

Aditya Birla Health Insurance Limited
Health Insurance Business



**ADITYA BIRLA
CAPITAL**

PROTECTING INVESTING FINANCING ADVISING

1

Strength of Aditya Birla Capital

2

ABHI Performance & achievements and Forward looking strategy, plans and targets

Backed by strong blue-chip parentage



adityabirlacapital.com

One of India's most trusted, respected & leading business conglomerates; 150+ years of heritage

Figures in Rs Crore

A global multinational

Operating in **36 countries** across **5 continents**
~**50% revenues** from overseas operations

Customer & employees

Serves **300+ million customers**
120,000+ employees across **42 nationalities**
Best Employer 2020 (Forbes)



ADITYA BIRLA GROUP

\$46bn+ Group revenue; Mkt cap of \$56bn¹

Top 3 Globally

#1 – Aluminium Rolling
#2 – Viscose Staple Fibre
#2 – Carbon Black

#1 in India

#1 – Cement Manufacturer
#1 – Branded Apparel Retailing
#1 – Chlor Alkali



20mn+ active customers



Pan-India presence with 850+ branches across 400+ cities



c.US\$3.4bn+¹ market cap



ADITYA BIRLA CAPITAL

PROTECTING INVESTING FINANCING ADVISING

Offering comprehensive money solutions for individuals & businesses



200,000+ agents & channel partners; 340+ banks & national distributors



~US\$43 bn² AUM (AMC & Insurance)
~US\$ 8 bn Lending Book



Among Top 5 Fund Manager in the country; AAA rated

Advantages of the ABC platform



Diversified platform allowing us to capitalize on multiple opportunities and delivering strong earnings through the cycle



Strong parentage and brand with recall and appeal across the country



Pan India multi channel distribution network, allowing our customers to access us as they choose



Integrated risk management and robust processes allowing us to mitigate risk



Talented employee pool with strong domain expertise and a mix of experience and youth



Large customer eco system and analytics provides basis for deepening customer relationships through cross sell



Focus on technology to grow revenues, reduce costs, build scalable processes and create best in class customer experience



Ability to synergise so as to reduce costs, transport best practices and scale quickly.

Our Scale

Rs 3.4 Lac Crore

Total AUM

22,500+

Employees

Rs 60,557 Crore

Total Lending Book

861

Branches

Rs 11,076 Crore

Total GWP

2 Lac+

Agents & Channel Partners

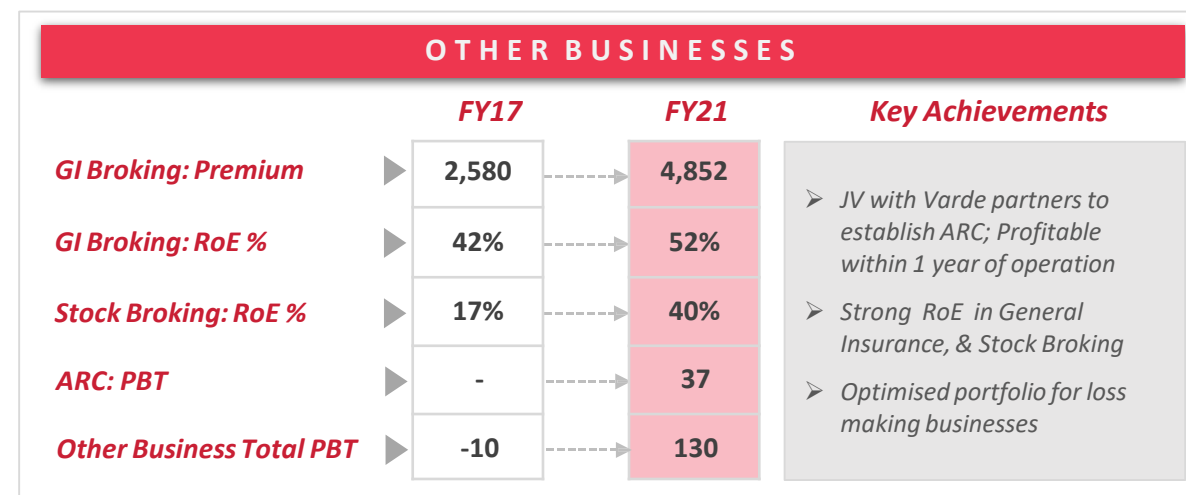
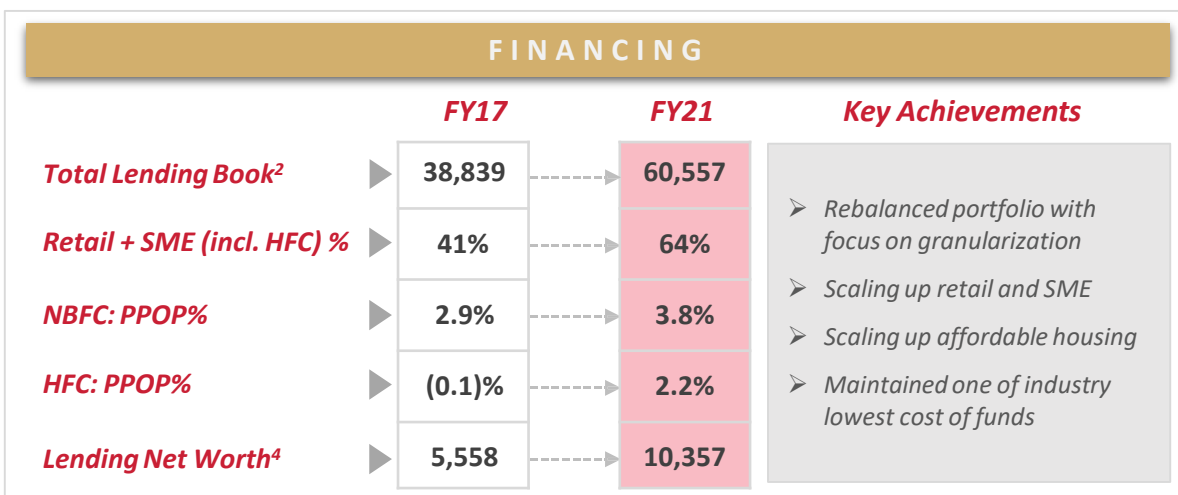
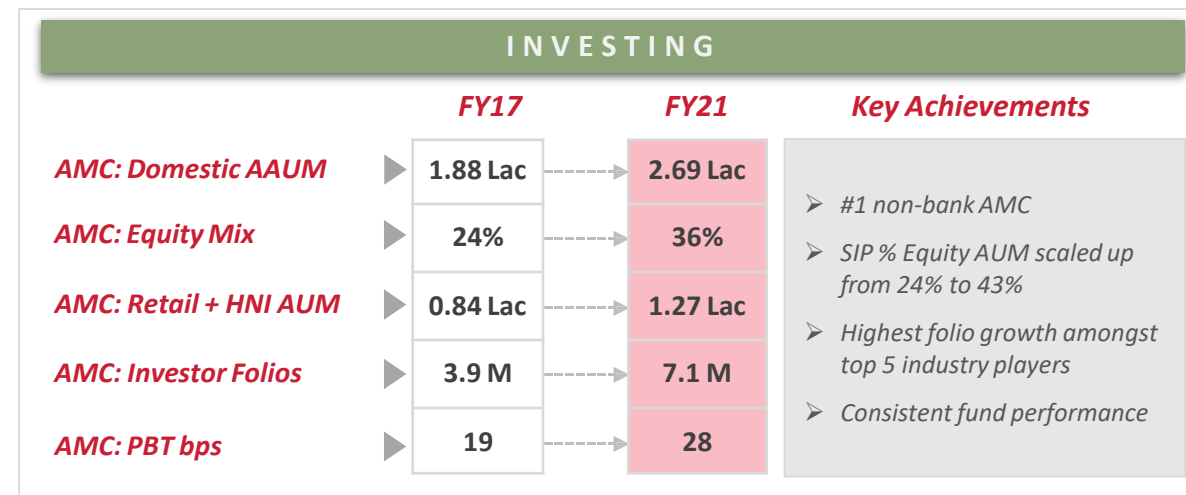
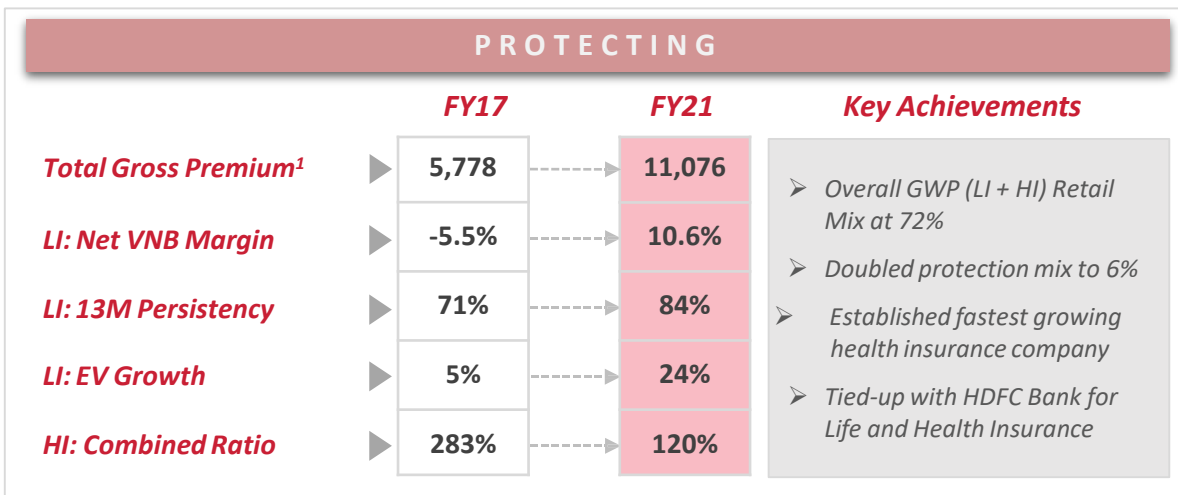
24 Mn

Active Customers

100+

Bank Partners

Strong track record in building scale, retailization & profitability



¹ for Life Insurance and Health Insurance businesses

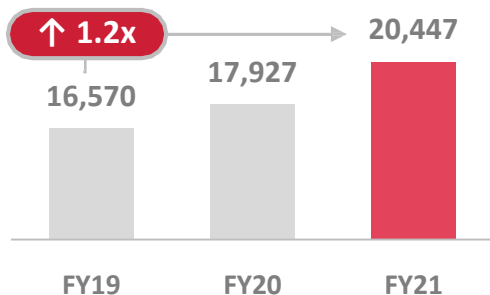
² Including NBFC and HFC

Strong financial performance

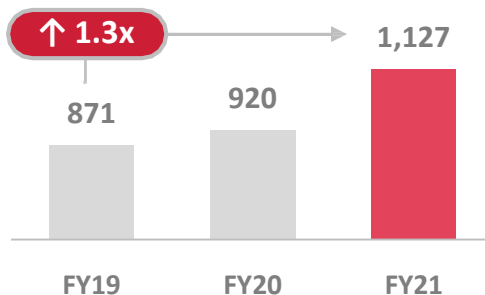


Strong Financial Delivery

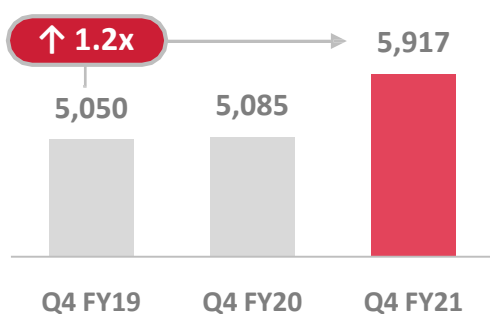
Revenue¹ (FY) ↑ 14% y-o-y



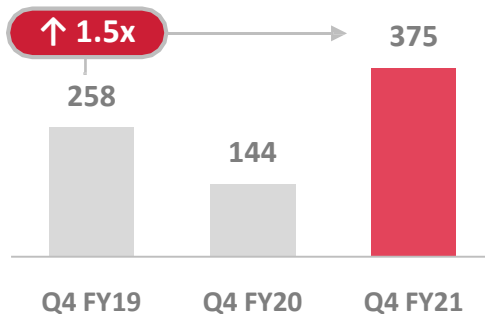
PAT (FY) ↑ 22% y-o-y



Revenue¹ (Q4) ↑ 16% y-o-y



PAT (Q4) ↑ 2.6x y-o-y



Business-wise PAT performance

Businesses (INR Crores)	FY20	FY21
NBFC	805	769
Asset Management	494	526
Life Insurance	103	102
Housing	103	137
General Insurance Broking	31	53
Stock & Securities Broking	12	16
ARC	23	28
Profitable Businesses PAT	1,572	1,631
Health Insurance	(246)	(199)
Less: Interest Cost	(77)	-
Less: Brand & Marketing	(40)	(9)
Less: Others ² / Eliminations	(102)	(59)
Less: Minority Interest	(187)	(237)
Consolidated PAT	920	1,127

¹ Consolidated segment revenue ; for Ind AS statutory reporting purpose Asset management and wellness business are not consolidated and included under equity accounting

² Includes ABCL standalone (ex-interest and brand expenses), Online Personal Finance, Private Equity,, ABMM and other businesses

Awards and Accolades



Other noteworthy awards for Aditya Birla Capital and its subsidiaries in 2020 & 2021

<i>'Best Digital Wealth Management' Asia Asset Management Best of the Best Award, 2020</i>	<i>FICCI Insurance Industry Awards 2020 for Comprehensive Maternal & Child healthcare (CSR Programs)</i>
<i>'Best Overall Loyalty Program' 14th Customer Fest Awards, 2020</i>	<i>Best Campaign of the Year in BFSI, ET Brand Disruption Awards, 2021</i>
<i>Golden Peacock Award for Excellence in Corporate Governance 2019- Institute of Directors, Delhi</i>	<i>AAA Asset Award for Best Trade Finance Solution, 2021</i>

Developed and Implemented Scorecards to assess ESG risks

Signed up for United Nations Women Empowerment Principles

1 Strength of Aditya Birla Capital

2 **ABHI Performance & achievements and Forward looking strategy, plans and targets**

Performance Summary | Health Insurance | AB Health Insurance Co

1 Fastest growing Health Insurer

- **Fastest growing HI:** FY21 growth at 49% vs Industry: 16%, SAHI: 32%
- **FY21 Total GWP at Rs 1,301 Crore** (LY: Rs 872 Crore), **Retail mix at 72%** (PY: 72%)
- **FY21 Retail GWP at Rs 940 Crore;** ↑ 1.5x of PY
- **FY21 Total Lives covered: 13.4 Mn** (LY: 8.3 Mn.)

2 Strong Financial Management

- **Strong financial management:** Combined Ratio ↓ to 119.8% (PY: 134.4%)
- **Q4 FY21 exit combined ratio at 107%; lowest ever in ABHI history**
- **Q4 FY21 loss at Rs 23 Crore** (PY: Rs 58 crore)

3 Unique and Differentiated health first Business Model

- **Differentiated core offerings** like incentivized wellness with Industry first **100% return of premium** (HealthReturns™)
- Health-data based **WellBeing Score** Live for 5.3Lac + customers | Early success in hyper-personalized engagement with 30%+ customers (11% in Q3)
- Business outcomes: 20% higher retention, 6% lower claims ratio

4 Scaled & Diversified Digitally Enabled Distribution

- **Diversified distribution mix** enabling access to large customer segments | Banca mix 64% of retail (PY 64%) | Agency growth at 50%
- **70+ digital, rural & MFI partners** with 9.8Mn+ lives
- **Proven digital capability** of providing multi million byte size coverages per month to a cab aggregator, travel company, telecom provider etc.

5 Leveraging Digital, Data & Analytics

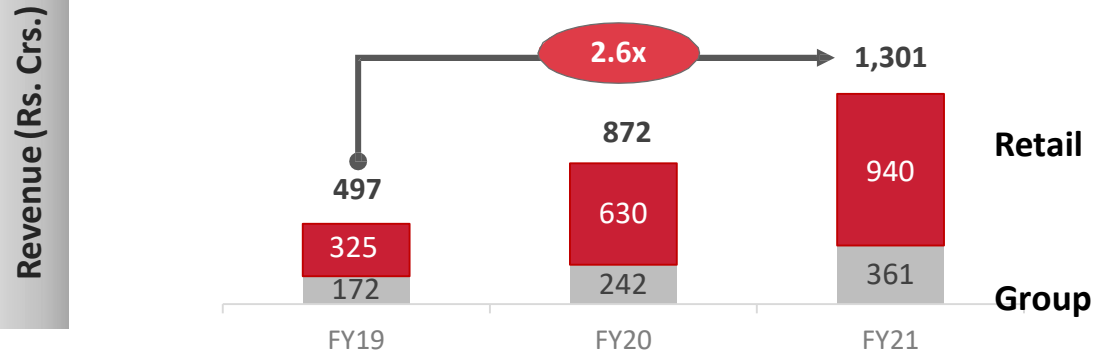
- **Digitally enabled analytics led acquisition & retention** | Increasing digital touchpoints | **Digital Issuance: 98%** (PY: 93%) | **Digital Renewals: 92%** (PY: 78%)
- Analytics led PASA campaign & ML based cross-sell
- Propensity based voice bot enabled renewal journey

6 Risk Management

- **Holistic Health Risk Management** covering Right Sourcing & benefit management, Provider network management, Claims and Clinical Risk management protocols
- **Real time AI/ML** enabled fraud, Waste and abuse management engine
- **Leveraged ABC ERM framework** including managing scale induced operational risks

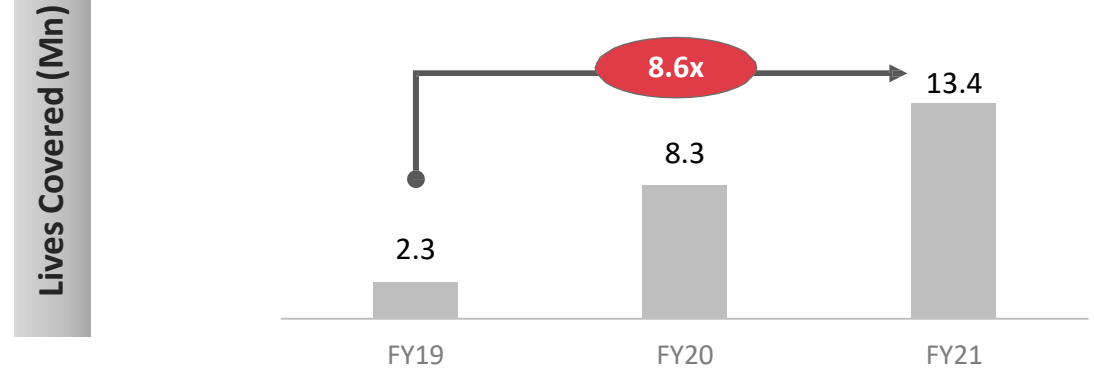
GWP growth at 49% y-o-y

Retail GWP grew to 1.5x of PY (Retail Mix at 72%)



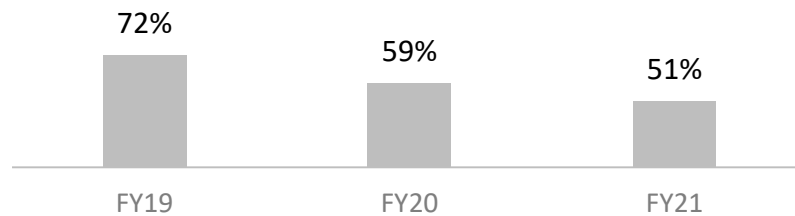
Lives covered growth at 61% y-o-y

9.8 Mn+ through rural & micro/byte-sized products



Holistic health risk management

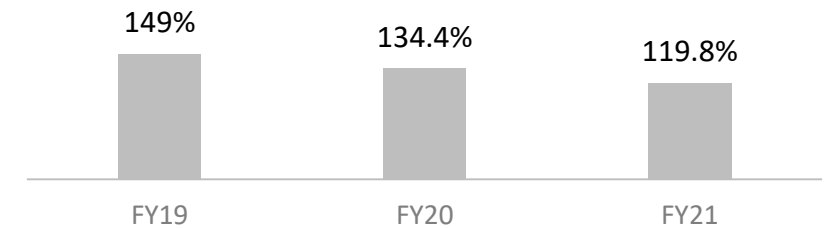
Claims Ratio



Q4 FY21 exit combined ratio at 106.6%

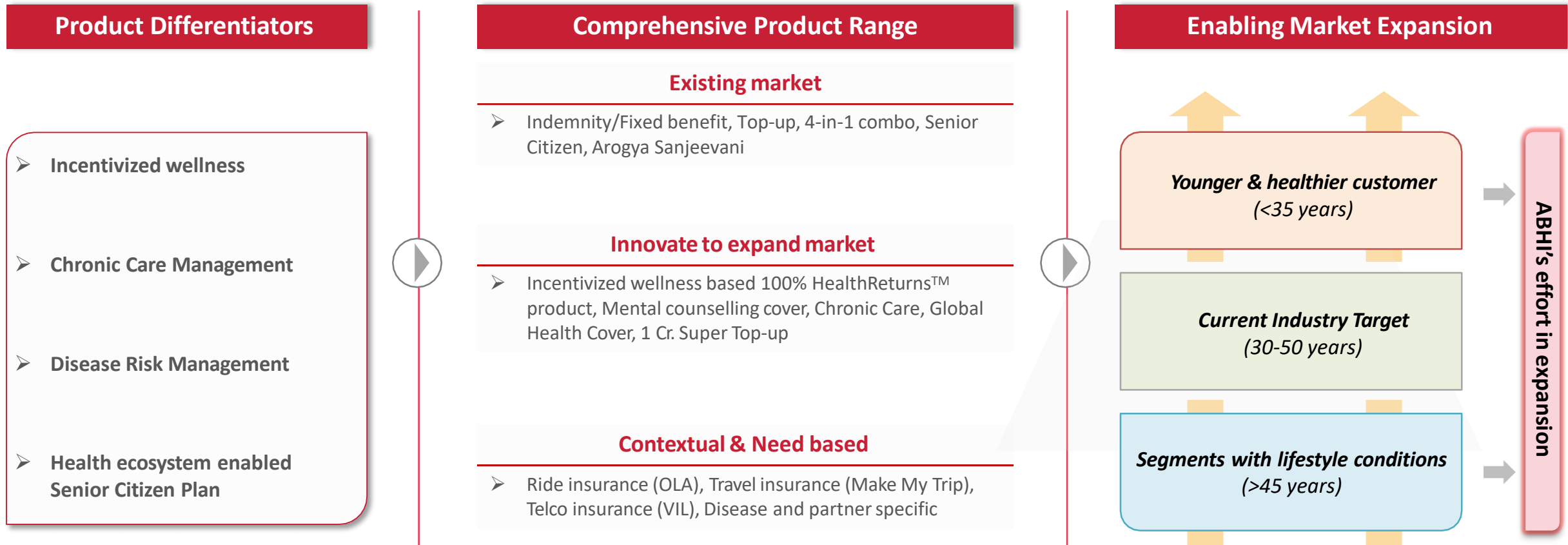
Combined Ratio trending as per plan

Combined Ratio



GWP is as per ABHI Financials

Diversified product suite with differentiated health first offerings enabling market expansion



Health data based hyper-personalized engagement..2/2

Health Ecosystem enabled through key partners for services like doctor on call, telemedicine, nutritionist, mental wellness, homeopathy and others

Q4 Engagement Outcomes¹

5.3lac + customers
WellBeing score live

37%
App log-ins

Business outcomes

20%
Higher retention

6%
Lower Claim ratio

Health Data

150+ health data points



- Data Source:**
- Profile & Policy Data
 - Health / Wellness
 - Claims / Servicing

WellBeing Score

Holistic health score



Risk Stratification based hyper-personalized recommendation

Very High Risk
Critical condition

- ✓ 2nd opinion
- ✓ Health / Lifestyle coach

High Risk
Hospitalization event

- ✓ Health chat-bot
- ✓ Online pharmacy & diagnostics

Medium Risk
Chronic Condition

- ✓ Doctor Network
- ✓ Telemedicine

Low Risk

- ✓ Nutrition
- ✓ Homeopathy
- ✓ Dental care

Healthy

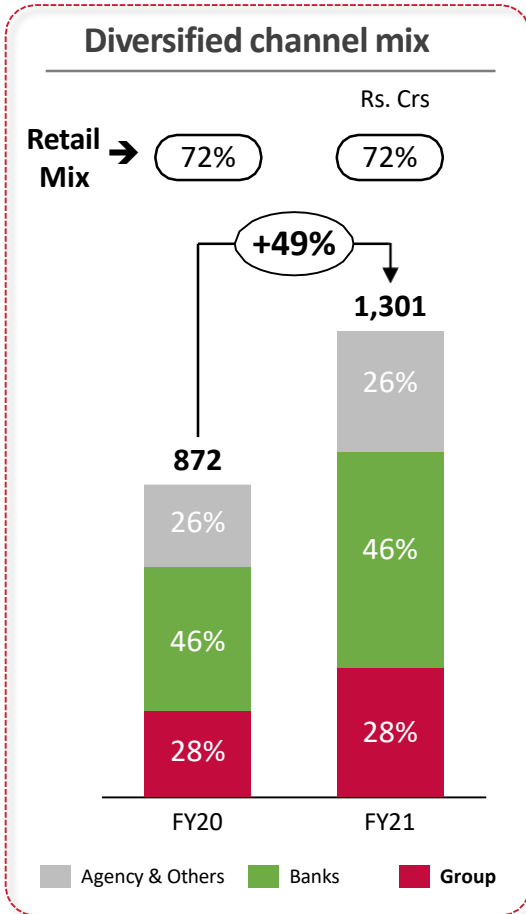
- ✓ Healthcare at home
- ✓ Mental wellbeing

Recommendations

¹Attributable to Retail Indemnity customers

Scaled-up, diversified and digitally enabled distribution

Multi-channel & Digitally enabled distribution



➤ **Agency:** Scalable channel with 140 branch locations | Agency GWP ↑ +1.5x of PY | ABC synergy → agent base expansion

➤ **Bancassurance:** 9 partners → 14,000+ branches | Large banks → 50%+ banca ↑ | Banca mix at 64% of retail

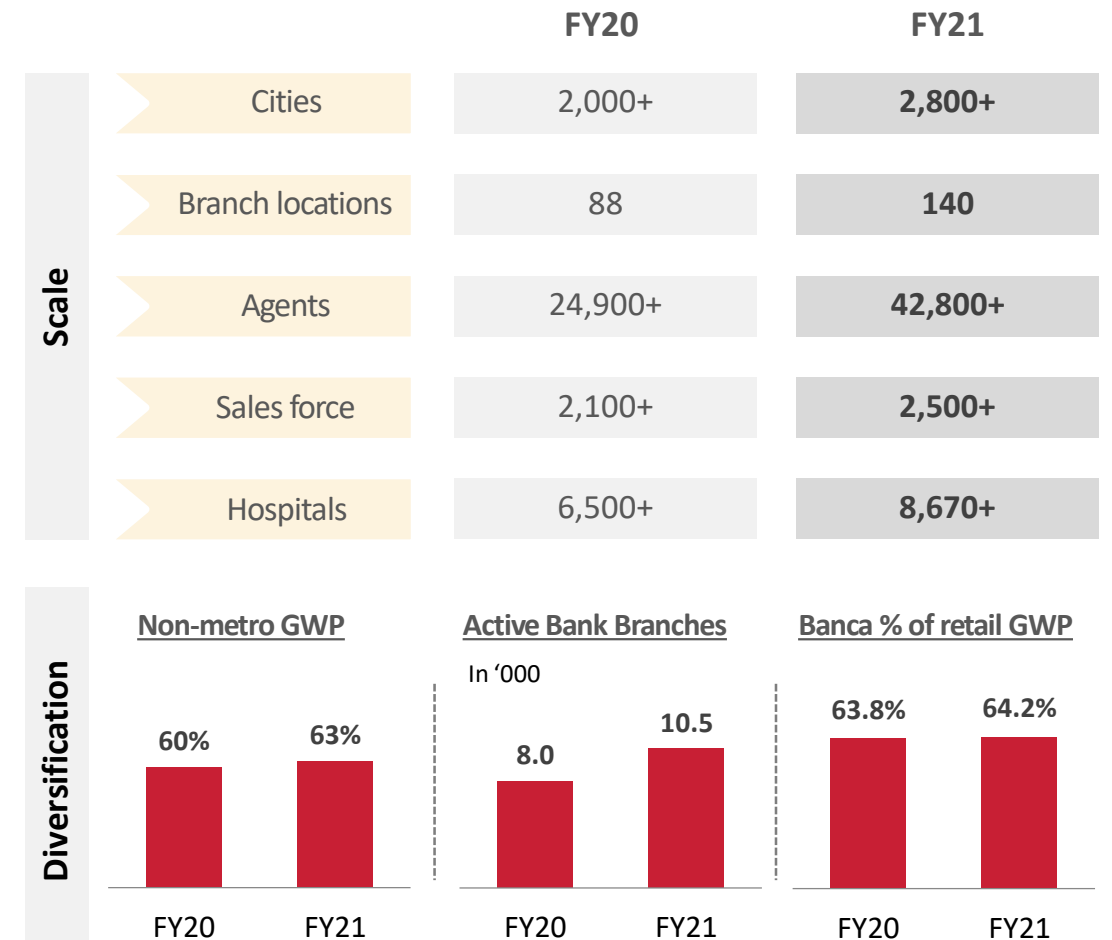
➤ **Leveraging Digital partnerships:** 38+ partners covering 4Mn.+ lives | 50+ byte-size and contextual products

➤ **Rural & MFI* Partners:** 35+ partners covering 5Mn.+ lives

➤ **Dedicated ABG focused channels** showing good results

*MFI: Micro-Finance Institutions

Diversified and scaled network



Leveraging technology and data analytics in Health Insurance



Strong Digital KPIs with focus on scalability, superior customer servicing and use of data analytics to cross-sell

Digital Issuance

98%

Advisor Onboarding

100%

Self-servicing

↑81%

Digital Renewal

92%

Prospecting / Selling



Digital marketing campaigns: 17k+ leads, 4.2lac+ engaged



Health Awareness: Active Living Blog (10 lac+)



Analytics led PASA campaign & ML based cross-sell

On-boarding



Personalized digital training for advisors



Digital touchpoints across banks: **API Integrations; 4-click journey live**



Co-Browsing on buy journey | **Voice bot enabled Welcome calling**

Engagement & Self-Service



Multi-lingual App | ABHI Website 2.0 | IVR bot



Claims self-servicing through WhatsApp & Web



Multi-lingual AI Chat-bot & WhatsApp: 18+ services

Retention/ Renewals



Analytics led up-sell model; **Propensity based voice bot enabled renewal journey**



Renewal focused campaigns in banks



Deep partner ecosystem integration; **Omni-channel click-thru renewal journey**

Note: IVR : Interactive Voice Response; VDI: Virtual Desktop Infrastructure; MDP – Multi Digital Platform ; Data as of December 31, 2020

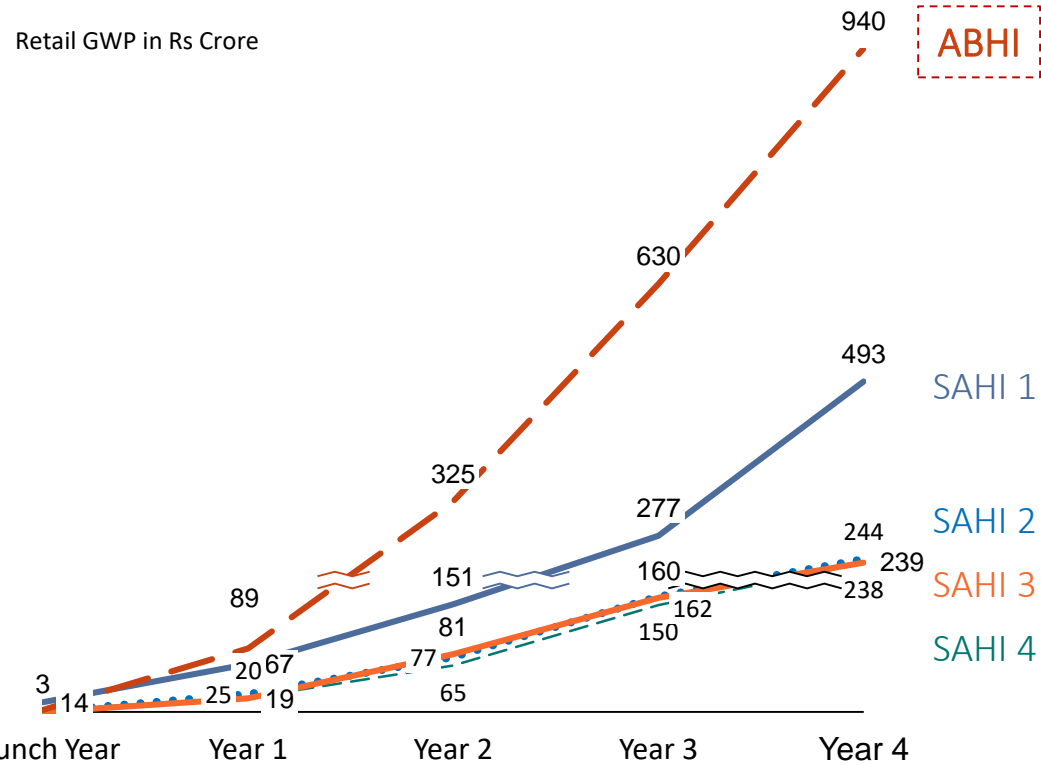
Delivering robust performance for a young business



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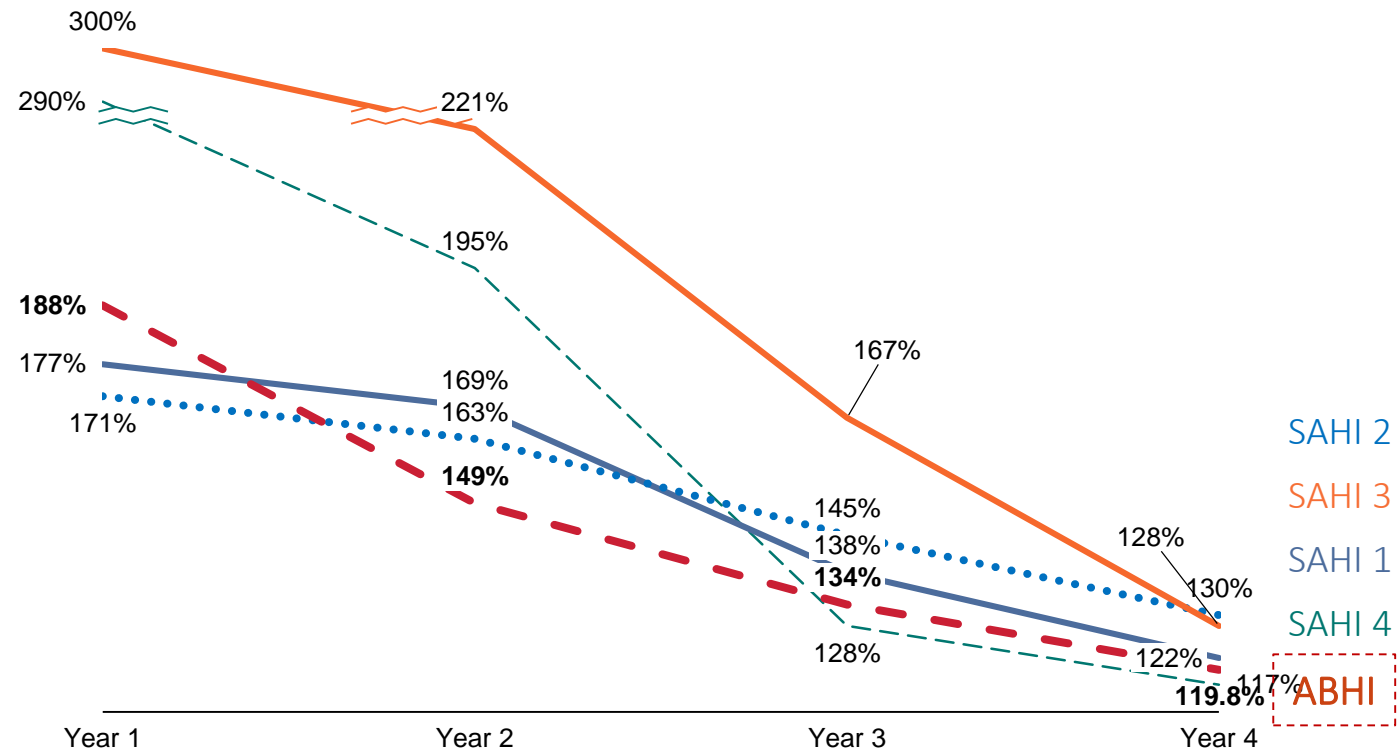
Retail GWP : ABHI Vs. Peers

Fastest growth amongst SAHI players since start of operations



Combined Ratio: ABHI Vs. Peers

Fastest Road to breakeven amongst SAHI players since start of operations



FY 24 GWP Target: ~ Rs 3,200 - 3,500 Cr.

Key Financials – Aditya Birla Health Insurance Limited



Quarter 4		Figures in Rs Crore	Full Year	
FY 19-20 (PY)	FY 20-21 (CY)		FY 19-20 (PY)	FY 20-21 (CY)
		Key Performance Parameters¹		
245	308	Retail Premium	630	940
81	133	Group Premium	242	361
326	441	Gross Written Premium	872	1,301
296	428	Revenue	803	1,214
116.2%	106.6%	Combined Ratio	134.4%	119.8%
(58)	(23)	Profit Before Tax (IND AS)	(246)	(199)

¹ Financials for Aditya Birla Health Insurance include Aditya Birla Wellness Private Limited

Thank You