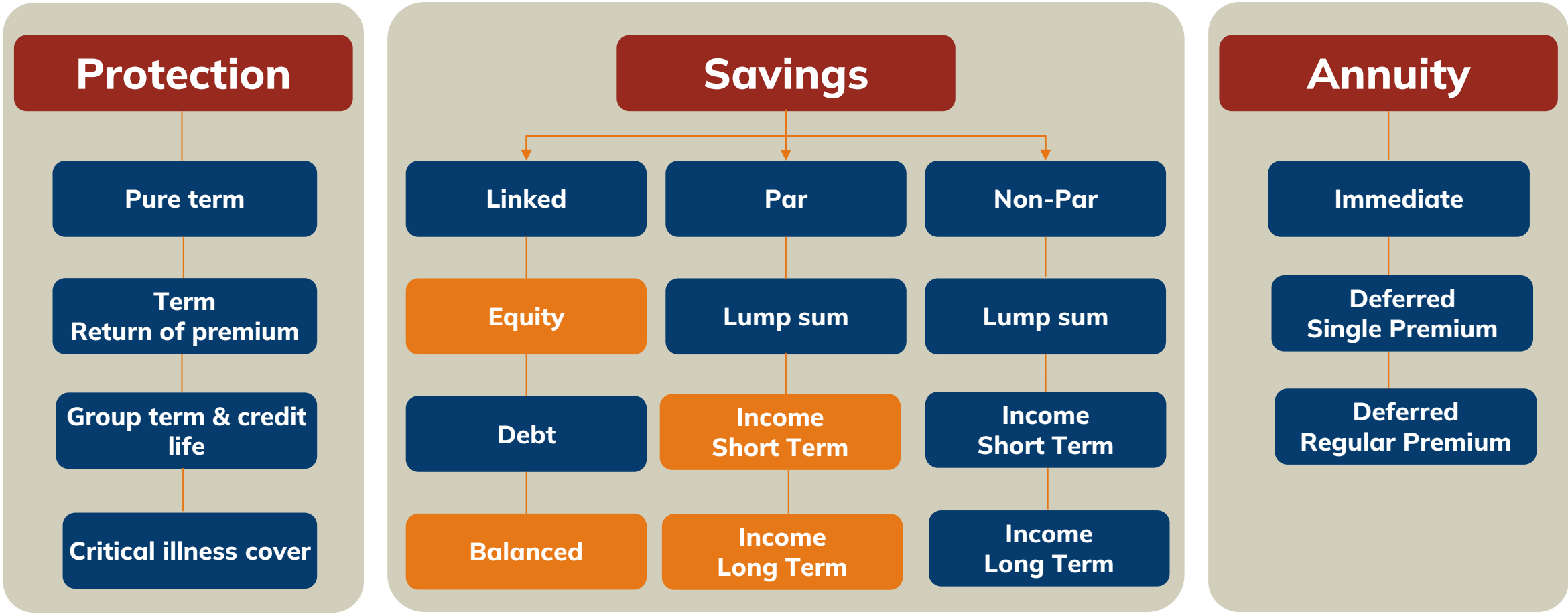
Channels	FY2022	FY2023	Y-o-Y growth (%)
Agency	18.28	22.81	24.8%
Banca (ex-ICICI Bank)	10.85	13.41	23.6%
Direct	9.97	10.64	6.7%
Partnership distribution	7.16	12.76	78.2%
Group	11.80	14.85	25.8%
Sub-total	*58.06*	*74.46*	*28.2%*
ICICI Bank	19.26	11.94	(38.0%)
Total APE	77.33	86.40	11.7%

Strong performance across channels

ICICI PRUDENTIAL LIFE INSURANCE

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

Comprehensive product suite



Comprehensive product suite to address varied customer needs

ICICI PRUDENTIAL LIFE INSURANCE

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

Products across all categories

Non-linked

Savings with guarantee and equity participation

Guaranteed savings; Immediate/ Deferred Annuity

Savings

Linked

ULIP: Suite of funds for Equity and Debt

ULIP: with capital guarantee

Retail

Pure term, term with accident cover

Critical illness, Disease specific

Protection

Group

Pure term, Micro insurance, Credit insurance, Critical illness

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New products launched in FY2023

Premium growth (2/2)

Premium growth

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

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

Growth across all segments other than linked business

ICICI PRUDENTIAL LIFE INSURANCE

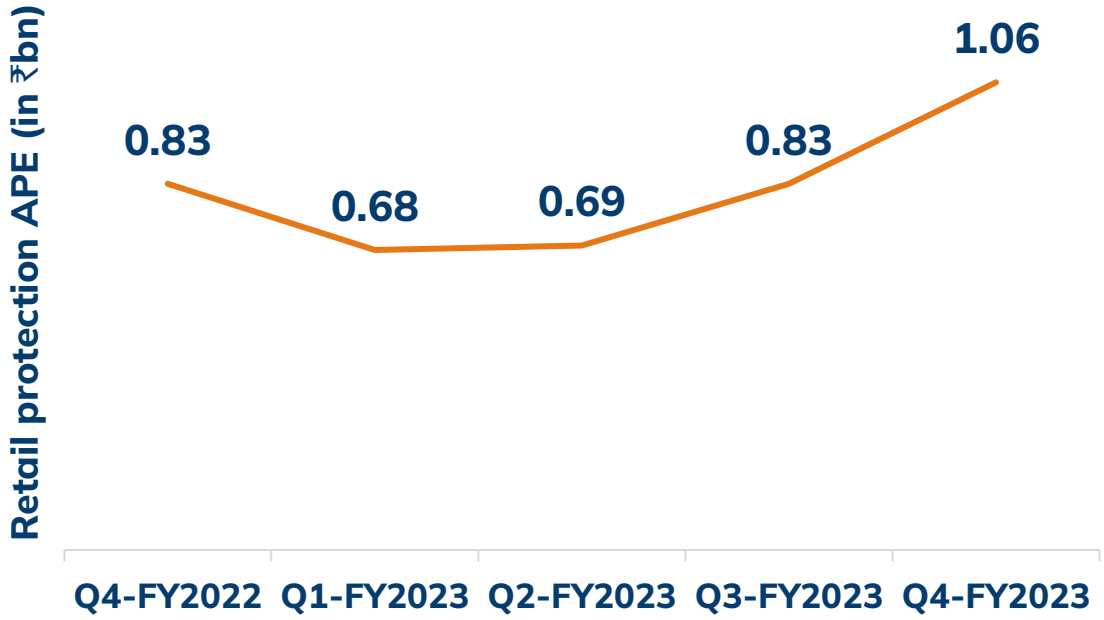
APE: Annualised Premium Equivalent, Y-o-Y: Year on year
Total may not add up due to rounding off

Protection growth

Protection focus

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

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



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

[1]Includes term with return of premium; FY2022: ₹ 0.14 bn, Q1-FY2023: ₹ 0.12 bn; Q2-FY2023: ₹ 0.13 bn, Q3-FY2023: ₹ 0.24 bn, Q4-FY2023: ₹ 0.25 bn; FY2023: ₹ 0.74 bn
[2]As % of total APE (retail & group combined); [3]SA market share for 11M-FY2023
APE: Annualised Premium Equivalent, Y-o-Y: Year on year; SA: Sum assured based on overall new business

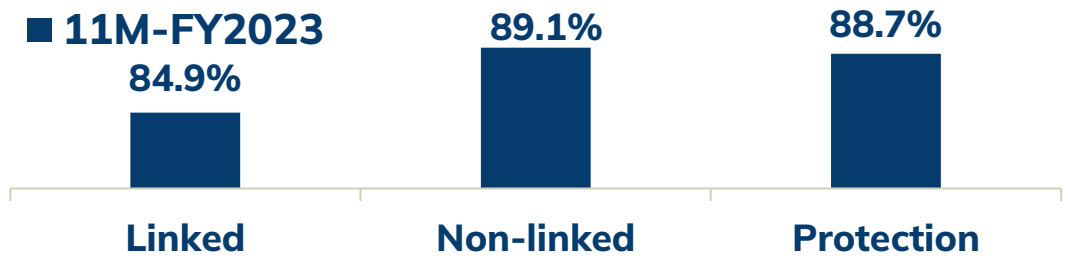
Persistency improvement

Persistency

Continue to focus on improving persistency across all cohorts

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

13th month persistency across product categories



Significant improvement in persistency across all cohorts

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

Productivity improvement

Productivity

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

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

Building for sustainable growth in the future

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[1]Total expenses including commission/(Total premium- 90% of single premium)
Y-o-Y: Year on year, TWRP: Total weighted received premium, LOB: Line of business

VNB growth levers update (4P)

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

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

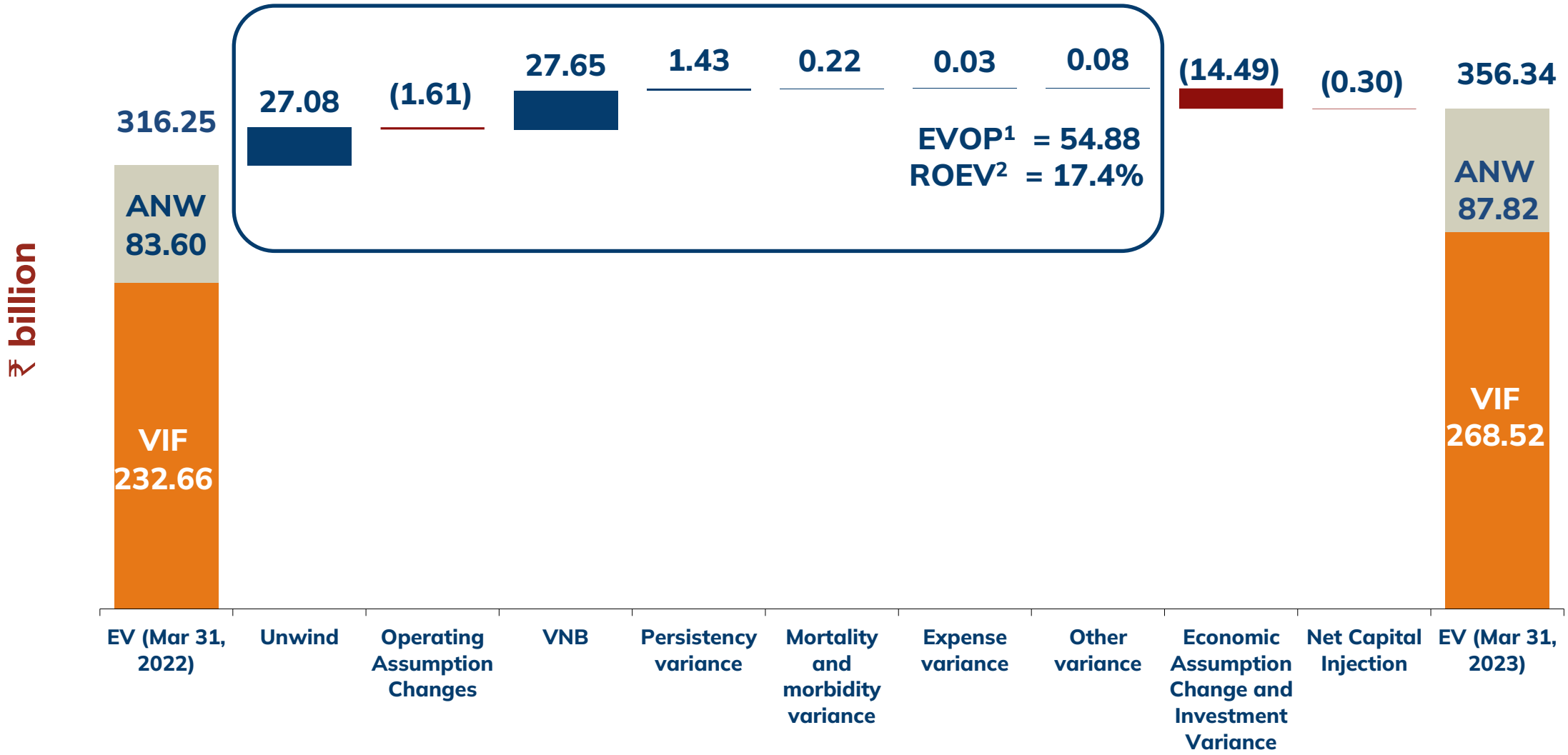
ICICI PRUDENTIAL LIFE INSURANCE

[1] Regular & Limited pay persistency in accordance with IRDAI circular on 'Public Disclosures by Insurers' dated September 30, 2021; 12 month rolling persistency
[2] Total Cost including commission/(Total premium – 90% of single premium)
Y-o-Y: Year on year; TWRP: Total weighted received premium

Financial update

ICICI PRUDENTIAL LIFE INSURANCE

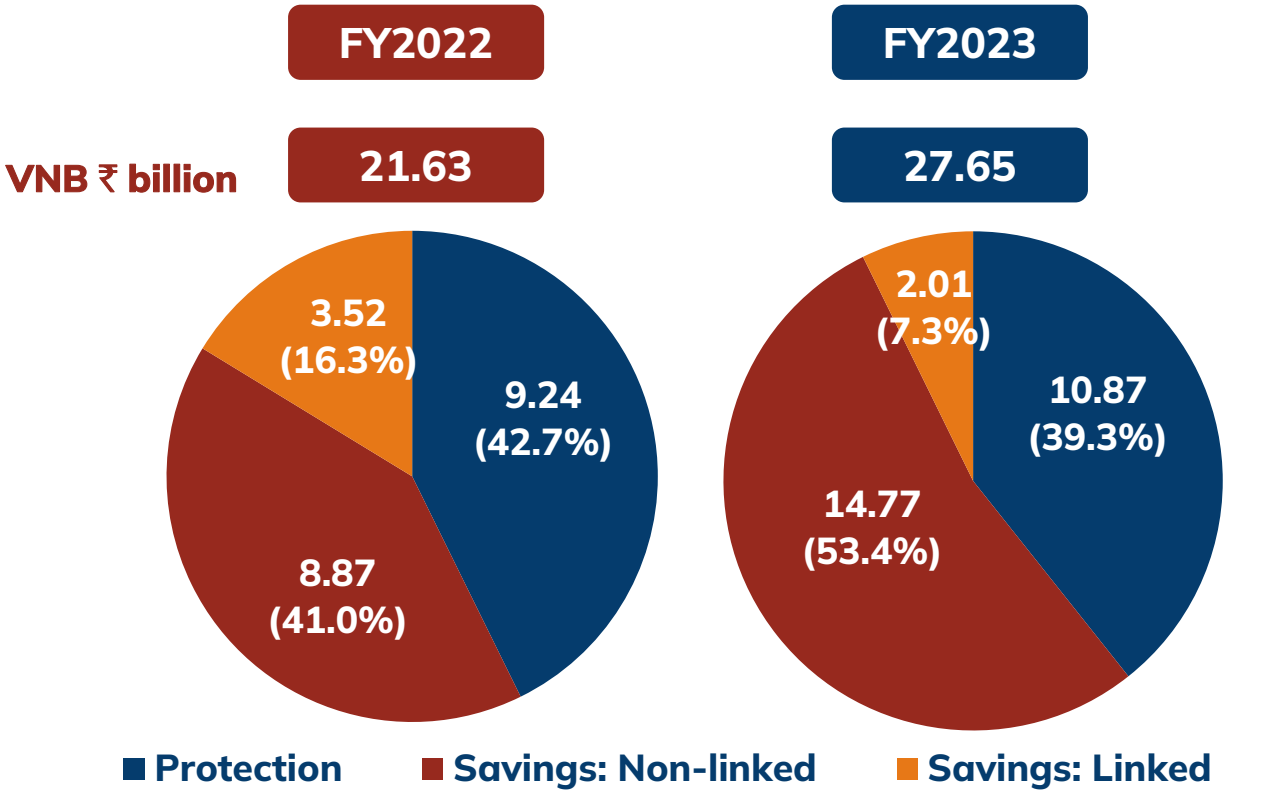
Analysis of movement in EV



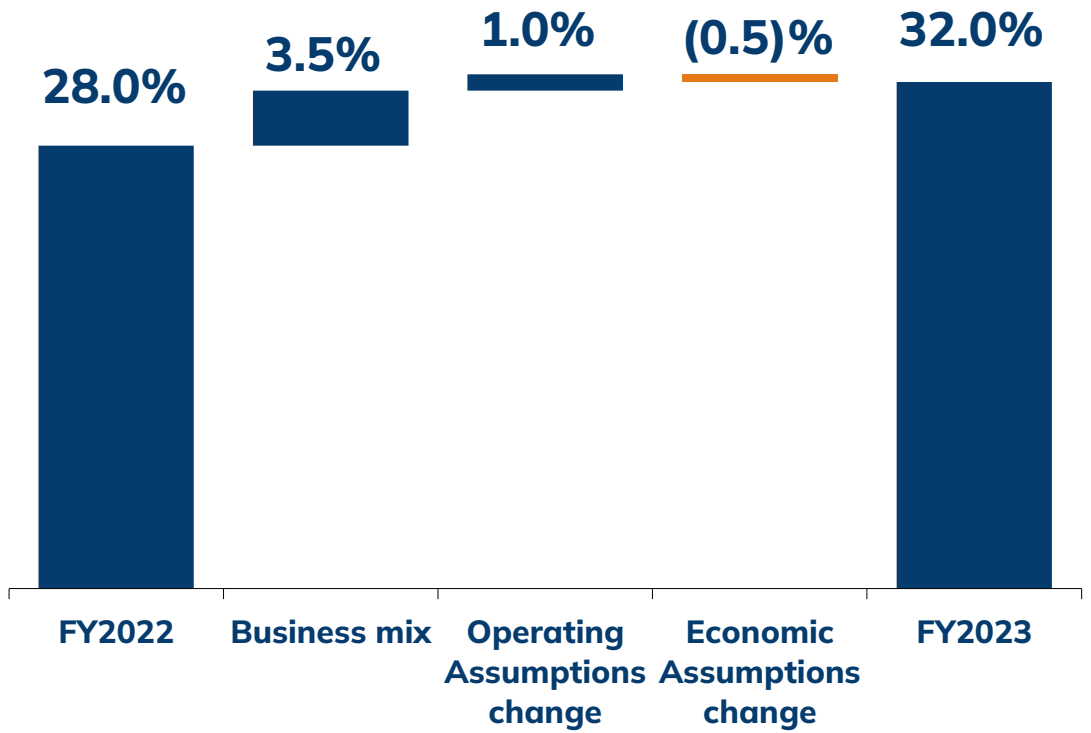
[1] EVOP is the embedded value operating profit net of tax
[2] ROEV is the return on embedded value net of tax
EV results prepared as per APS 10 and reviewed by Milliman Advisors LLP
ANW: Adjusted new worth; VIF: Value of inforce; EV: Embedded value; VNB; Value of new business

Value of New Business (VNB)

VNB contribution*



VNB margin movement

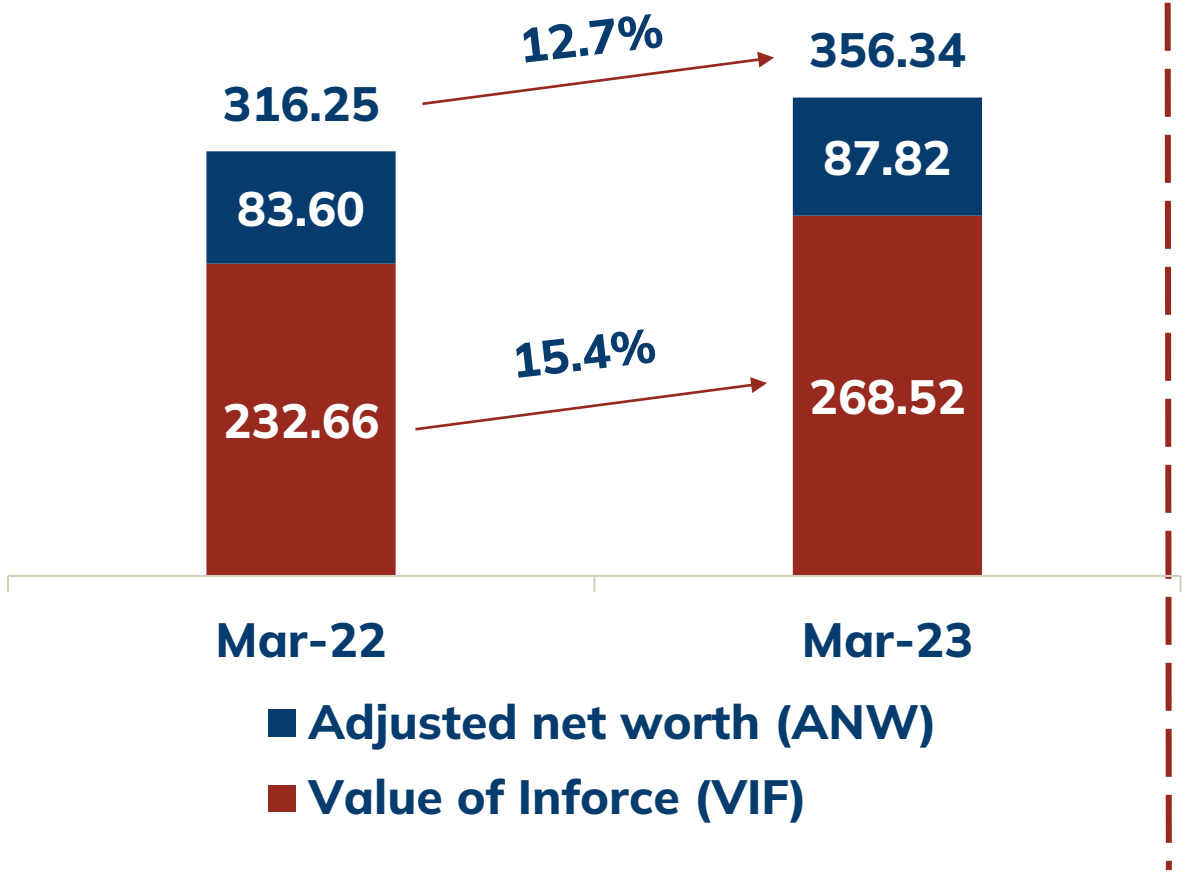


Well diversified pools of profit

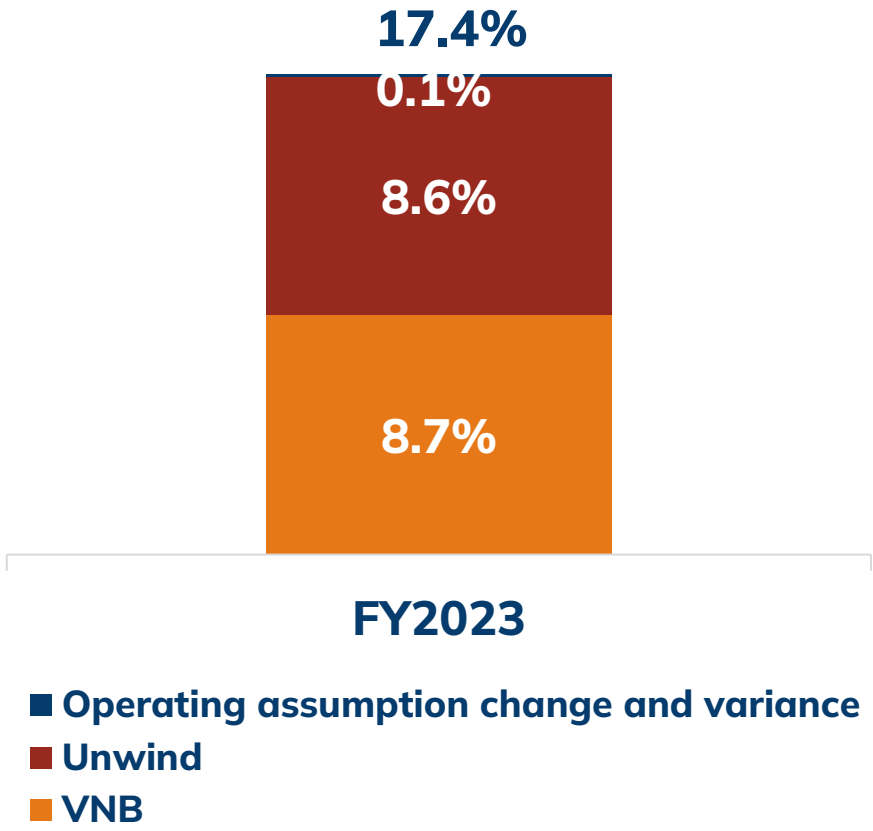
*Figures in brackets represent share of VNB
Total may not add up due to rounding off

EV & ROEV composition

EV composition



ROEV composition



EV: Embedded value
ROEV: Return on embedded value

Sensitivity analysis

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

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VNB: Value of new business
EV: Embedded value

Financial metrics

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

AUM: Assets under management

ENVIRONMENTAL, SOCIAL & GOVERNANCE (ESG)

ICICI PRUDENTIAL LIFE INSURANCE

ESG: Focus areas, framework & approach

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

3 pillars of our sustainability framework

- **Environmental** – leaving the planet a better place for our next generation
- **Social** – giving back to society
- **Governance** – transparency in functioning

Our focus areas

- Human capital
- Responsible investing
- Governance & business ethics
- Data privacy & security
- Access to finance & CSR
- Environment

Our ESG framework

- Board Sustainability & CSR Committee*
- Sustainability risk included in Board risk policy
- Sustainability Steering Committee (dedicated ESG resource)

ESG approach

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

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*Terms of reference of CSR committee enhanced to include sustainability agenda

Focus area: Human capital

Strengthening **Capacity**

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

Building **Capability**

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

Catalysing competitive advantage through **Culture**

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

ICICI PRUDENTIAL LIFE INSURANCE

All figures for FY2023

[1]Leadership: Level 9 and above; Leadership stability: > 10 years organisation vintage; Leadership depth: > 3 job rotations; Leadership cover: Key roles with adequate / moderate cover

[2] Biennial Voice of Employee survey FY2023; [3] Refers to top 2-box score on 5-point scale

Focus area: Responsible investing

Three pronged approach

Stewardship policy & process

- Engaging with investee companies
- Disclosing voting actions

ESG integration

- Responsible Investing framework incorporated into Corporate Investment Policy
- Subscribed to ESG ratings by an external service provider to assess investee companies on ESG
- Became signatory to UN PRI[1]

ICICI Prudential Sustainable Equity Fund

- Benchmarked against NSE 100 ESG Index

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

[1]United Nations supported Principles for Responsible Investment
*At March 31, 2023

Focus area: Governance & data privacy

Governance structure

Board composition

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

Board Diversity

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

Evaluation framework

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

Compensation framework

Compensation Policy

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

Governance

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

Alignment

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

Information/cyber security

Data Privacy Policy

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

Cyber Security Framework

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

Risk management

Risk Management Policy

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

Mitigating risk

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

Business ethics/compliances

Policies

- Code of Conduct
- POSH
- ABC Policy
- AML Policy
- Compliance Policy
- Framework for Managing Conflicts of Interest
- Insider Trading Code
- Whistle Blower Policy

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ID: Independent Director, NEDs: Non- executive Directors, WTD: Whole Time Directors, BNRC: Board Nomination & Remuneration Committee, ISMS: Information Security Management Systems, BRMC: Board Risk Management Committee, ERC: Executive Risk Committee, BCM: Business Continuity Management, POSH: Prevention of Sexual Harassment at the Workplace, ABC: Anti Bribery & Anti Corruption, AML: Anti Money Laundering

Focus area: Access to finance, CSR and Environment

Access to Finance

- 61.8 mn lives impacted by micro insurance products (77.2 mn lives total)
- 86.6%: One of the best persistency[1] ratios (13th month) in industry
- 24x7 service architecture; 92.5% self-help usage
- Highest claim amount settled for 8 consecutive years[2] with 1.21 days[3] average TAT in FY2023
- Providing financial safety net to society: 13,656 retail individual death claims settled & 232,617 group claims settled
- Insurance awareness campaigns, focusing on the need and importance of life insurance along with product suitability
- Ranked no. 1 in the industry wide Customer Experience NPS study by Hansa research
- Robust policy & framework for grievance redressal

CSR

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

Environment

- Environment policy formulated, demonstrating Company's commitment to environmental protection and reduction of its carbon footprint
- Sustainability consultant onboarded for environment initiatives and SBTi[4] targets
- Scope-1, Scope-2 and partial Scope-3 carbon emissions calculated and vetted by external Sustainability consultant
  - TCF[5] at 13,035 tonnes in FY2023 compared to 14,559 in FY2022
- 99% of new business applications logged digitally
- 95% shareholders communicated digitally
- Green energy in some Mumbai offices; Application process initiated for green energy for other offices in Maharashtra

ICICI PRUDENTIAL LIFE INSURANCE

Figures for FY2023
[1]Computed as per IRDAI circular dated September 30, 2021;
[2]Individual death claims for private life insurance till FY2022
[3]Average turnaround time (TAT) for non-investigated claims from receipt of last requirement
[4]Science Based Targets initiative; [5]Total carbon footprint

Innovation @ICICI Prulife

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Grounds-up & an outside-in approach to innovation

Identifying opportunities

- Employee ideas
- External scanning
- Customer feedback
- Innovation partner program

Converting ideas to impact

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

ICICI PRUDENTIAL LIFE INSURANCE

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

powerful ideas
infinite possibilities

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

Business challenges to solve on-ground business challenges

Brainstorming & co-creation workshops with cross-functional teams

Employee recognition in internal and external forums

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

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

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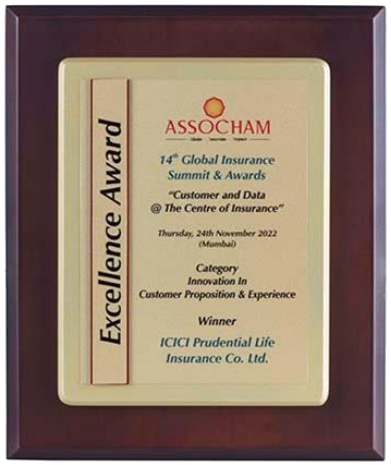
Recognised in various external forums

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



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

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

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Technology @ICICI Prulife

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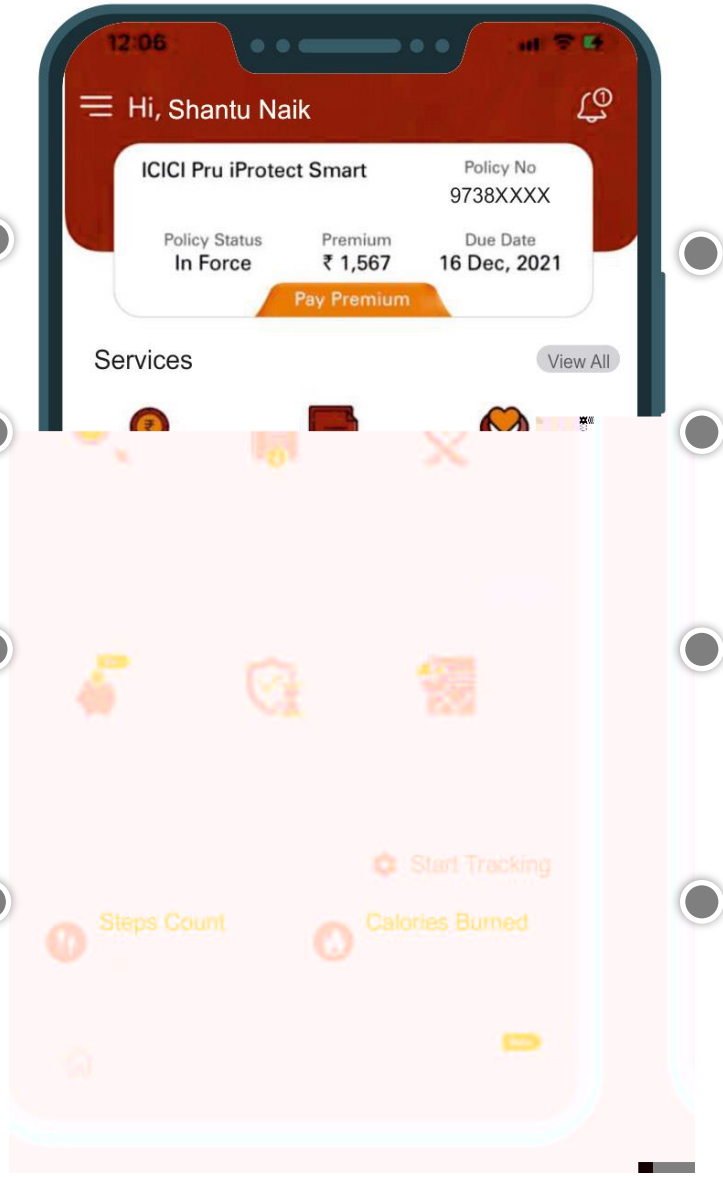
Digital @ICICI Prulife

~3.4 million digital service interactions every month

1.5 million+ app downloads

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

Access to over 45 types of policy transactions



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

>92.5% service interactions are via self-help / digital modes

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

Fitness tracker & free health webinars from leading brands

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At March 31, 2023

New business & growth

Pre-sales

Collaboration platform
Online meetings, joint sales calls, invite experts, share content IPRUMEET

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

Lead Management System
Enhanced with voice capability and geographical tagging

Learner's Box and MyCoach
On-the-go e-learning modules with AI capabilities to improve pitch

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

Onboarding & issuance

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

Digital journey

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

Leveraging eco system

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

Partner integration

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

Video based Pre -issuance verification on WhatsApp

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

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

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PASA : Pre Approved Sum Assured | OCR: Optical Character Recognition | CKYC : Central KYC |KYC : Know Your Customer | UI : User Interface | SI : Standing Instruction

Customer service

Empowering customers

Self service

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

Renewals

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

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

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

Omni channel

Mobile application

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

24x7 chat/voice assistants

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

IVR

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

Digital Life Verification for Individual Annuity Customer

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AI : Artificial Intelligence | IVR : Interactive Voice Response | UPI: Unified Payments Interface

Digital experience

Personalization

Hyper personalization
Personalised messages to handhold customers throughout journey

Segmented targeting
Reaching the customer by mapping their interests/affinities

Interactive banners
Banners with built-in calculators for instant and customised quotes

Search engine optimization –
Use of Machine Learning (ML) to rank ICICI Pru higher on search engines

Actionable insights

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

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

Modular data integration approach to meet partner requirements

Use of AI & ML to analyze structured & unstructured data

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

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AI : Artificial Intelligence | ML : Machine learning

Key initiatives taken in FY2023

Humanoid

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

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

Empowering Partners

Micro services for powering partner systems for enhanced customer experience

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

Seamless journey

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

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

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UM: Unit manager; KYC: Know your customers; CERSAI: Central registry of securitization asset reconstruction and security interest of India; CKYC: Central know your customer

Data science & analytics @ICICI Prulife

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Data excellence at every phase of customer journey

Presale

- **Upsell engine** identifies high propensity customers
- **Product recommender** offers best product based on customer needs
- **Cross sell engine @ partners** identifies customers by propensity

Sale

- **Predict lapse** & manage persistency risk @ login
- **Fraud detection engine** to detect high risk cases @ login

Onboarding

- **Smart longevity & risk model** predicts segments of high risk & high mortality
- Accurate and robust **Issuance prediction**

Renewals

- **Renewal model** provides renewal propensity
- **Propensity to revive** provides revival predictions of lapse cases
- **Surrender model** predicts propensity to surrender

Customer service

- **Complaints model** for better customer satisfaction
- **NPS* Engine** supports exceptional customer experience

Claims / Payouts

- **Risk investigation** model at claims stage
- **Anomaly detection** in claims payout
- **Maturity engine** efficiently monitors AUM leakage
- **Unclaimed model** provides unclaimed propensity

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*NPS: Net Promoter Score

Analytics engine at every stage of process & distribution

Premium

Distribution

Upsell & PASA*	Intelligent Assisted upsell	Analytics driven lead generation	Pre underwritten offer for existing customer	Personalised offers in website & mobile App	
Customer & Product	Customer Segmentation	Smart customer profiling	Personalised product offer	NPS* analytics	
Agency	ML* based lead Assistance	Analytics driven agent activation	Agent incentives framework	Productivity framework	Agent recruitment engine
Banca/ PD*		Term and Insurance by invite	Analytics based sales strategy	Data driven exception management	Smart manpower planning
Direct		Dynamic upsell customer triggers	Profile based product recommendation		
	Personalized banner offers	Product profiles management	ML* assisted lead conversion		

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*PD: Partnership Distribution
*NPS: Net Promoter Score

*ML: Machine Learning
*PASA: Pre-Approved Sum Assured

Analytics engine at every stage of process & distribution

Operations

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

Productivity

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

Awards

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Awards & Accolades: FY2023

Silver in the BFSI category for the Campaign “Protect & Save”

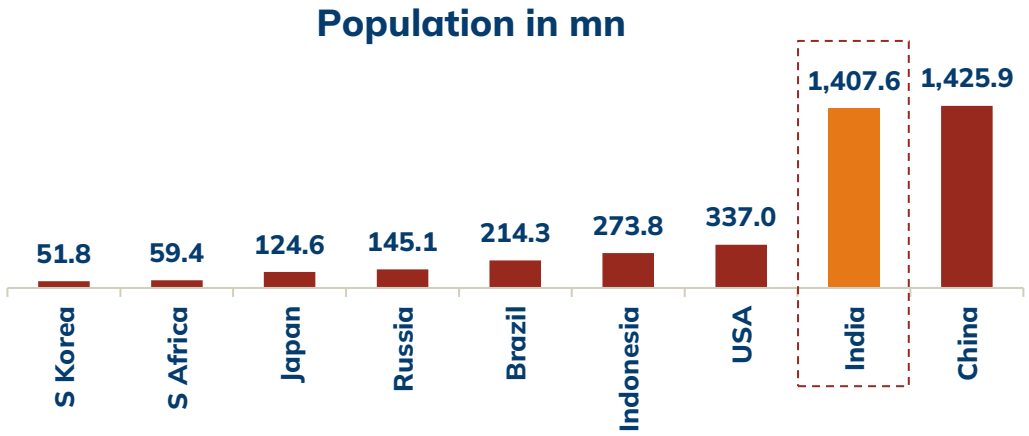
ICICI PRUDENTIAL LIFE INSURANCE

Agenda

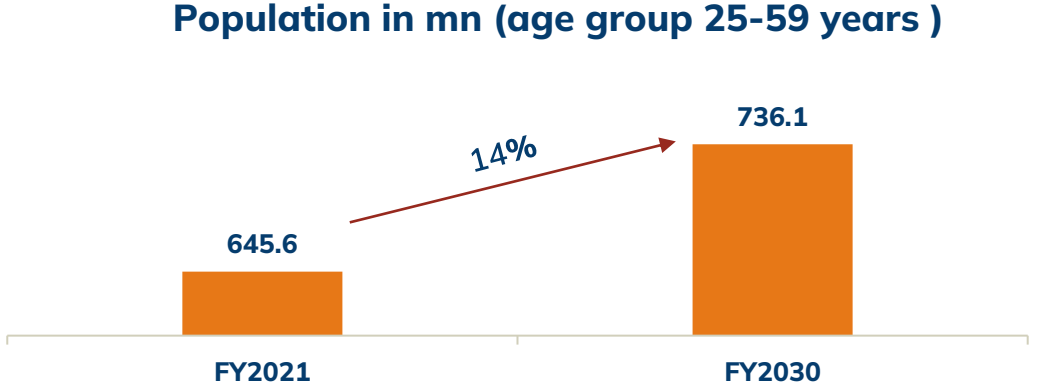
- Company strategy and performance
- **Opportunity**
- Industry overview

Favorable demography

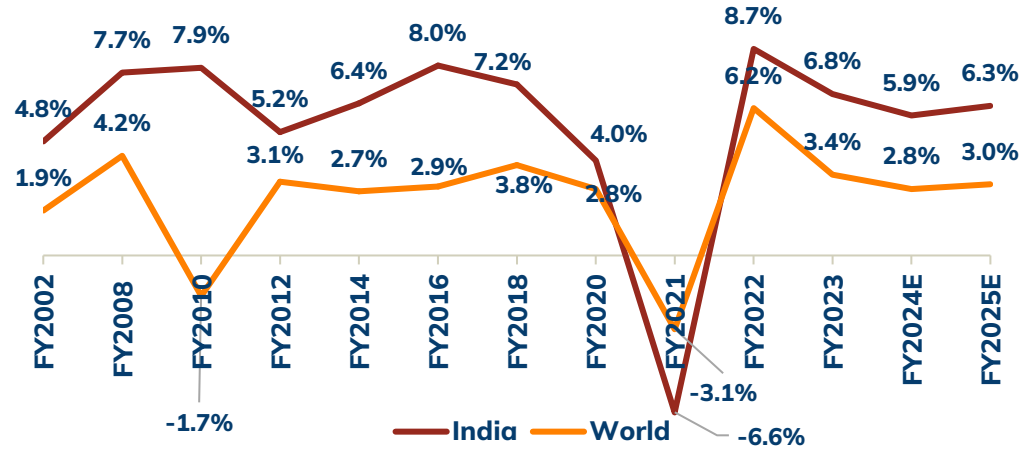
Large & growing population base[1]



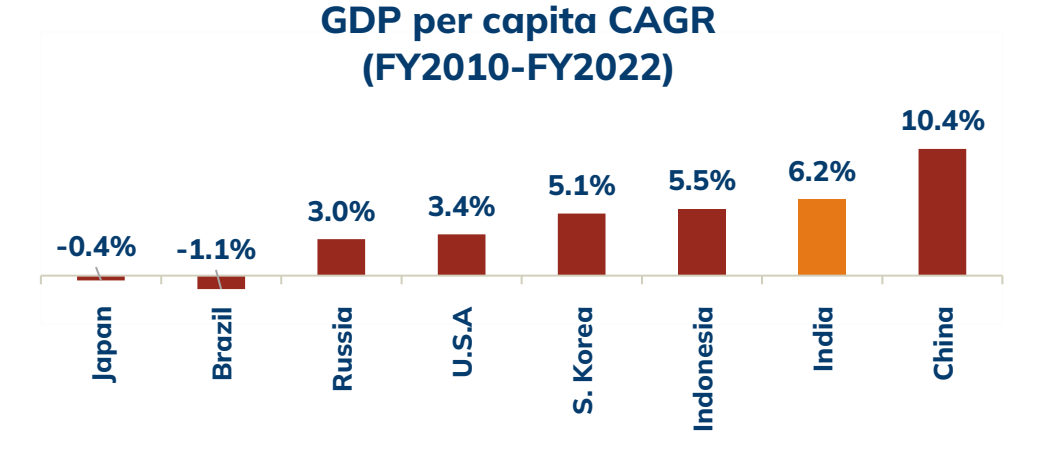
High share of working population[1]



Driving GDP growth[2]



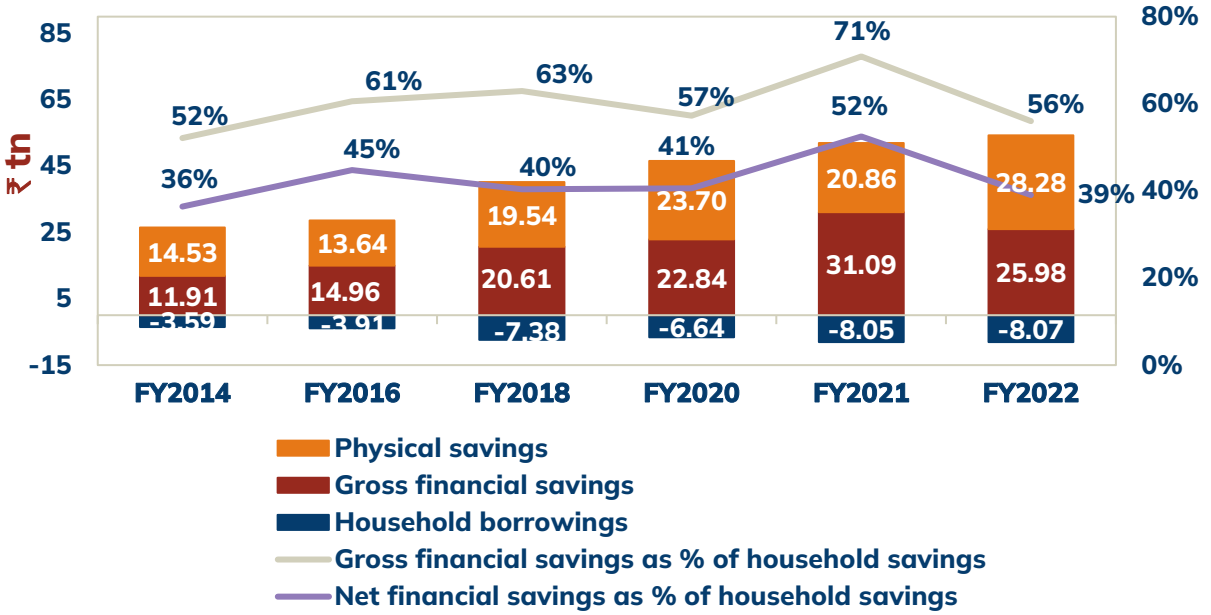
Rising affluence[3]



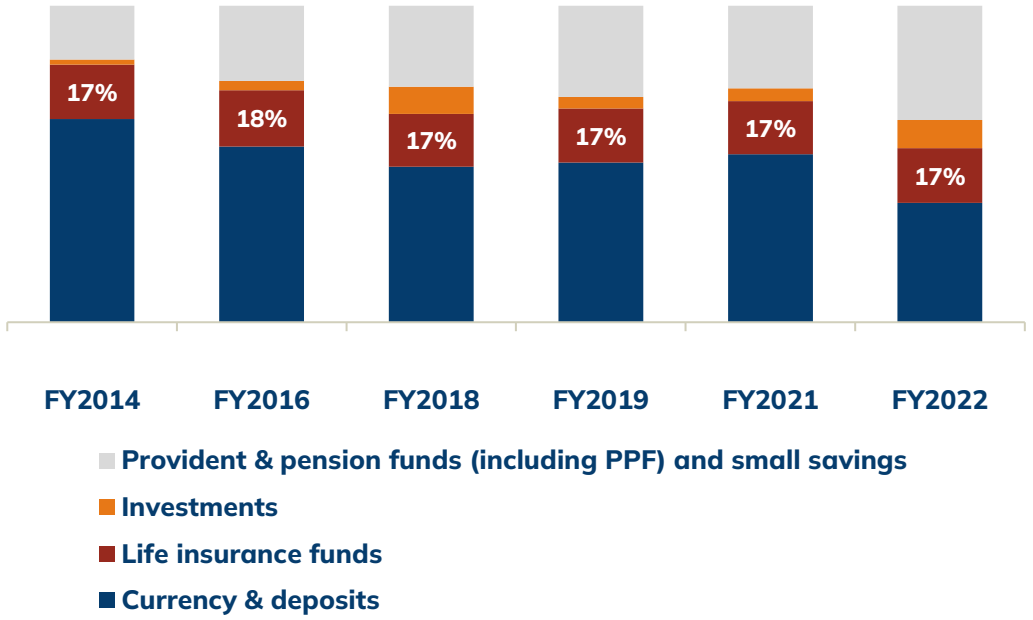
[1]Source: UN population division at July 2022
[2]Source: WEO update, April 2023
[3]Source: The World Bank
Compound annual growth rate (CAGR)
Gross domestic product (GDP)

Financialisation of savings: Opportunity for insurance

Household savings[1]



Distribution of financial savings (including currency)[2]

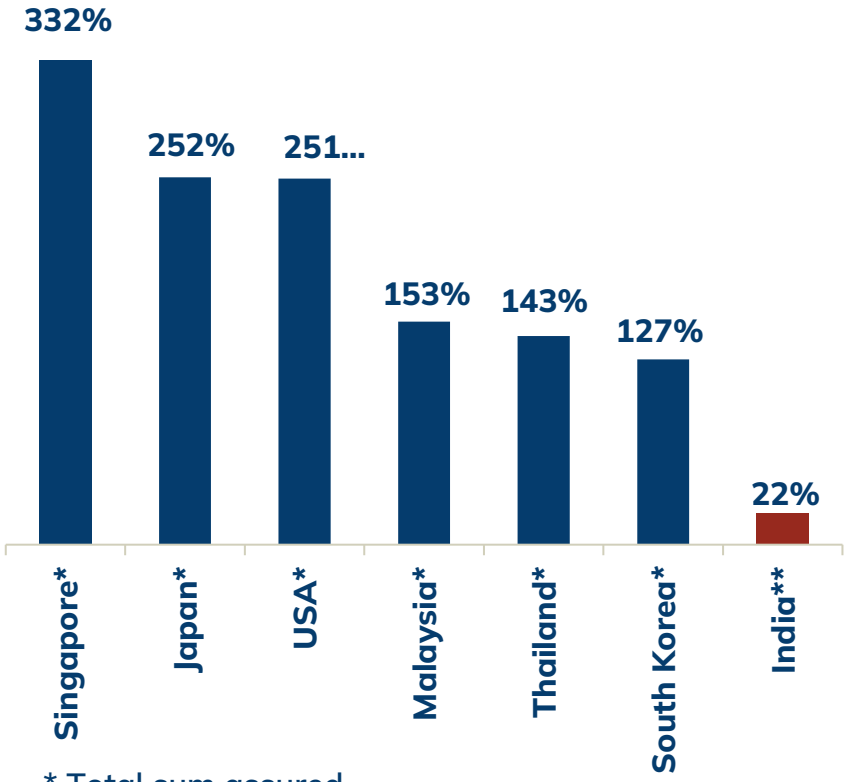


	FY2002	FY2008	FY2010	FY2012	FY2014	FY2018	FY2019	FY2020	FY2021	FY2022
Life insurance premium[3] as % of GDP	2.1%	4.0%	4.1%	3.3%	2.8%	2.7%	2.7%	2.8%	3.2%	2.9%

[1]Source: RBI & CSO
[2]Source: RBI
[3]Total life insurance industry premium including renewal; Source: IRDAI

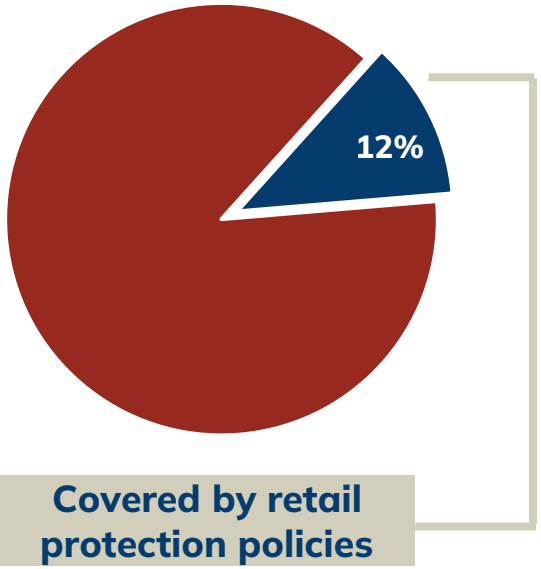
Protection opportunity: Low penetration

Sum assured as % of GDP[1,2]

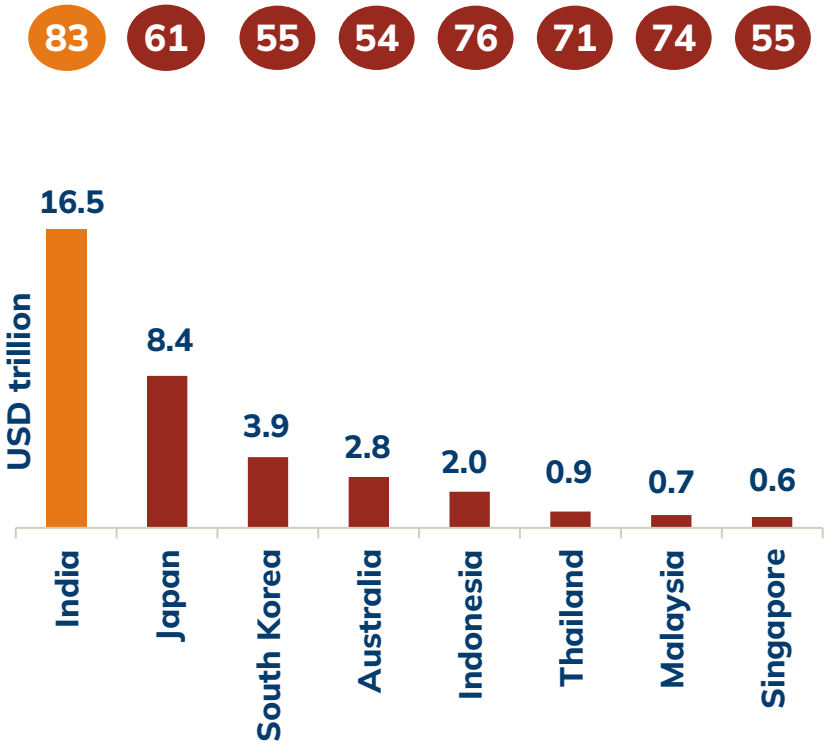


* Total sum assured
** Retail protection sum assured (company estimates)

Addressable population# coverage[3] (%)



Protection gap(%)[4,5]



[1]FY2022 for India, GDP Source: National statistics office
[2]FY2020 for USA & FY2018 for Japan; Source: McKinsey estimates
[3]Inforce no. of lives for retail protection/no. of returns with income > ₹ 0.25 mn
[4]Protection gap (%): Ratio of protection lacking/protection needed
[5]Source: Swiss Re, Closing Asia's mortality protection gap, 2020
#Income tax department data with individual income > ₹ 0.25 mn & company estimates

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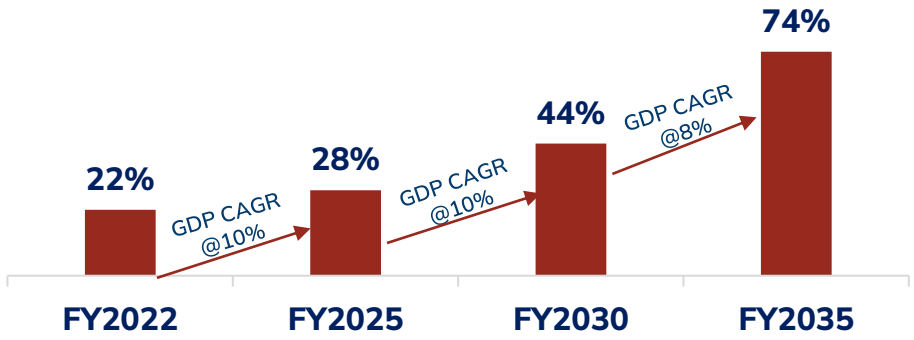
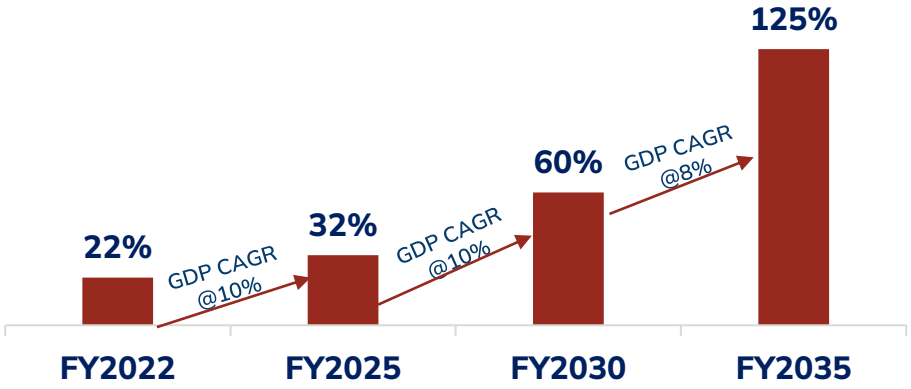
Protection opportunity: Sum assured (SA) as % of GDP

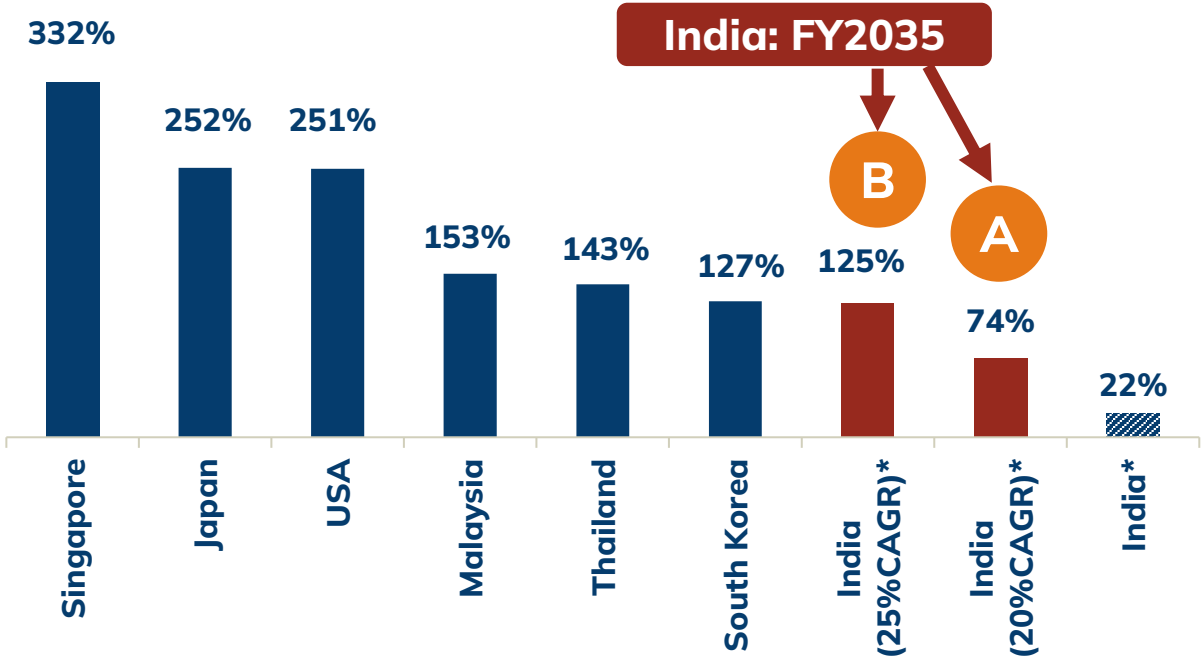
A SA as % of GDP (SA growth @ 20% CAGR)



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



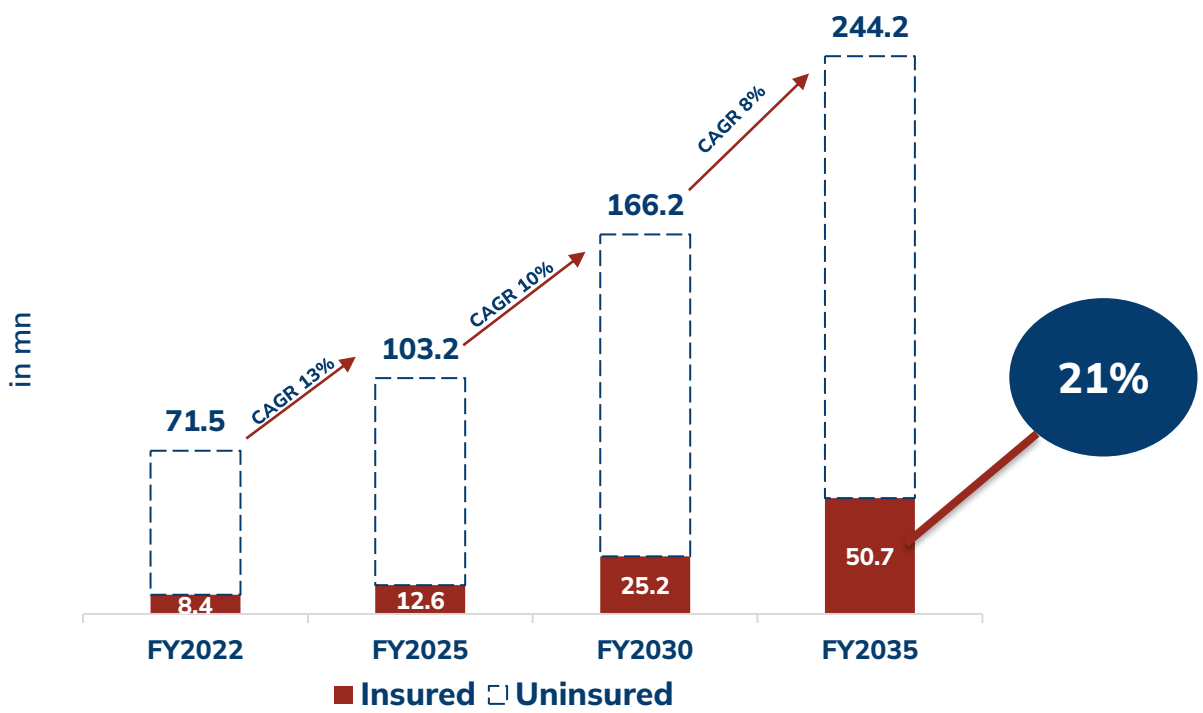
SA as % of GDP[1,2]



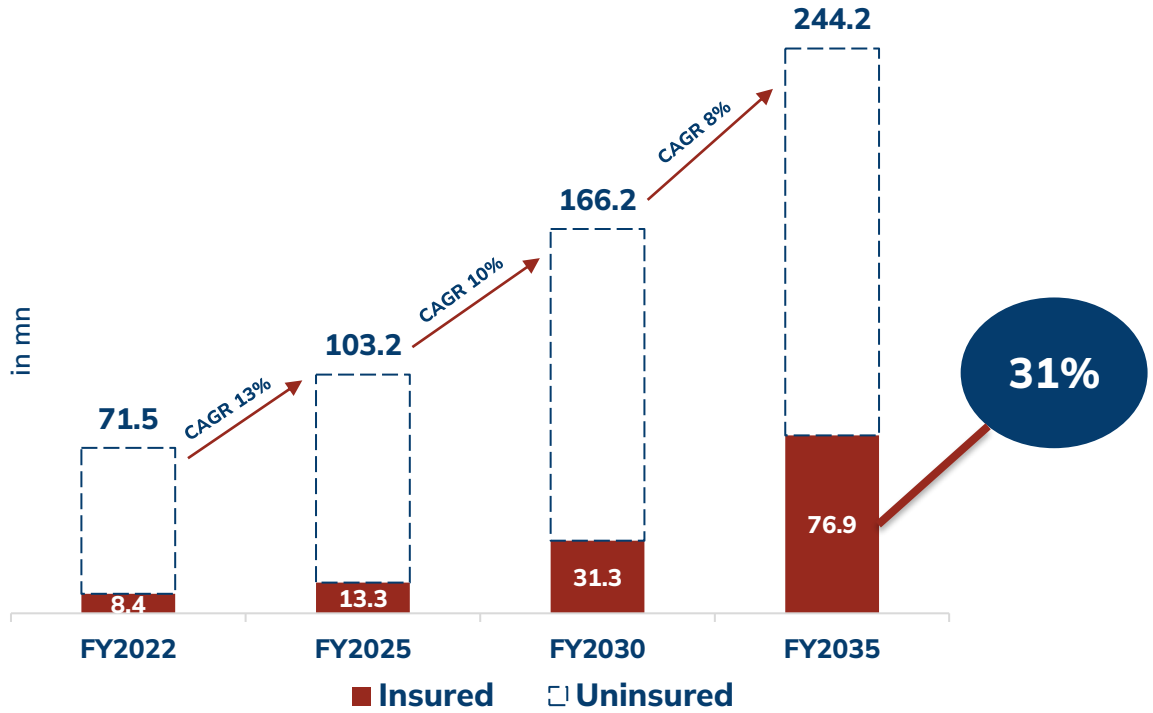
[1]FY2022 for India; GDP source: National statistics office
[2]FY2020 for USA & FY2018 for Japan; Source: McKinsey estimates
*For retail protection sum assured (company estimates)

Protection opportunity: Addressable population (%)

15% CAGR in new policy count[1]



20% CAGR in new policy count[1]



~30% of India's addressable population expected to be covered by FY2035[2]

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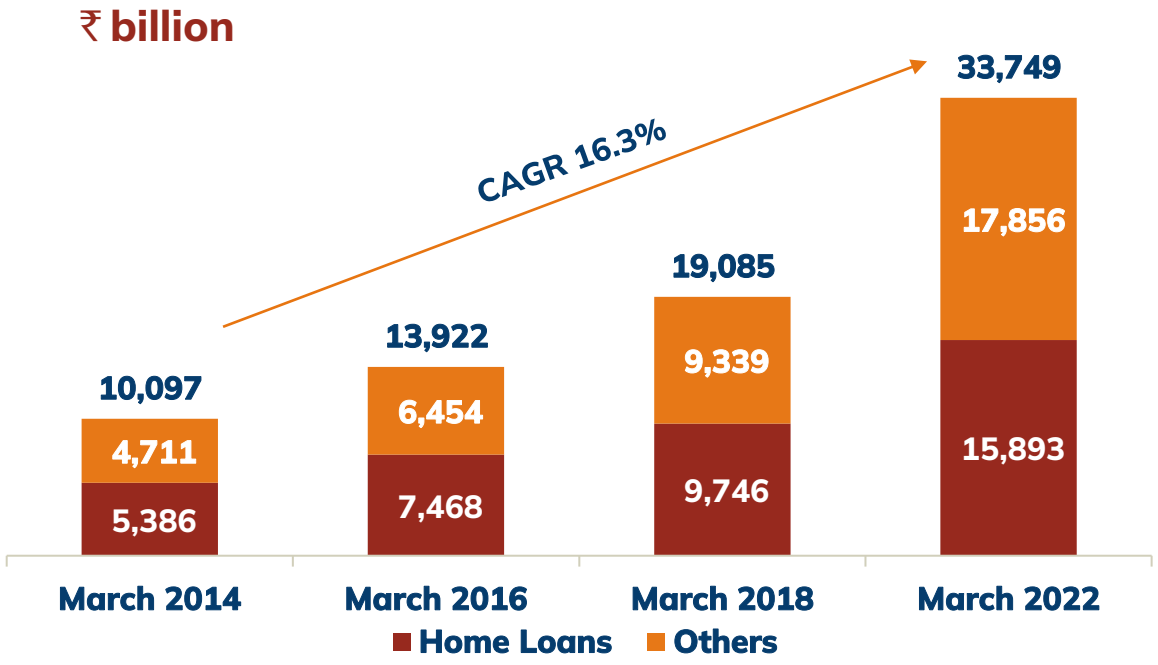
[1]Assumed 10% lapse rate for in-force policies each year
[2]Estimates at accelerated policy growth rates of 20% CAGR
Compound annual growth rate (CAGR)

Indicators of protection opportunity

Retail credit[1]



Health & motor[2]

Gross direct premium (₹ billion)	FY2022
Health	**735.82**
Motor	**704.33**
Motor own damage (OD)	271.78
Motor third party (TP)	432.55

- Healthy growth in retail credit
- Credit life is voluntary

[1]Source: RBI
[2]Source: General Insurance Council
Components may not add up to the totals due to rounding off

Agenda

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

Evolution of life insurance industry in India

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

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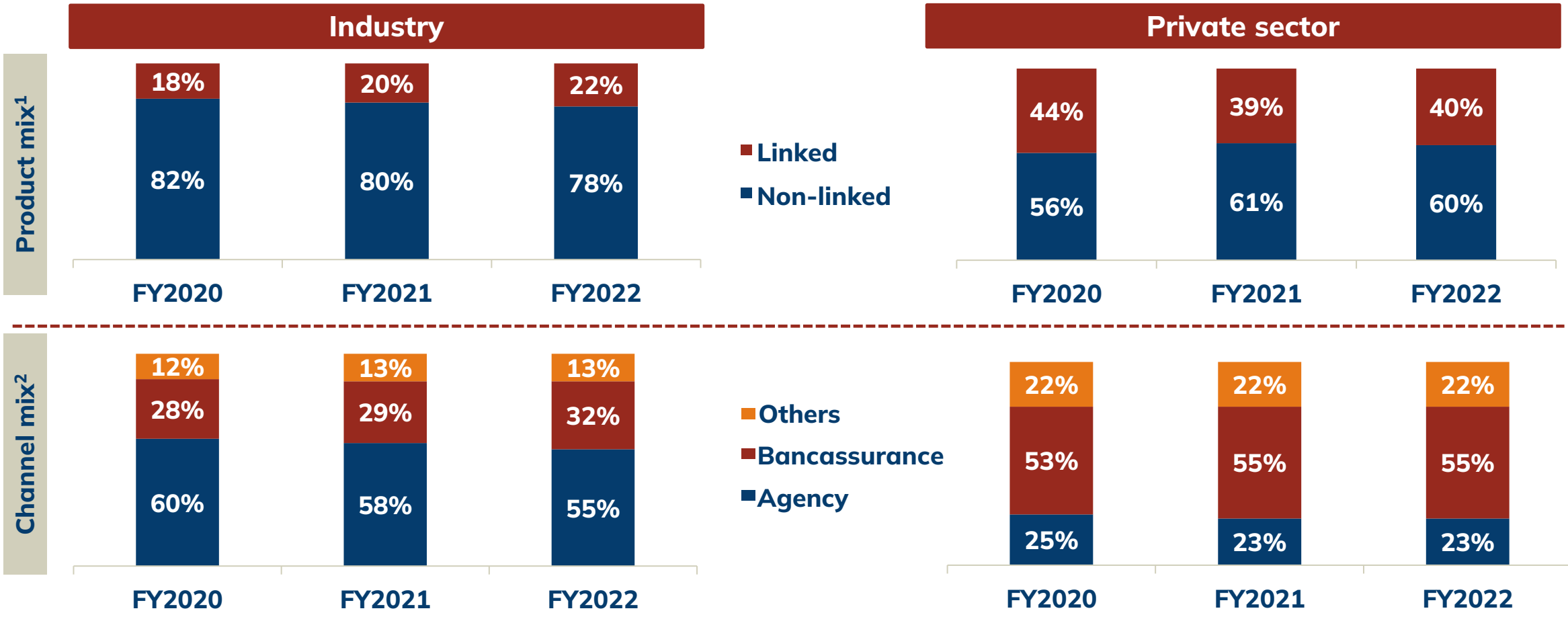
[1]Retail weighted received premium (RWRP)
[2]Individual & group in-force sum assured
Source: IRDAI, CSO, Life insurance council, *Company estimate

Industry overview



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

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

Annexures

Interest rate risk management

Guaranteed return savings product

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

Retail protection business

- Asset liability duration matching using derivatives

Annuity products

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

Review of pricing based on current interest rate environment

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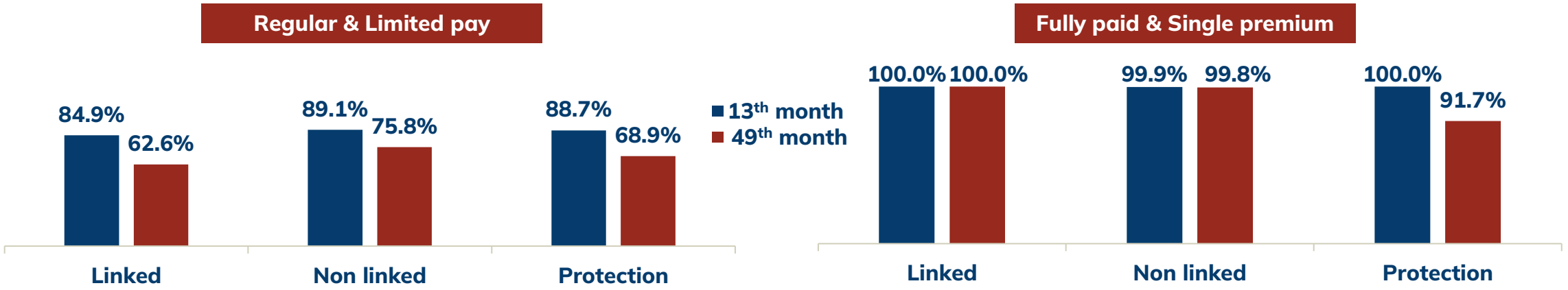
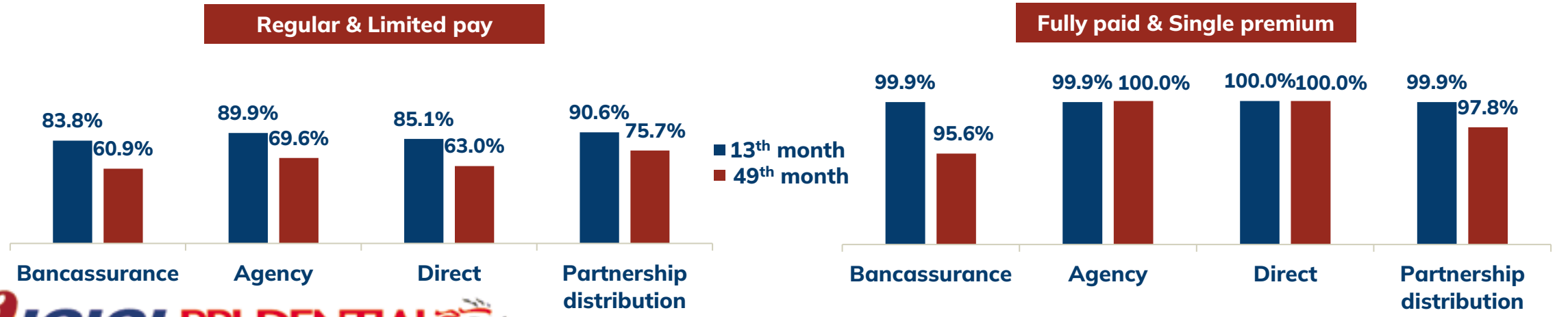
Retail persistency: FY2023

Persistency[1] across product categories



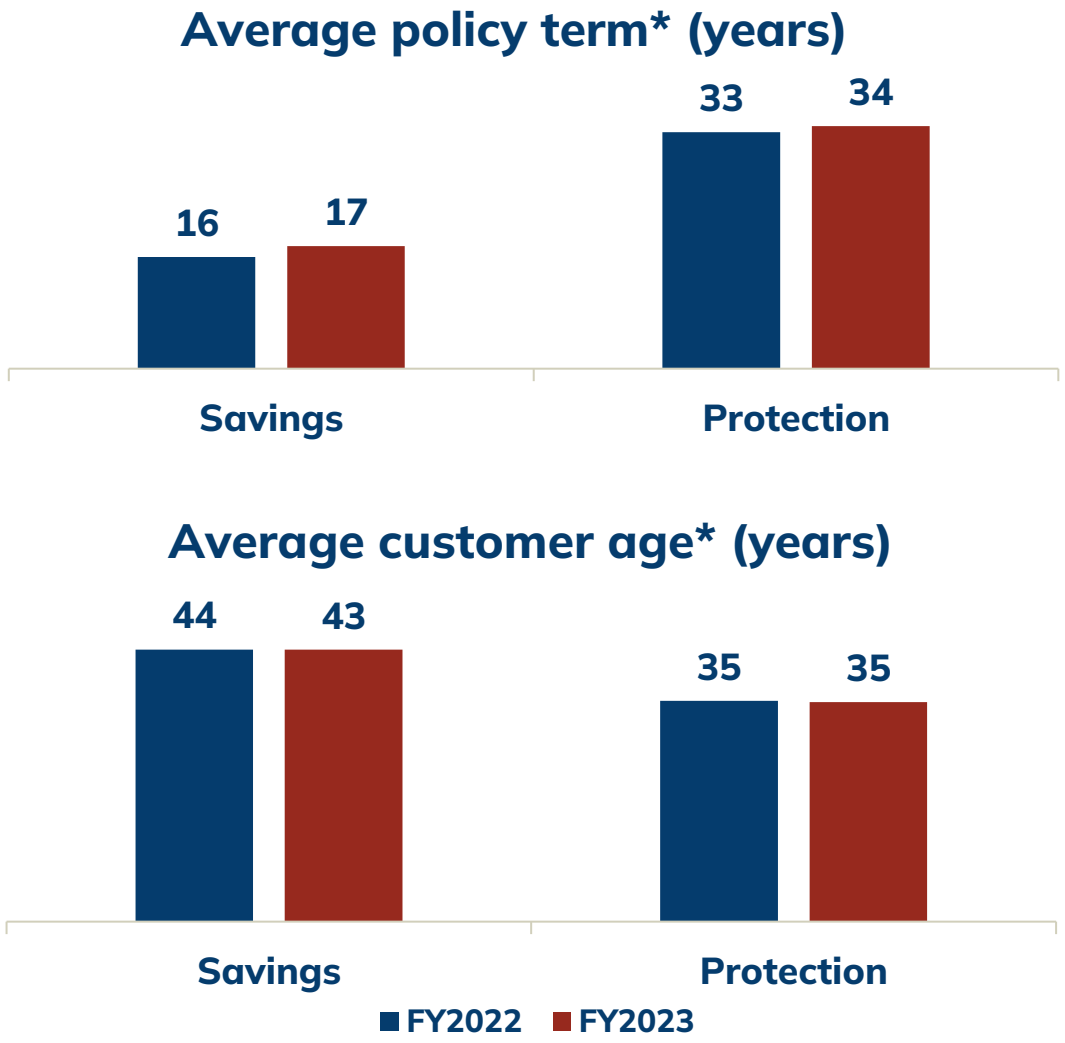
Persistency[1] across channel categories



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

Average APE by product categories

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



* Protection excludes credit life
APE: Annualised Premium equivalent

Channel wise product mix[1]

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

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[1] Retail Annualised Premium Equivalent (APE)
Components may not add up to the totals due to rounding off

Product wise channel mix[1]

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

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[1] Retail Annualised Premium Equivalent (APE)
Components may not add up to the totals due to rounding off

Embedded value

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Analysis of movement in EV[1]

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

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[1]As per Indian Embedded Value (IEV) method
[2]Negative impact of ₹ 5.49 billion due to change in effective tax rate
[3]Mortality variance includes the negative impact of COVID claims
Components may not add up to the totals due to rounding off

Economic assumptions underlying EV & VNB

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

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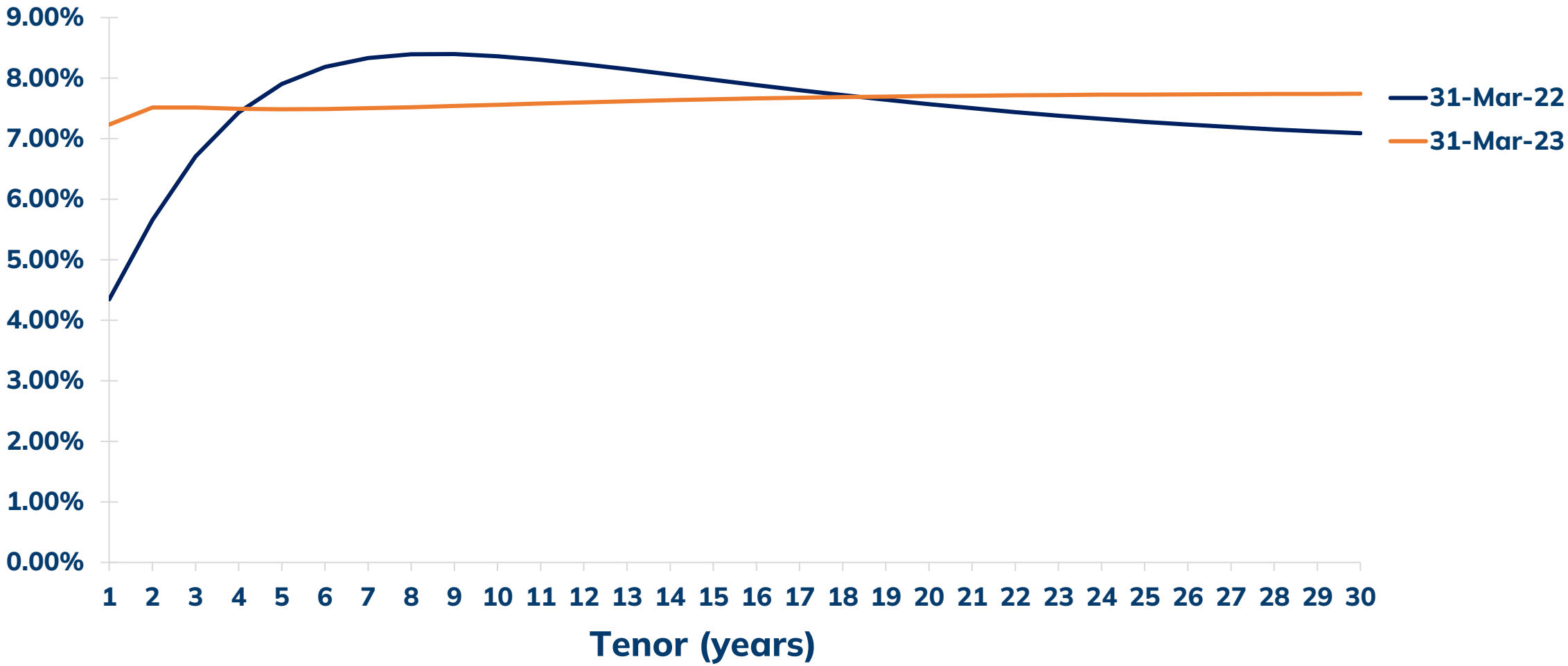
EV: Embedded value
VNB: Value of new business

Reference rates (one year forward rates)



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Glossary (1/2)

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

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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

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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.

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Thank you