

Date: May 01, 2022

Place: Chennai

Ref: SHAI/B & S/SE/22/2022-23

To,
The Manager
Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400001
Scrip Code: 543412

To,
The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot C/1,
G Block, Bandra-Kurla Complex
Mumbai – 400051.
Scrip Code: STARHEALTH

Dear Sir/ Madam,

Sub: Investors and Analyst conference call presentation - March 31, 2022

Further to the Company's letter dated April 28, 2022 regarding intimation of Q4 and FY 22 Earnings Call please find enclosed the Investor presentation on performance of the Company, to be made to the Investors and Analysts on Monday, May 01, 2022 for the quarter and year ended on March 31, 2022.

This is for your kind information.

Thanking You,

For Star Health and Allied Insurance Company Limited,



Jayashree Sethuraman,
Company Secretary & Compliance Officer



FY2022 PERFORMANCE REVIEW

April 2022

Agenda

- 1 Our Strategy
- 2 Performance Update
- 3 Industry Overview
- 4 ESG: Strategy and Implementation Areas

Agenda

- 1 **Our Strategy**
- 2 Performance Update
- 3 Industry Overview
- 4 ESG: Strategy and Implementation Areas

Key pillars of our Strategy

1	Leadership in Retail Health	33% Retail Health Insurance Market Share	INR ~115 billion GWP with 22% growth Y-o-Y
2	Well Spread Distribution Network	24% CAGR in no. of agents since FY19 to 0.55 million	807 Branches
3	Investment in Technology	60% premium value issued digitally	INR 7.2bn GWP acquired from online channels
4	Diversified and Specialized Product Suite	Specialized Products contribute 15.1% of Star Health's total retail health GWP	
5	Focus on Risk Management	12k+ Network Hospitals	64% claims processed through ANH
6	Superior Operating Performance	Solvency Ratio at 1.67x	Best-in-class Opex/GWP Ratio of 16.0%

Agenda

- 1 Our Strategy
- 2 **Performance Update**
- 3 Industry Overview
- 4 ESG: Strategy and Implementation Areas

Key Performance Indicators (1/2)

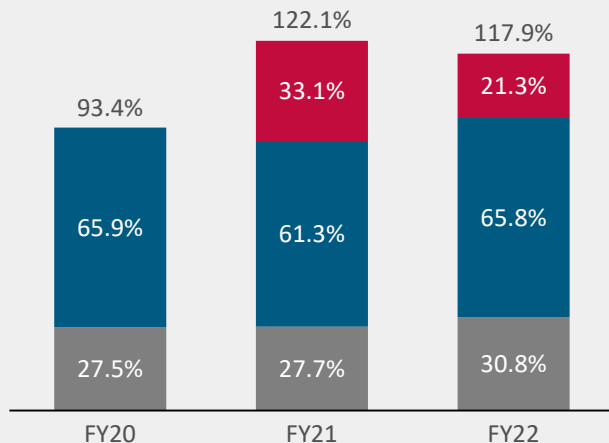
Particulars	Fiscal Year Ended March 31,		
(INR millions, unless otherwise stated)	2020	2021	2022
GWP	68,651.4	93,885.4	1,14,634.7
Period-on-period growth of GWP	27.1%	36.8%	22.1%
Retail Health Renewal Premium Ratio	94.5%	97.9%	94.0%
Number of agents (in '000s)	360.6	462.4	549.5
Number of hospitals in network (in actual number)	9,964	10,871	12,820
Investment Income	2,935.3	4,236.8	7,928.2
Investment Yield	7.6%	7.1%	8.2%
Net worth	18,888.0	34,843.4	45,133.8
Return on equity	15.6%	-40.4%	-26.0%

Return on Equity = Profit After Tax/Average Net Worth

Note: FY2021 and FY2022 numbers are basis 1/365 URR method

Key Performance Indicators (2/2)

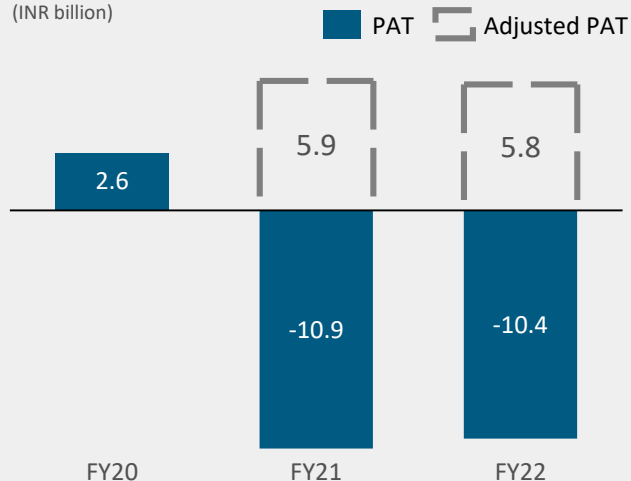
Claim, Expense and Combined Ratio



■ Adjustment impact
 ■ Adjusted Loss Ratio
 ■ Expense Ratio

Profit After Tax (PAT)

(INR billion)

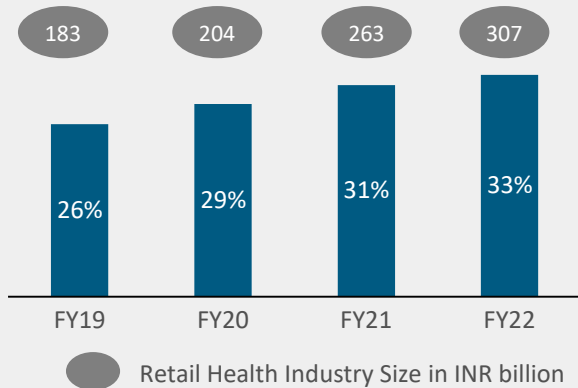


Note: Adjustments for FY21 excludes impact of exit from VQST reinsurance, clean cut URR, change in URR accounting to 1/365 basis, exceptional COVID -19 claims impact, One time expenses (Sweat Equity, Intangibles – IT Software, Provision for Doubtful Debts (RSBY) and Goodwill Gesture Scheme); Adjustments for FY22 excludes COVID-19 claims impact, Non business ESOP cost

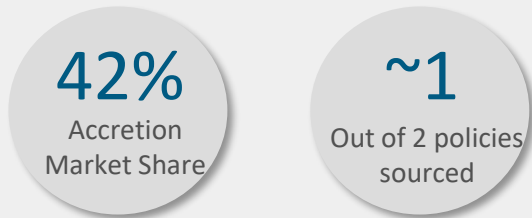
Note: FY2020 is basis 50% URR method; FY2021 and FY2022 numbers are basis 1/365 URR method

1 Leadership in Attractive Retail Segment

Retail Health Market Share

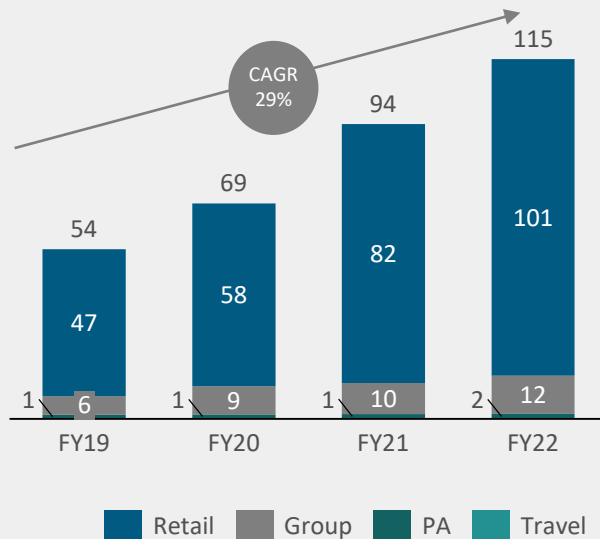


Retail Health Accretion Market Share, FY22



Gross Written Premium

(INR billion)

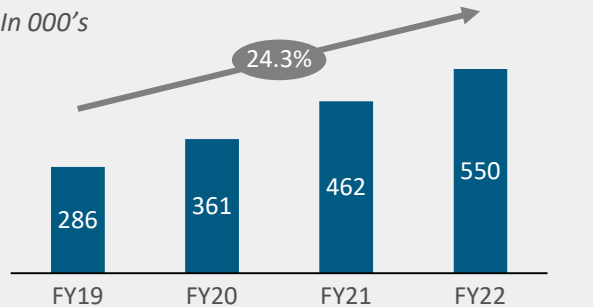


2

Largest and Well Spread Distribution Network

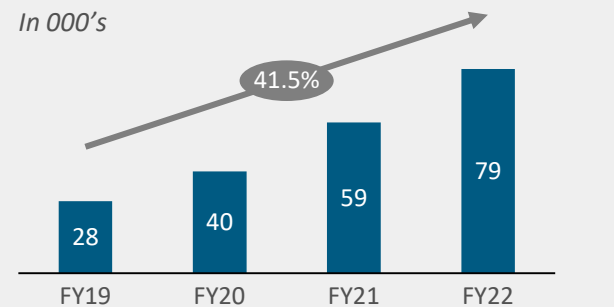
Total Agency Force

In 000's



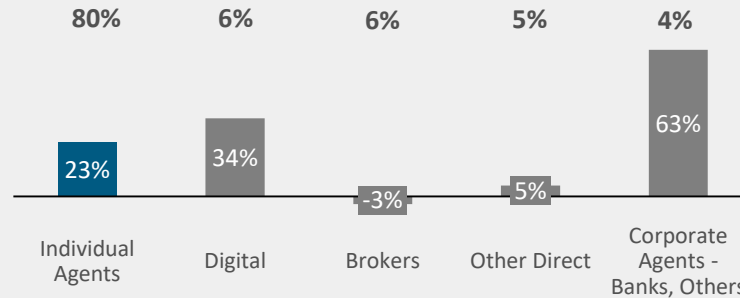
Sponsored Health Agency Force

In 000's



Channel wise Growth, FY22

FY22
Channel Mix



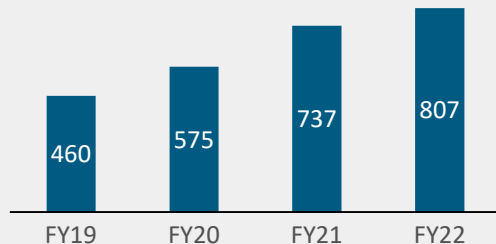
Note: Brokers excludes online brokers such as Policybazaar

2 Our Agency network effect gives us a sustainable flywheel



Extensive Footprint and Alternate Distribution Channels

Extensive Branch Network

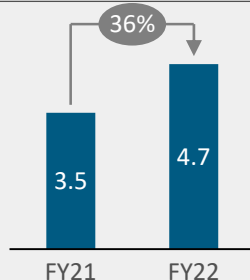


Well distributed footprint across
enables Pan-India growth

Focus on SME Group Health Sales

INR billion

39%
SME
contribution



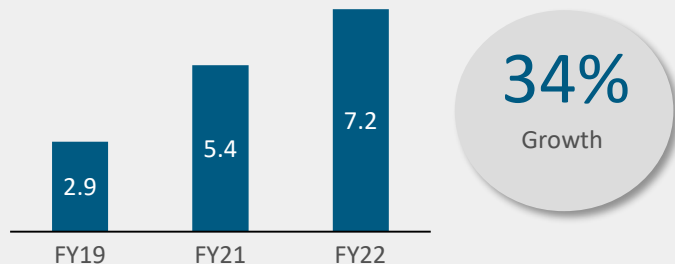
Partner Integration



3 Impressive Digital Growth

Digital Acquisition

GWP acquired through online channels, INR 'billion



Hyper-personalization

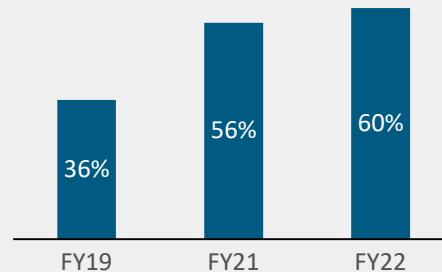
STAR POWER - personalized single channel customer self-service application

1.5mn

Customer App downloads

Digital Issuance

% of premium collection



Digitizing Customer Acquisition

STAR ATOM agents app had 0.45 mn downloads

Note: Digital includes web-sales, tele-sales, web aggregators and online brokers

3 Digital touches every facet — from pre-purchase to claims

Pre Purchase



Purchase – Agent and Customer app



Service



24 hour Helpline -
1800-425-2255/
1800-102-4477



Twinkle Chatbot
through the website

Claims - Reporting & MIS



Diversified and Specialized Product Suite

Key Products



Star Cancer Care Policy



Star Cardiac Care Policy



Star Diabetes Safe Policy



Star Senior Citizens Red Carpet Health Insurance Policy

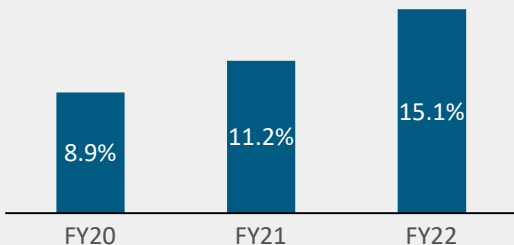


Young Star Policy



Women Care Policy

Retail Premium Mix for Specialized Products (%)



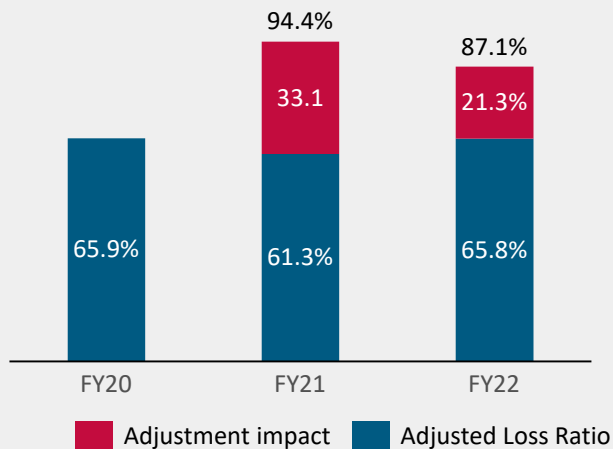
Innovative Policy Coverage:

- Air Ambulance Cover
- Bariatric Surgery
- Transplantation
- New Born Cover / ART
- Rehabilitation / Hospice Care

Note: Specialized products include disease and age specific products like Cancer care, Cardiac Care, Diabetes Safe, Senior Citizen Red Carpet, Women's Care and Young Star

5 Strong Domain Expertise Driving Superior Claims Ratio

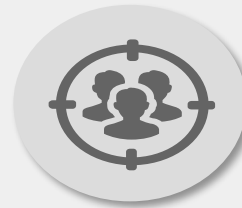
Net Incurred Claims Ratio⁽¹⁾



Increasing Sum Assured



Fraud Analytics



Centralised Medical Underwriting



Higher share of Agreed Network Hospitals



Note: Adjustments for FY21 excludes impact of exit from VQST reinsurance, clean cut URR, change in URR accounting to 1/365 basis, exceptional COVID -19 claims impact; Adjustment for FY22 excludes COVID-19 claims impact

Note: (1) Net incurred claims ratio is defined as net incurred claims divided by net earned premium.

Note: FY2020 is basis 50% URR method; FY2021 and FY2022 numbers are basis 1/365 URR method

5 Extensive Claims Processing and Network Negotiation

7.5mn

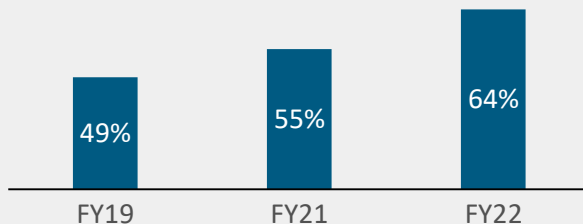
Claims Settled
Since Inception⁽¹⁾

89%

Cashless
authorization < 2 hr

Increased ANH⁽²⁾ Share...

Proportion of total cashless claims



12K+

Network
Hospitals

- Largest Hospital network
- Valuable service provider (VSP) introduced to improve TAT's, Best pricing, transparency etc.
- Disciplinary Action on Erring Hospitals

~7 lakh

Total Tele-
Consultations



Tele-Consultation & Wellness

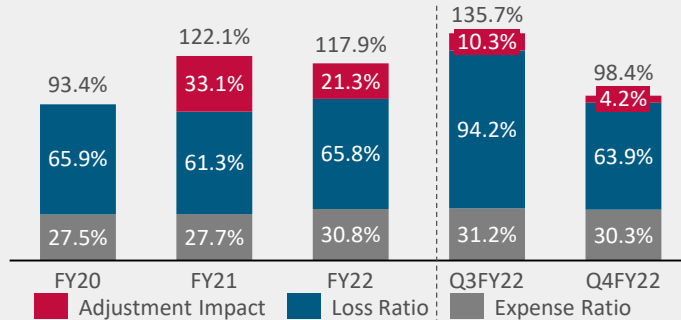
TALK TO STAR reduces claims costs by helping with second opinions as well as alternative medical solutions

Note: (1) Data as of Mar 31, 2022 (2) ANH refers to Agreed Network Hospitals with better negotiated package based pricing.

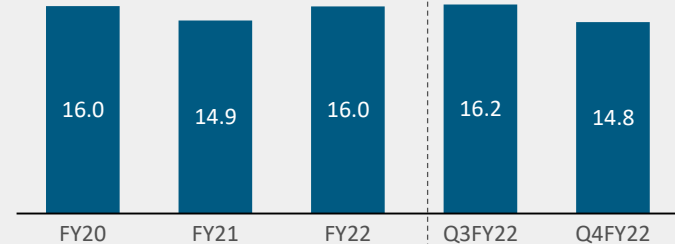
6

Financial Performance

Combined Ratio

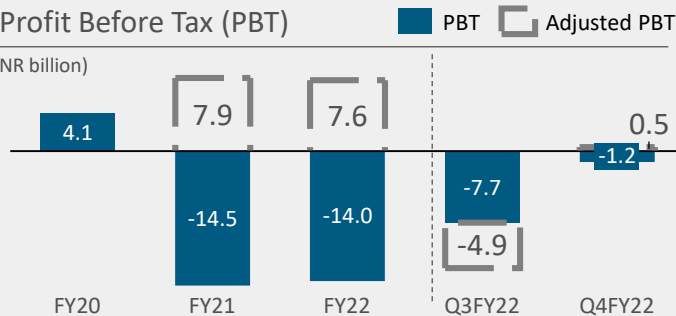


Opex/GWP Ratio



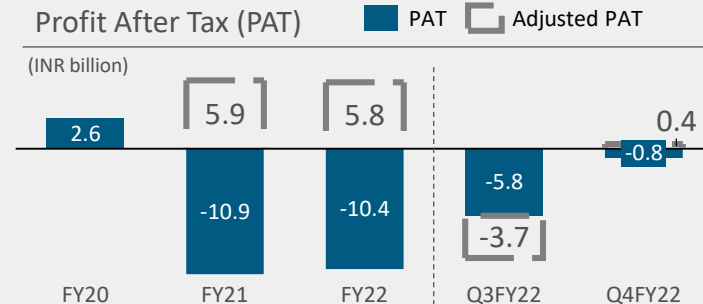
Profit Before Tax (PBT)

(INR billion)



Profit After Tax (PAT)

(INR billion)

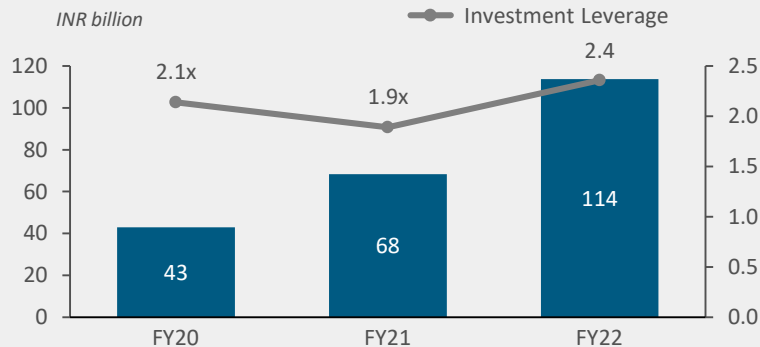


Note: Adjustments for FY21 excludes impact of exit from VQST reinsurance, clean cut URR, change in URR accounting to 1/365 basis, exceptional COVID-19 claims impact, One time expenses (Sweat Equity, Intangibles – IT Software, Provision for Doubtful Debts (RSBY) and Goodwill Gesture Scheme); Adjustments for FY22 excludes COVID-19 claims impact, Non business ESOP cost

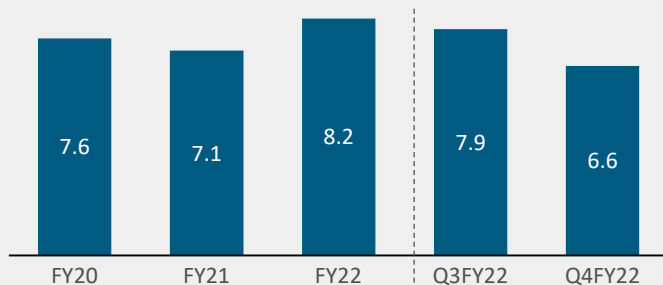
Note: FY2020 numbers are basis 50% URR method; FY2021 and FY2022 numbers are basis 1/365 URR method

6 Robust Investment Performance

Total Investments Assets

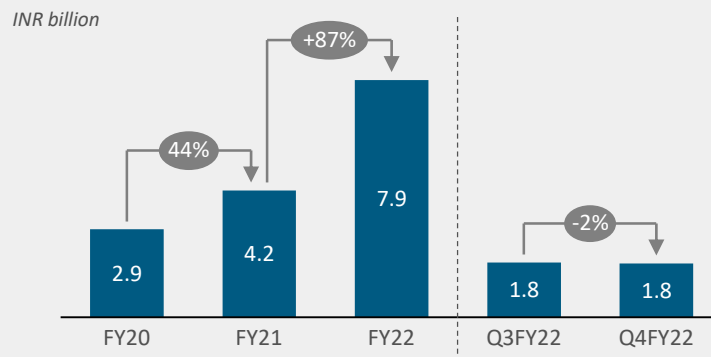


Attractive Returns...



Note: Quarterly returns are annualised

Investment Income



...with fixed income portfolio

77%
AAA, Govt.
Portfolio & FD

Long-Term Funds

Government Securities, State Development Loans, Corporate Bonds, Fixed Deposits, REITs, InvITs and ETFs

Short-Term Funds

Bank FDs, Overnight Mutual Funds, CPs, CDs, T-Bills, CMBs, Short Maturity Bonds and Tri-Party REPOs (TREPs)

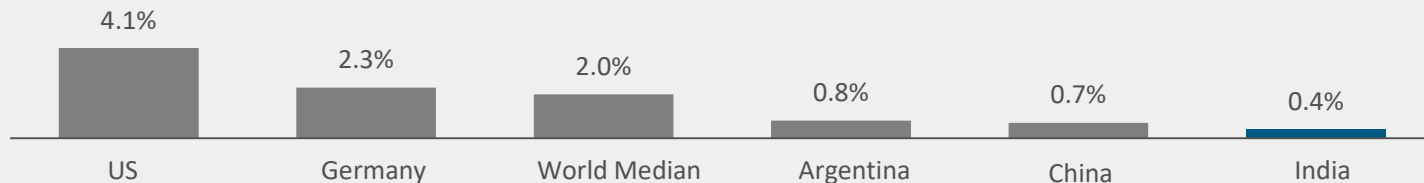
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Indian Health Insurance: Highly Underpenetrated and Growing

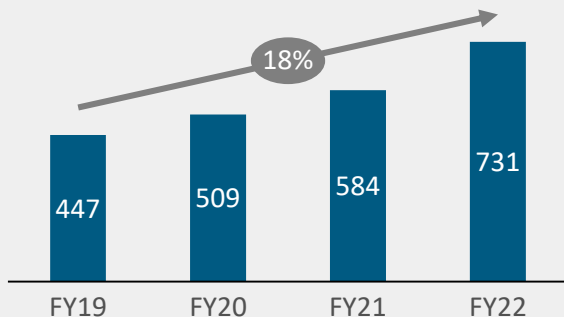
Health Insurance Penetration⁽¹⁾

Gross direct premium as % of Nominal GDP - 2019



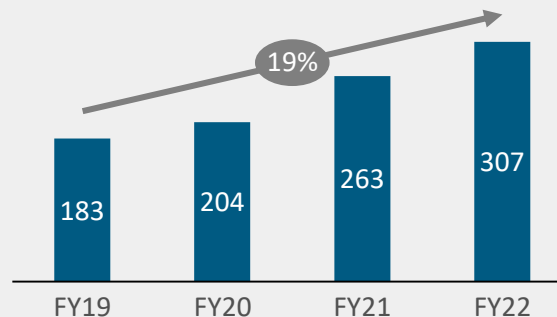
Overall Health Insurance

INR billion



Retail Health Insurance Market

INR billion

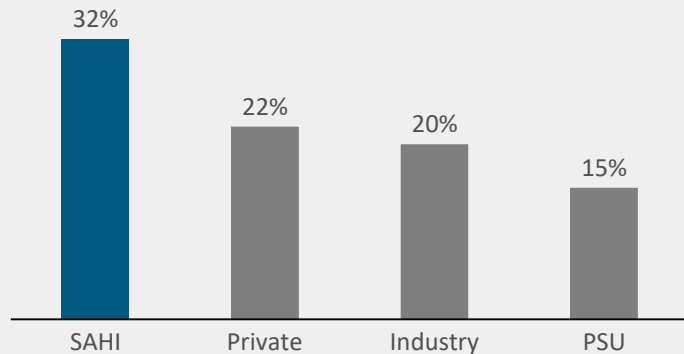


Source: OECD Data. Excludes Travel & PA

Standalone Players Continuously Gaining Share

SAHIs leading Industry Growth

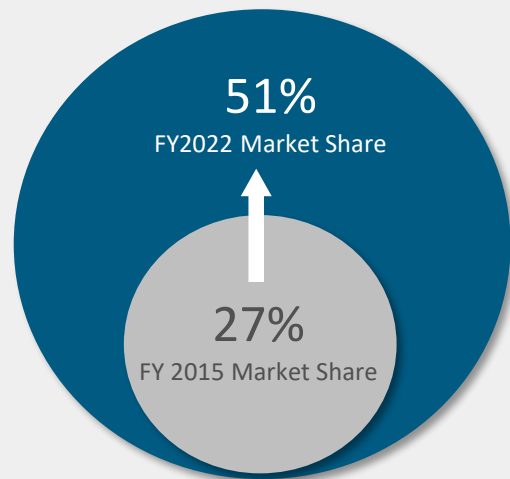
CAGR between FY15-22



- *Single product focus to better cater customer requirements*
- *Strong focus on underpenetrated and profitable retail business*
- *Open architecture allowing banks/ other corporate to partner with three SAHI's insurers*

Due to Focus on Retail Health

% Market Share of Retail Health Insurance

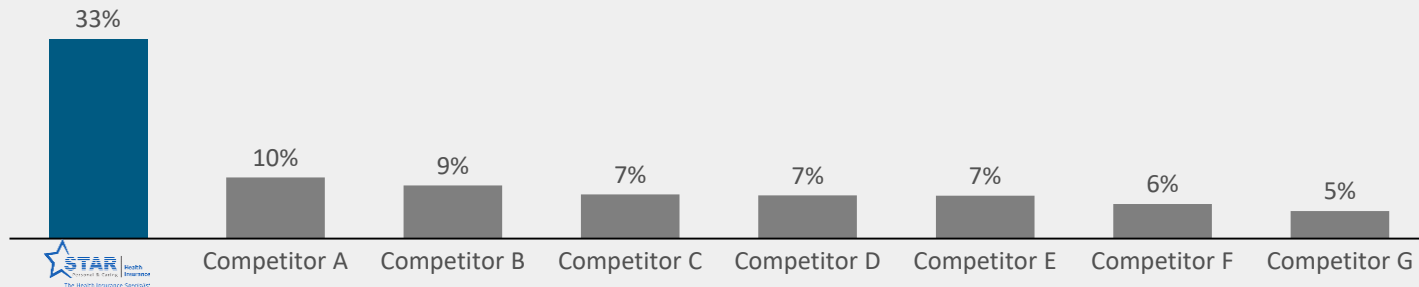


Note: PSU refers to Public Sector Undertaking or Public Sector Insurance Companies.

SAHI refers to Standalone Health Insurance. Including Travel & PA

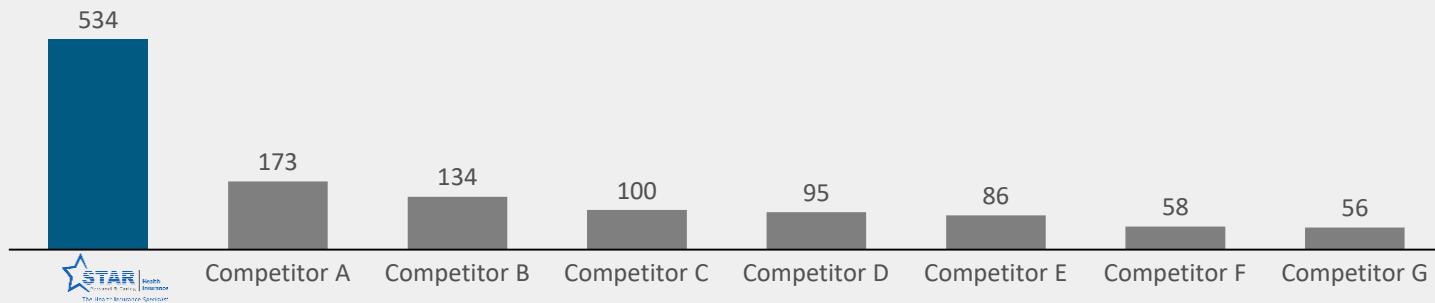
Star Health enjoys Industry leadership

Retail Health Market Share



Number of Agents

In'000. FY22: 550k



Note: Market share as of Mar-22, individual agents as of Dec-21. Source: GI Council

Retail Health Insurance: Most Attractive Segment

Lowest Claims Ratio

Industry Claims ratio, FY20

73%

Retail

92%

Government

99%

Group

Industry Claims ratio, FY21
with COVID impact

85%

Retail

120%

Government

98%

Group

...in Addition to



More Convenient than Corporate Plans



Higher Growth Rate



Increasing Penetration



Rising Customer Awareness



Improving Digitization



High Renewal Rate



Higher Premiums Upon Renewal

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ESG: Strategy and Implementation Areas



Health Insurance is a Social business protecting Health and Wealth of Customers

Strategic Pillars of ESG

Environment

Undertake initiatives to contribute to creating a more sustainable environment

Social

Consistent work in areas of Healthcare, Education, Skill development and Employee welfare

Governance

To operate the business in Transparent, Compliant and Secured manner for the benefit of stakeholders

ESG: Strategy and Implementation Areas



Environment

Energy and Water Saving

- LED lighting and energy efficient AC installations
- 3/5 star rated appliances with regular maintenance
- Sensor based taps and Urinals to save water

Waste Management

- E-Waste disposal through Govt. certified vendors
- Segregating Dry and Wet waste

Digital Initiatives

- Digital on-boarding of Customers
- Double side printing configured
- Travel reduction through virtual meetings



Social

Offering free telemedicine services for non-communicable diseases

Providing food to underprivileged persons in various states across India

Provided personal protection equipment to the medical staff treating COVID-19 patients at government hospitals

COVID-19 training and masks to our employees and others in the community

New Cancer treatment initiative with St. Judes Child Care Centers; Health and Accident coverage provided to at least 500 children annually

Promote diversity and inclusion at all levels; Anti sexual harassment policy and an equal employment policy

ESG: Strategy and Implementation Areas



Governance

Board Structure

50% - Independent directors

2 Women independent directors

Evaluation framework for directors

Data /Cyber Security

Enforcing leading practices and controls through effective Cyber security Policy and Framework

Risk Management

Risk based internal audit framework & Risk management policy with oversight of Board and BRMC covering Financials, Operational and reputational risk

Business Ethics

Whistle blowing

Anti-money laundering & compliance

Acceptance of Gifts

Insider trading code

THANK YOU



Glossary

Particulars	
FY	Financial Year
GWP	Gross Written Premium
CAGR	Cumulative Annual Growth Rate
Y-o-Y	Year-on-Year
VQST	Voluntary Quota Share Treaty
URR	Unexpired Risk Reserve
ANH	Agreed Network Hospitals
PA	Personal Accident
SME	Small and Medium Enterprises
TAT	Turn Around Time