

FY2021

Performance Review

Agenda

- Company Strategy
- Financial Performance
- Update- Scheme of Arrangement
- ESG Initiatives
- Industry Overview



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- **Company Strategy**
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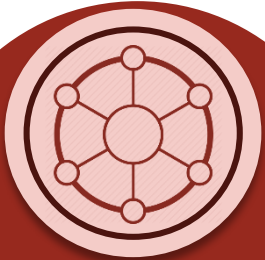


ICICI General – Pillars of Strength



Consistent Market Leadership and growth

- Leading private sector non-life insurer in India since FY2004 (GDPI basis)
- 13 years GDPI CAGR: 11.7%
- Market share FY2021 (GDPI basis): 7.0%



Diverse products and multi-channel distribution

- Comprehensive and diverse product portfolio
- Individual Agents* 59,545
- Expanding distribution network to increase penetration in Tier 3 and Tier 4 cities
 - Number of Virtual Offices: 840



Excellence in Customer service and Technology

- Leveraging on Artificial Intelligence, Machine Learning, IoT etc. throughout the customer life cycle
- Dedicated “digital arm” to improve speed of delivery



Risk Management

- Profitable growth using risk selection and data analytics
- Maintain robust reserves
- Prudent investment management



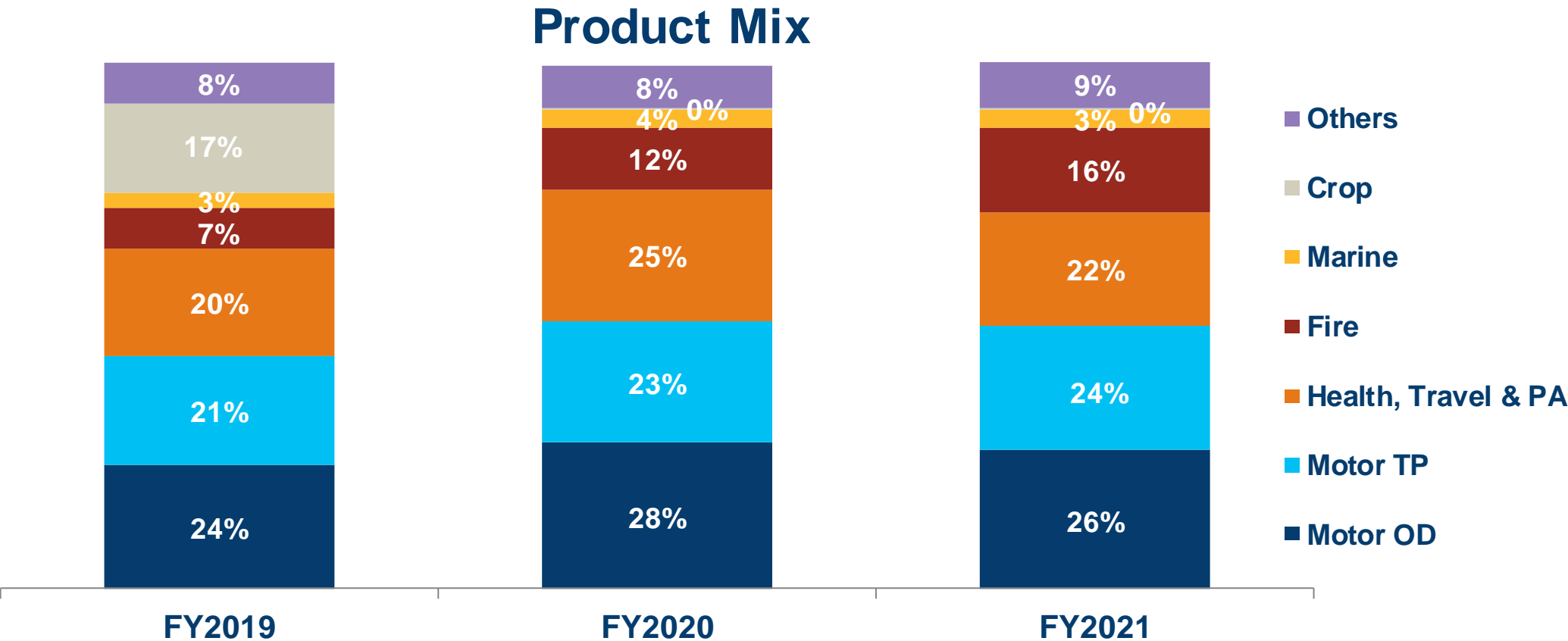
Capital Conservation

- Maintain high level of Solvency against regulatory minimum requirement of 1.50x
- Solvency 2.90x as at March 31, 2021

Key Highlights

Particulars (₹ billion)	FY2019 Actual	FY2020 Actual	FY2021 Actual
Gross Written Premium	147.89	135.92	143.20
Gross Direct Premium Income (GDPI)	144.88	133.13	140.03
GDPI Growth	17.2%	-8.1%	5.2%
Combined Ratio*	98.8%	100.4%	99.8%
Profit after Tax	10.49	11.94	14.73
Return on Average Equity	21.3%	20.8%	21.7%
Solvency Ratio	2.24x	2.17x	2.90x
Book Value per Share	117.11	134.97	163.56
Basic Earnings per Share	23.11	26.27	32.41

Comprehensive Product Portfolio



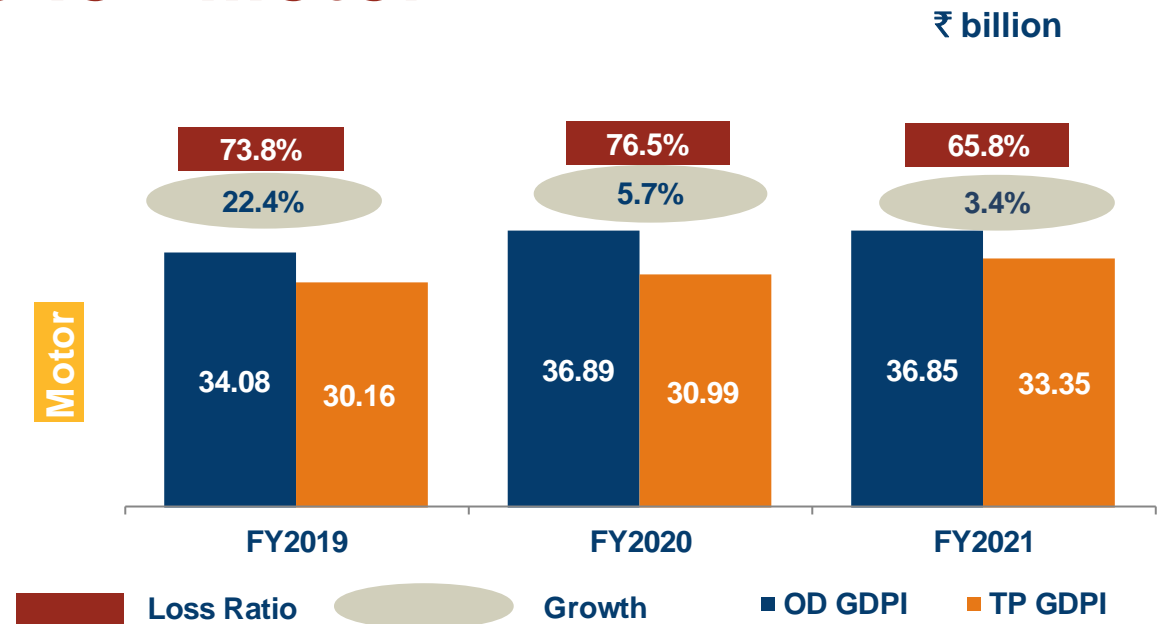
- Diversified product mix– motor, health, travel & personal accident, fire, marine and others
- SME business growth was 34.5% for FY2021 (29.1% for FY2020)

Comprehensive Product Portfolio - Motor

Motor GDPI Mix

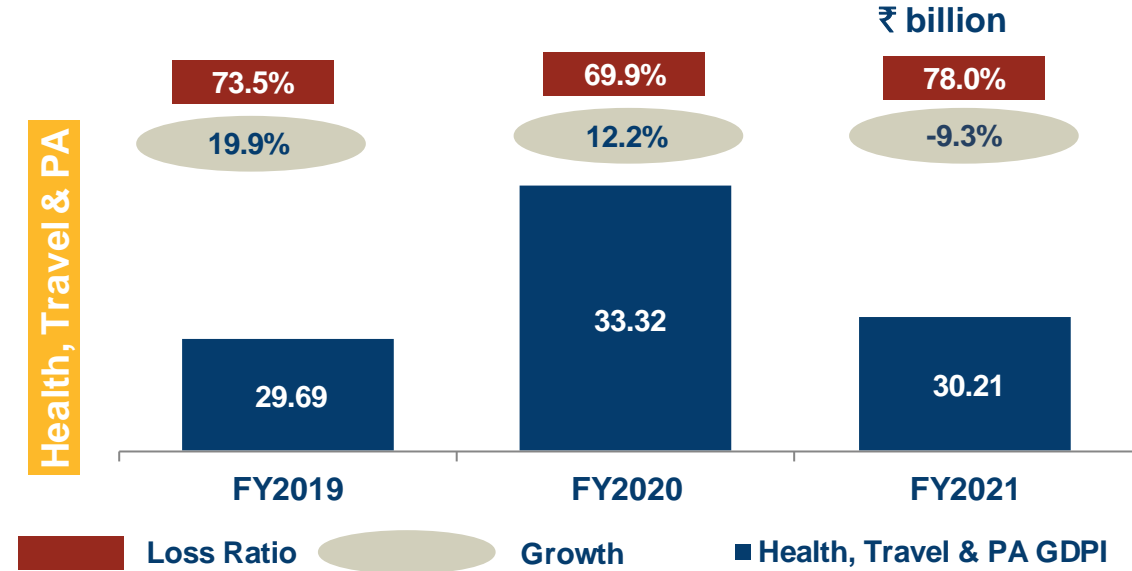
Type	FY2020	FY2021
Private car	56.7%	56.3%
Two Wheeler	28.5%	27.3%
Commercial Vehicle	14.8%	16.4%

- Loss cost driven micro-segmentation resulting in focus on relatively profitable segment
- Advance premium at March 31, 2021 : ₹ 32.06 billion (₹ 31.97 billion at December 31, 2020)
- **Withdrawal of Long Term Motor Package Policy by IRDAI:** Effective August 1, 2020, option to avail long term **Own Damage** cover has been discontinued while Motor TP continues in line with Supreme Court Judgment
- **Motor Vehicle Act :** Proposed reduction in time limit of claim intimation to 6 months
 - Expecting shortening of claims settlement cycle, selective increase in fines for traffic violations
- **Standalone OD Policy:** Effective September 1, 2019 Standalone OD policies are now being issued for Private car & Two-Wheeler
- **Reserves further strengthened** to factor in higher compensation awarded by courts in settlement of Motor TP claims in line with the recent judgment



Comprehensive Product Portfolio – Health, Travel & PA

Health, Travel & PA GDPI Mix		
Type	FY2020	FY2021
Individual	23.6%	26.7%
Group – Others	38.8%	23.3%
Group Employer-Employee	37.5%	50.0%
Mass	0.1%	0.0%



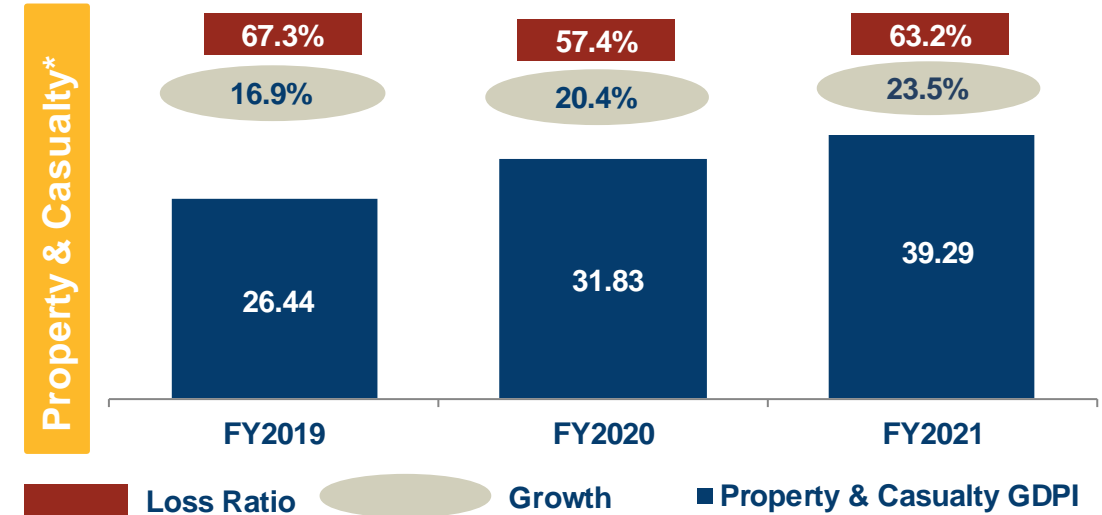
- Individual health indemnity business grew by 22.0% for FY2021 (16.6% for FY2020)
- Reduction in sourcing from Corporate Agent - Banks led to lower growth in Group – Others business for FY2021
- IL Take Care for customer engagement & servicing of health, motor and travel customers
 - More than 500K+ downloads till FY2021 (450K+ downloads in FY2021)
- Launched Complete health insurance product, for wider coverage and price revision launched in November 2020 for new customers and from January 2021 onwards for renewals

Comprehensive Product Portfolio – P&C

₹ billion

- Accretion in Market share across all commercial lines

Property & Casualty (P&C) Market Share		
Product	11M2020	11M2021
Fire	10.3%	11.2%
Engineering	12.4%	13.9%
Marine Cargo	15.3%	16.6%
Liability	15.8%	16.3%



- Higher net retention on account of increase in rates
- Net impact of cyclone and flood losses of ₹ 1.00 billion for FY2021 (₹ 0.61 billion for FY2020)

Digital Opportunities

Service Excellence



Policy Issuance

21.7 Mn Policies sourced

97.0% issued electronically
(96.5% in FY2020)



Claims & Servicing

1.6 Mn Claims honored

60.8% Motor OD claims
through InstaSpec in March
2021 (24.5% in March 2020)



Headcount Productivity

14.8% 13 year CAGR

Automation and Scale



Next Gen Solutions

Cognitive services and BOTs

APIfication and microservices



AI and ML Solutions

60.1% cashless
authorization through AI for
GHI in March 2021 (31.0% in
March 2020)

61.6% STP of motor break-
in from Self Inspection app
through AI in March 2021
(40.6% in March 2020)



Dynamic Workforce

Remote working policy
under Flexi-Able initiatives

Enhanced Data & End point
Security

Risk Management

Underwriting

- Predictive ultimate loss model to improve risk selection
- Diversified exposure across geographies and products
- Historically lower proportion of losses from catastrophic events than overall market share

29

Reinsurance

- Spread of risk across panel of quality re-insurers
- Conservative level of catastrophe (CAT) protection

Investments

- Tighter internal exposure norms as against regulatory limits
- Invest high proportion of Debt portfolio 86.1% in sovereign or AAA rated securities*
 - All Debt securities are rated AA & above
- Zero instance of default in Debt portfolio since inception

Reserving

- IBNR utilization improving trend indicates robustness of reserves
- Disclosing reserving triangles in Annual report since FY2016

30

Agenda

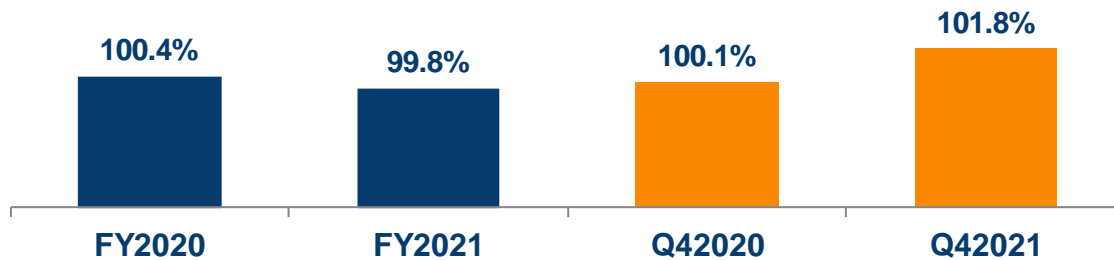
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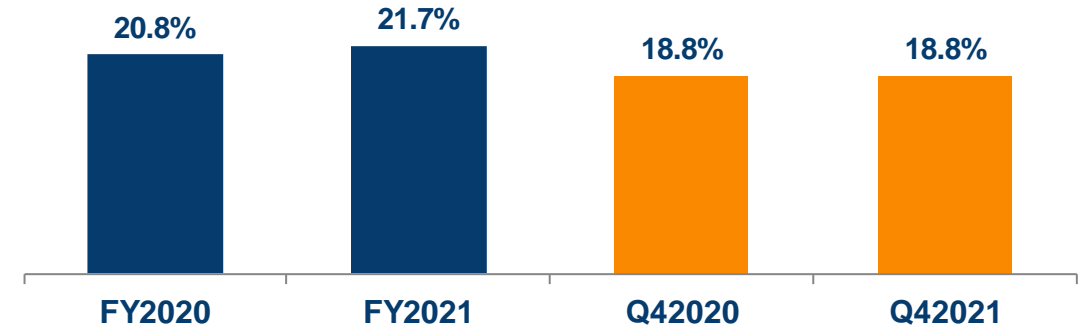
Financial performance

₹ billion

Combined ratio (%)

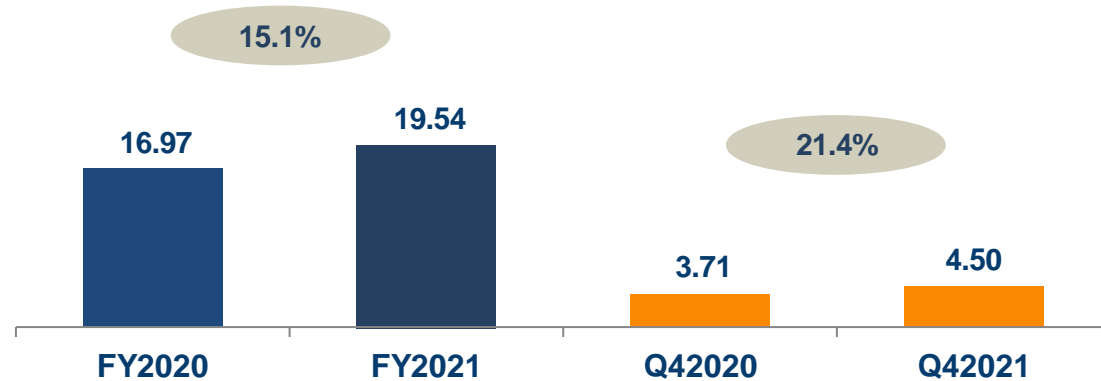


Return on average Equity (ROAE) (%)



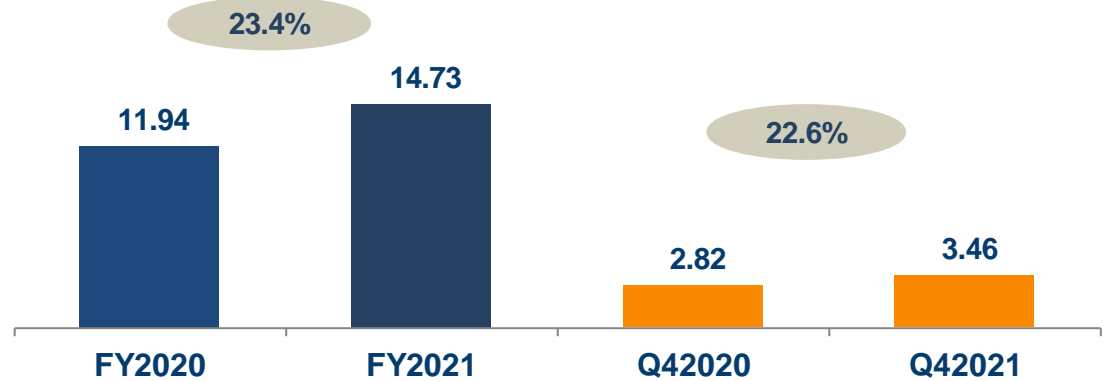
Profit before Tax (PBT)

Growth



Profit after Tax (PAT)

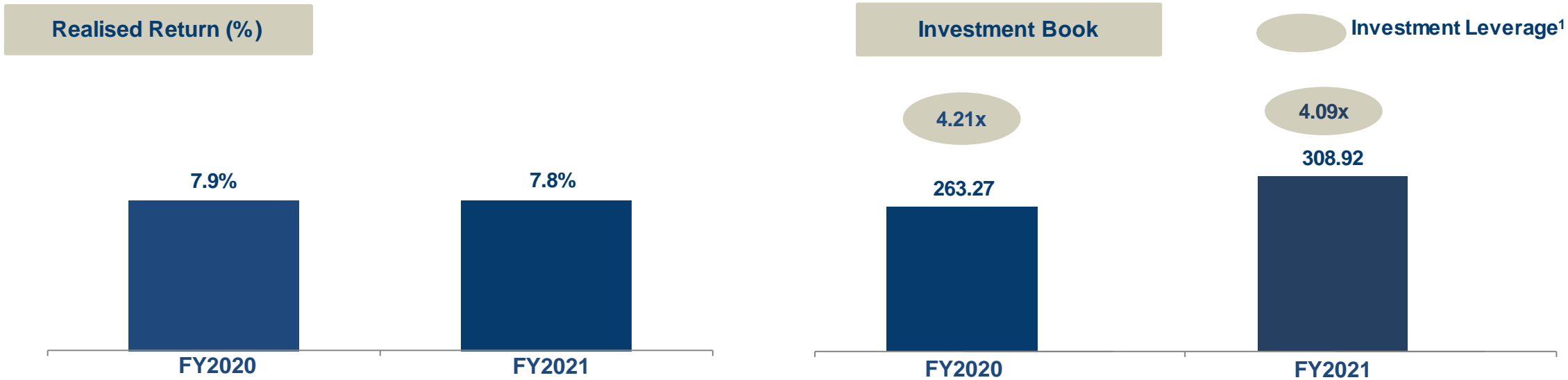
Growth



- Effective tax rate for FY2020 & FY2021 was 29.7% & 24.6% respectively.

Robust Investment Performance

₹ billion



- Investment portfolio mix² for FY2021 : Corporate bonds 42.7%, G-Sec 38.6% and equity 12.5%
- Strong investment leverage
- Unrealised gain of ₹ 14.13 billion as on March 31, 2021
 - Unrealised gain on equity³ portfolio at ₹ 6.80 billion
 - Unrealised gain on other than equity³ portfolio at ₹ 7.33 billion

¹ Total investment assets (net of borrowings) / net worth

² Investment portfolio mix at cost

³ Equity includes mutual funds

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Update- Scheme of Arrangement

Regulatory Filings & Approvals

Filed an 'Application for in-principle' approval to IRDAI on August 26, 2020

Communication received from IRDAI, to approach other Regulatory agencies such as CCI, RBI and SEBI to seek necessary approval while in-principle approval under process on September 8, 2020

Filed for 'No Objection letter' on Scheme of Arrangement with the Stock exchanges on September 11, 2020

Central Government on the recommendation of RBI, on September 9, 2020 notified that the provisions of the Banking Regulation Act, 1949 shall not apply to ICICI Bank Limited in so far as it relates to its holding shares of an amount exceeding 30% of paid-up capital of IL for a period of 3 years

Filed Application for approval of CCI on September 22, 2020

Update- Scheme of Arrangement

Regulatory Filings & Approvals

CCI approved the combination under sub section (1) section 31 of Competition Act 2002 on November 2, 2020

Received in-principle approval from IRDAI on November 27, 2020

BSE Limited and NSE Limited, issued their 'No adverse observation/ No-objection', on the proposed scheme on November 2, 2020 and November 3, 2020 respectively

Application made to the NCLT with respect to Scheme of Arrangement on December 3, 2020

The Company, vide NCLT order, convened the meeting of its Equity Shareholders, to consider and approve the Scheme of arrangement on February 23, 2021 and dispensed with the creditors meeting

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Safeguarding environment



An overarching Policy on Environment Management



Responsible consumption

- Adapting methods to conserve natural resources and energy
- Prevent emissions on a sustainable basis
- Incorporating business processes that promote reduction in use of paper
- Reduce, Reuse and Recycle for consumable
- Effective disposal of E-waste



Environment friendly business practices

- Reducing carbon footprint by integrating digital tools for sourcing and servicing of business
- Offering environment friendly insurance solutions like insurance for renewable energy - solar panel, electric vehicle insurance etc
- Value-adding risk management services enabling customers take effective measures against anticipated environmentally and catastrophic hazardous events.



Protecting the environment

- Adopting green measures for communication across organisation
- Flexi-Able initiatives resulting in digitization, reduction in business travel and environmental footprint
- “Make a difference” campaign for employees across verticals

Contributing the Social Way



Addressing customer needs

- Providing best-in-class experience
- AI-based solutions and digital claim forms for instant renewals/claims
- Usage of cognitive computing to fasten claim processing, reducing overall response time
- Providing end to end digital solutions



Creating value for employees

- Hiring from diverse skill sets; Employee friendly policies
- Building capabilities in knowledge, skills and competencies through intense and customized training programmes at defined stages of employee career
- Building an inclusive culture and an enabling environment to perform and grow
- Driving a performance culture through differentiation and linkage to rewards



Enabling community awareness and development

- Aimed at community well-being in areas of skill development, sustainable livelihood, healthcare, road safety and wellness
- “Caring Hands” providing spectacles free of cost for children with poor vision
- “Ride to Safety” raising awareness for road safety and bringing about behavioral change
- “Niranjali” to educate children on safe drinking water and hygiene habits
- Initiatives towards Covid-19

Strong Governance



Robust Structure

- Optimum mix of Executive/Non-Executive Directors as per Policy on Board Diversity
- Performance evaluation of Board, Committees, Chairperson, Individual Directors
- ERM framework* for managing key core risks and robust internal Risk Governance framework of executive committees
- Dedicated ESG Committee^ to make a positive impact



Code of conduct

- Conducting business with highest standards of compliance and ethics
- Zero tolerance approach towards Fraud
- Policies like Prohibition of Insider Trading, Anti-Money Laundering
- Encouraging to report concerns through Whistle Blower Policy



Data protection

- Dedicated Information Security Council
- Enforcing leading practices and controls through effective Cyber security Policy and Framework
- Focused approach to cyber security with the triad of Confidentiality, Integrity and Availability (CIA) at the core of the information security framework

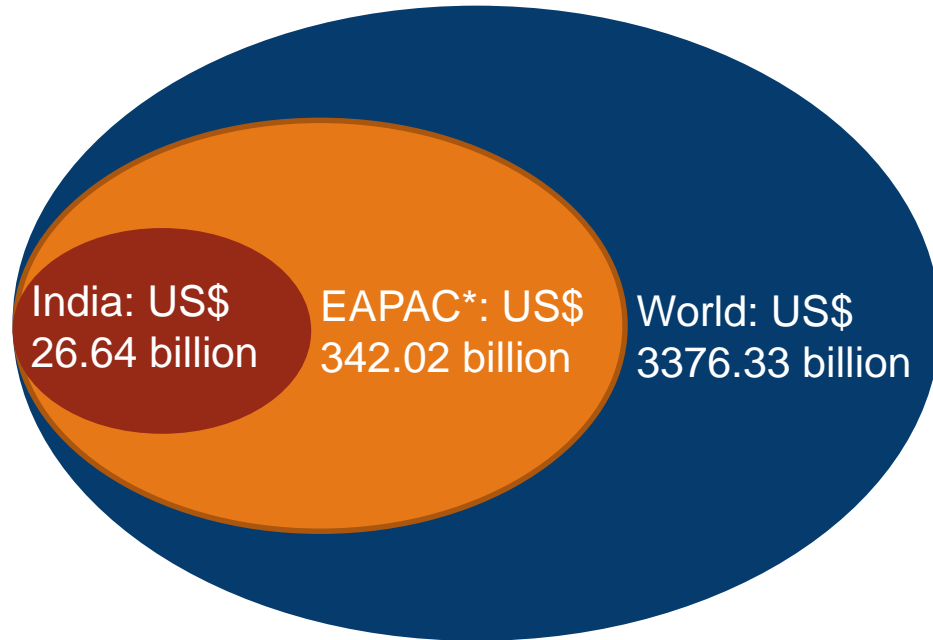
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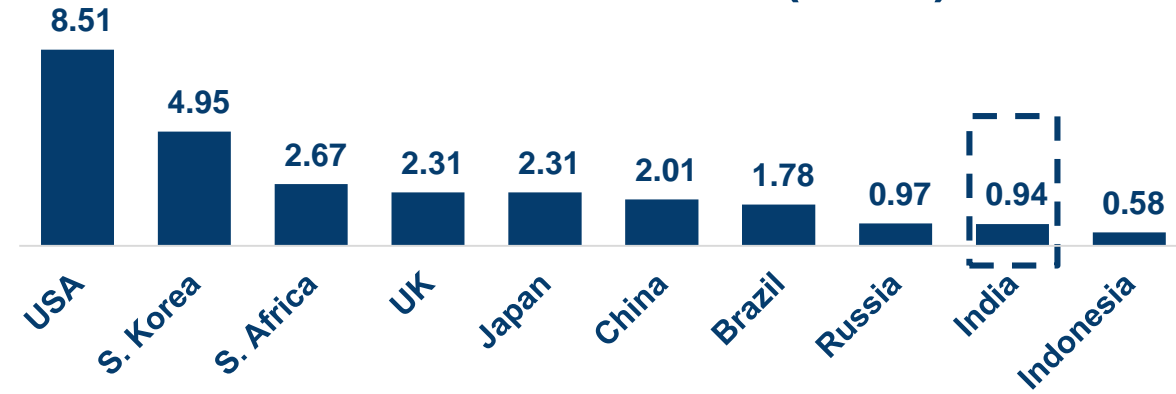
India Non - life Insurance Market - Large Addressable Market

Massive growth opportunity in non-life premiums

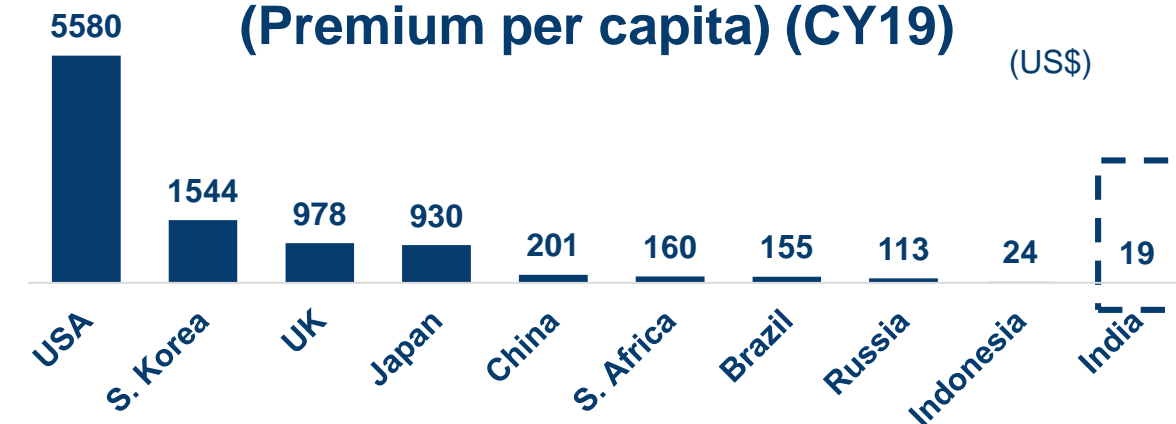


- 4th largest non-life insurance market in Asia and 15th largest globally
- Non-life Insurance penetration in India was around 1/4th of Global Average in 2019
- Operates under a “cash before cover” model

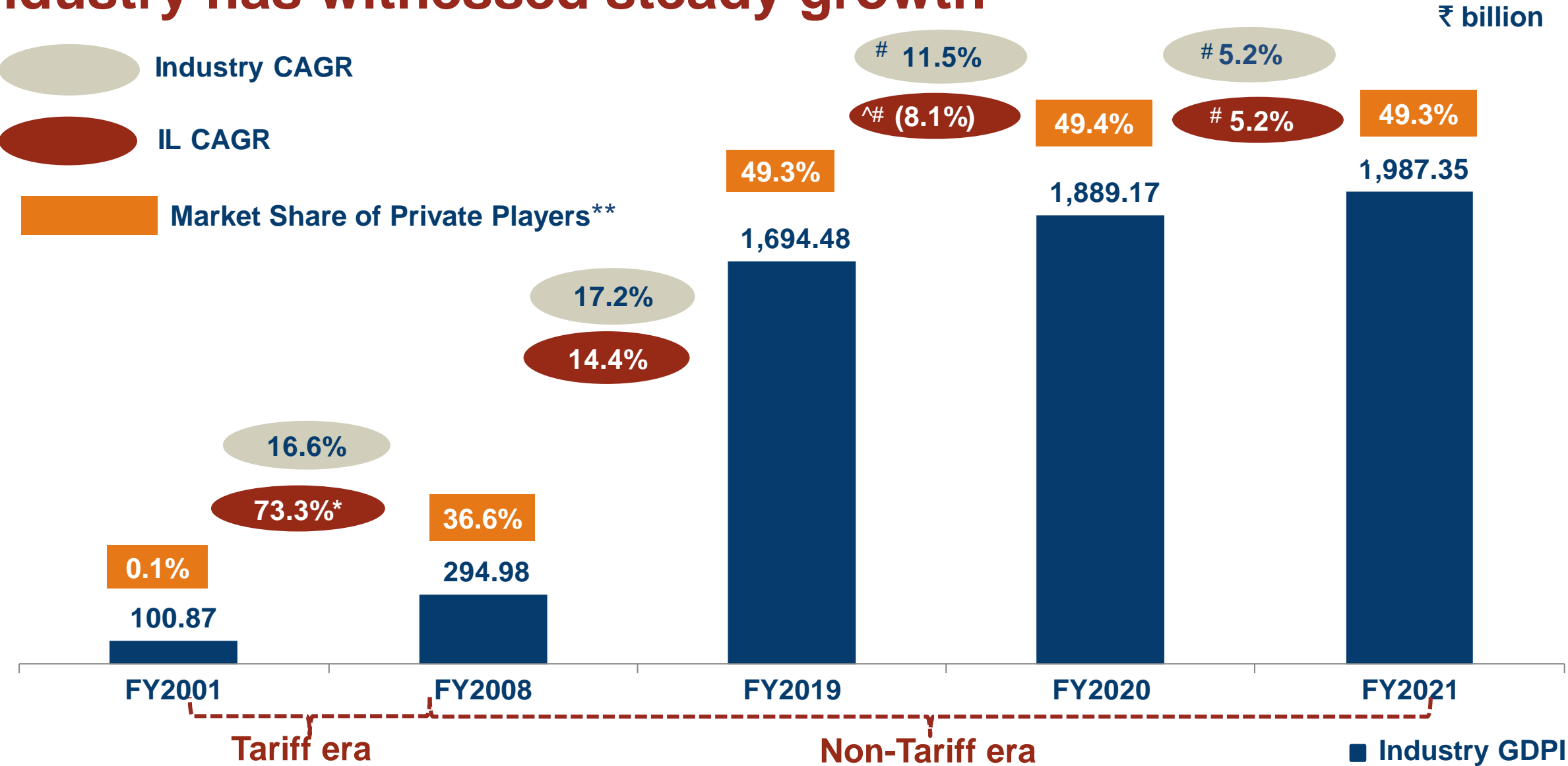
Significantly underpenetrated Premium as a % of GDP (CY19) (US\$)



Non-Life Insurance Density (Premium per capita) (CY19) (US\$)



Industry has witnessed steady growth



13 years CAGR : Industry – 15.8%; IL – 11.7%

*IL CAGR FY2003 – FY2008

**Excluding Standalone Health Insurers

^ Due to cautious approach on underwriting crop segment
#Growth

Thank you

Annexure



Loss Ratio

Particulars	FY2020	FY2021	Q42020	Q42021
Motor OD	68.9%	62.2%	66.8%	63.5%
Motor TP	84.4%	69.7%	78.5%	81.3%
Health, Travel & PA	69.9%	78.0%	70.8%	79.9%
Crop	110.6%	111.2%	111.4%	111.4%
Fire	64.0%	63.7%	55.4%	35.0%
Marine	65.3%	83.3%	67.7%	92.1%
Engineering	40.7%	57.7%	46.9%	34.9%
Other	51.8%	51.6%	50.8%	57.7%
Total	72.9%	68.6%	69.9%	71.7%

Abbreviations:

AI - Artificial Intelligence
API – Application Programming Interface
AY – Accident Year
BOT- Built-Operate-Transfer
CAGR – Compounded Annual Growth Rate
CCI – Competition Commission of India
CY – Calendar Year
EAPAC – Emerging Asia Pacific Markets
FY – Financial Year
G-Sec – Government Securities
GDP – Gross Direct Product
GDPI – Gross Direct Premium Income
GHI – Group Health Insurance
GIC – The General Insurance Corporation of India
GI Council – General Insurance Council
GWP – Gross Written Premium
IBNR – Incurred But Not Reported
IL / ICICI General / Company – ICICI Lombard
IMTPIP – Indian Third Party Insurance Pool

IoT – Internet of Things
IRDAI – Insurance Regulatory and Development Authority of India
ML- Machine Learning
NCLT- National Company Law Tribunal
NEP – Net Earned Premium
NWP – Net Written Premium
OD – Own Damage
PA – Personal Accident
PAT – Profit After Tax
PBT – Profit Before Tax
P&C – Property & Casualty
POS – Point of Sales
ROAE – Return on Average Equity
SEBI – Securities Exchange Board of India
SOP-Standard Operating Procedures
STP - Straight through processing
₹ - Indian Rupees
TP – Third Party
US\$ - United State's dollar
VO – Virtual Office

Impact of catastrophic events : Historical snapshot

₹ billion

Catastrophic Event	Year	Economic Losses	Insured losses*	Our Share of Insured losses
Cyclone Amphan*	2020	1,000.00	15.00	7.1%
Maharashtra, Gujarat, Karnataka, Kerala & other states Floods	2019	709.70**	20.00	3.4%
Cyclone Fani	2019	120.00	12.25	2.5%
Kerala floods	2018	300.00	25.00	2.7%
Chennai floods	2015	150.00	49.40	6.2%
Cyclone Hudhud	2014	715.00	41.60	2.2%
J&K floods	2014	388.05	15.60	2.6%
North-east floods	2014	393.30	15.60	***

* estimates based on market sources

**Aon Global Catastrophe Report

***There was no separate reporting of losses resulting from these floods since this did not rise to the level of a catastrophic event for us

Other sources : Google search & estimates

Reserving Triangle Disclosure – Total¹

Incurred Losses and Allocated Expenses (Ultimate Movement)

₹ billion

As at March 31, 2021	Prior	AY 12	AY 13	AY 14	AY 15	AY 16	AY 17	AY 18	AY 19	AY 20	AY 21
End of First Year	75.77	22.53	27.97	35.96	34.16	39.13	49.49	52.41	65.27	72.72	70.56
One year later	76.31	21.97	27.02	34.63	33.95	38.58	49.20	51.10	64.10	71.59	
Two years later	77.10	21.74	26.52	34.37	33.53	38.07	48.84	50.08	63.91		
Three years later	77.21	21.85	26.40	34.29	32.91	37.78	48.57	49.33			
Four years later	78.01	21.83	26.46	33.85	32.73	37.25	48.17				
Five years later	78.50	21.81	26.21	33.73	32.16	37.11					
Six years later	78.73	21.83	26.18	33.32	32.15						
Seven Years later	79.08	21.83	26.17	33.32							
Eight Years later	79.15	21.75	26.12								
Nine Years later	78.99	21.81									
Ten Years later	79.22										
Deficiency/ (Redundancy) (%)	4.6%	-3.2%	-6.6%	-7.3%	-5.9%	-5.2%	-2.7%	-5.9%	-2.1%	-1.6%	

Unpaid Losses and Loss Adjusted Expenses

As at March 31, 2021	Prior	AY 12	AY 13	AY 14	AY 15	AY 16	AY 17	AY 18	AY 19	AY 20	AY 21
End of First Year	11.67	7.98	12.01	17.32	17.10	20.44	26.84	32.58	37.37	37.98	35.74
One year later	6.41	3.33	6.11	9.70	11.58	14.06	16.86	18.03	27.01	27.48	
Two years later	5.59	2.46	4.72	7.92	9.61	11.46	13.04	15.00	19.23		
Three years later	4.60	2.12	3.84	6.73	7.80	9.69	10.67	13.15			
Four years later	4.51	1.76	3.39	5.58	6.77	7.93	9.44				
Five years later	4.04	1.47	2.77	4.82	5.49	7.22					
Six years later	3.66	1.28	2.42	3.94	5.14						
Seven Years later	3.40	1.08	2.12	3.60							
Eight Years later	3.00	0.87	1.92								
Nine Years later	2.43	0.87									
Ten Years later	2.50										

Reserving Triangle Disclosure – IMTPIP

Incurred Losses and Allocated Expenses (Ultimate Movement)

₹ billion

As at March 31, 2021	AY 08	AY 09	AY 10	AY 11	AY 12	AY 13
End of First Year						2.71
One year later					3.85	2.72
Two years later				4.49	3.85	2.73
Three years later			5.81	4.49	3.98	2.73
Four years later		6.16	5.81	4.63	4.12	2.74
Five years later	2.61	6.16	5.85	4.67	4.41	3.16
Six years later	2.61	6.46	5.96	4.99	5.12	3.17
Seven Years later	2.86	6.55	6.05	5.45	5.12	3.17
Eight Years later	2.95	6.69	6.55	5.45	5.12	3.23
Nine Years later	3.00	6.98	6.55	5.45	5.11	
Ten Years later	3.09	6.98	6.55	5.62		
Eleven Years later	3.09	6.98	6.61			
Twelve Years later	3.09	7.19				
Thirteen Years later	3.09					
Deficiency/ (Redundancy) (%)	18.5%	16.7%	13.8%	25.1%	32.6%	18.9%

Unpaid Losses and Loss Adjusted Expenses

As at March 31, 2021	AY 08	AY 09	AY 10	AY 11	AY 12	AY 13
End of First Year						2.67
One year later					3.41	2.30
Two years later				3.14	2.57	1.87
Three years later			3.17	2.38	1.98	1.37
Four years later		2.67	2.51	1.84	1.51	0.98
Five years later	0.86	2.05	2.03	1.32	1.22	1.13
Six years later	0.63	1.89	1.56	1.19	1.63	0.91
Seven Years later	0.72	1.50	1.26	1.31	1.29	0.71
Eight Years later	0.65	1.23	1.39	1.03	1.02	0.66
Nine Years later	0.55	1.19	1.07	0.78	0.91	
Ten Years later	0.52	0.89	0.78	0.79		
Eleven Years later	0.43	0.63	0.73			
Twelve Years later	0.32	0.69				
Thirteen Years later	0.28					

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; 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 Bank and we undertake no obligation to update forward-looking statements to reflect events or circumstances after the date there.