

Directors' Report

To,
The Members of
SBI Life Insurance Company Limited

The Directors are pleased to present the 26th Annual Report of SBI Life Insurance Company Limited ("SBI Life" or "the Company") along with the audited financial statements for the financial year ended March 31, 2026.

The Company has once again delivered a resilient and consistent performance during the year, reinforcing its leadership position across both individual and overall business segments. Despite a dynamic macroeconomic and industry environment, the Company continued to demonstrate strong operational execution, customer focus and financial discipline. The Company continues to remain committed to creating sustainable long-term value for all stakeholders while upholding the highest standards of governance, transparency and customer service excellence.

1. Financial Performance and State of Company's Affairs

The Company witnessed a growth and consistent performance in FY 2026. The key parameters of the Company are as follows:

(₹ in billion)

Business Performance	FY 2026	FY 2025
Gross Written Premium (GWP)	1,012.9	849.8
- New Business Premium (NBP)	425.5	355.8
- Renewal Premium (RP)	587.3	494.1
Annualized Premium Equivalent (APE)	242.7	214.2
Individual Rated Premium (IRP)	219.0	193.5
Total Protection NBP (Individual + Group)	46.2	41.0

The Company has maintained its private market leadership in New Business Premium (NBP) and Individual NBP with private market share of 21.4% and 25.5% respectively.

Individual Rated premium (IRP) has increased by 113.2% to ₹ 219.0 billion and APE has increased by 13.3% to ₹ 242.7 billion.

(₹ in billion)

Profitability and Financial Performance	FY 2026	FY 2025
Assets under Management (AUM)	4,871.6	4,480.4
Net worth	190.8	169.8
Indian Embedded Value (IEV)	807.9	702.5
Value of New Business (VoNB)	66.7	59.5
New Business Margin (VoNB Margin)	27.5%	27.8%
Profit / (Loss) after taxation (PAT)	24.7	24.1
Earnings per equity share (EPS) Basic/ Diluted (in ₹)	24.64/ 24.62	24.09/ 24.07

- Assets under Management grew by 8.7% to ₹ 4,871.6 billion with debt-equity mix of 62:38.
- The Company's profit after tax has increased by 2.4% to ₹ 24.7 billion
- Indian Embedded Value stands at ₹ 807.9 billion with growth of 15.0%
- Value of New Business grew by 12.0% to ₹ 66.7 billion and Value of New Business Margin is at 27.5%.

Key ratios	FY 2026	FY 2025
Operating expense ratio	6.1%	5.3%
Commission ratio [§]	4.4%	4.4%
Total cost ratio [*]	10.6%	9.7%
Death Claim Settlement ratio (Individual)	98.6%	98.3%
Death Claim Settlement ratio (Total)	99.4%	99.4%
Solvency ratio	1.90	1.96
Persistency ratio (premium basis) [^]		
13 th month	87.9%	87.4%
25 th month	78.0%	77.7%
61 st month	58.1%	63.6%
Return on equity	13.7%	15.1%

[§] Commission ratio = Commission (including rewards) / Gross Written Premium (GWP).

^{*} Total Cost = Operating expenses + Commission + Provision for doubtful debt + Bad debts written off.

[^] Persistency ratio based on regular premium/limited premium payment under Individual category.

- The operating expense has increased by 38.6% and GWP has increased by 19.2% resulting an increase in operating expense ratio (Operating Expense to GWP) from 5.3% to 6.1%.
- Improvement in individual death claim settlement ratio from 98.3% to 98.6% and overall death claim settlement ratio stands constant at 99.4%.
- Solvency ratio of the Company stands at 1.90 as against the regulatory requirement of 1.50 indicating the strong and stable financial health of the Company.
- 13th month persistency ratio stands at 87.9% with growth of 53 bps. Further, the 25th month and 49th month persistency (based on premium considering Regular Premium/Limited Premium payment under individual category) has shown growth of 27 bps and 107 bps respectively due to our focus on improving the quality of business and customer retention.
- Distribution network**
The distribution network refers to the extent and variety of channel through which the Company sells its products and services to the customers. The robust distribution network plays pivotal role in success of the Company as it ensures that products and services provided by the Company reaches target customers in the cost-efficient manner. The Company aims to strike optimum balance among various distribution channels and we expect to grow by leveraging these multiple drivers and further strengthen our distribution network.

The Company aims at targeting underpenetrated market through expansion of its distribution

reach by opening up of new offices, quality recruitments and new business partnerships.

As at March 31, 2026, the Company has 1,230 offices, 2,82,001 Insurance Advisors (IAs) and 59,321 Certified Insurance Facilitators (CIFs) across the country.

• Distribution Mix

During the year, the Company has collected NBP of ₹ 425.5 billion, comprising of ₹ 212.2 billion from 'Bancassurance' which represents company's largest distribution network, ₹ 84.3 billion from Retail Agency and ₹ 129.0 billion from other distribution channel which includes direct sales, sales by corporate agents, brokers, micro agents, common service centres (CSC), insurance marketing firms (IMFs), Point of Sale Person (POSPs) and Web aggregators.

The Company's direct sales primarily comprise sale of group products, as well as standardised individual products sold through online offerings.

2. Industry and Company Outlook

The global economy continued to navigate a challenging environment during FY26, marked by geopolitical uncertainties, evolving trade dynamics, persistent inflationary pressures in key advanced economies and heightened volatility across global financial markets. Despite these external headwinds, India continued to demonstrate strong macroeconomic resilience and remained among the fastest-growing major economies globally. According to the latest estimates released by the National Statistics Office (NSO), India's real GDP is estimated to have grown by 7.7% in FY26. Looking ahead, the Reserve Bank of India (RBI)

has projected India's GDP growth at around 6.6% for FY27, reflecting a normalisation in growth momentum while continuing to be supported by strong domestic fundamentals.

India's long-term growth prospects remain underpinned by favourable demographics, rising urbanisation, increasing economic formalisation, rapid digital adoption and expanding financial inclusion. These structural drivers continue to strengthen financial awareness and are expected to drive sustained demand for protection, retirement and long-term savings solutions, thereby reinforcing the growth potential of the life insurance sector.

Against this backdrop, the Indian life insurance industry maintained healthy growth momentum during FY26, supported by improving customer awareness, greater adoption of digital distribution channels and progressive regulatory reforms. The industry witnessed growth in new business premiums by 15.7%, driven by strong demand across protection, savings and retirement-oriented products. Total sum assured grew by 23.6% further reflected increasing customer awareness of the need for adequate financial protection, reinforcing the sector's role in enhancing financial security.

During the year, the GST reforms introduced by the government represent a significant shift in the insurance landscape, aiming to make life and health insurance more affordable and encourage broader coverage among the population. These measures are aligned with the long-term objective of expanding insurance coverage across the country and support the Insurance Regulatory and Development Authority of India's (IRDAI) vision of "Insurance for All by 2047". The sector also continued to benefit from other key regulatory initiatives, including the transition towards a Risk-Based Capital framework and the ongoing development of the Bima Sugam digital platform. Collectively, these reforms are expected to enhance accessibility, improve transparency, strengthen operational efficiency and support the long-term growth and resilience of the insurance sector.

Key areas on which Insurers need to focus to become future-ready

- Digital Transformation and Technology Integration:** Insurers need to accelerate adoption of Artificial Intelligence (AI), automation, advanced analytics and digital platforms to enhance operational efficiency,

improve customer engagement and enable faster, data-driven decision-making across underwriting, claims and servicing processes.

- Cyber Security and Data Privacy:** As digital adoption increases, insurers are exposed to growing cybersecurity risks involving sensitive customer and financial information. Strengthening cybersecurity infrastructure, enhancing real-time monitoring, investing in secure technologies and promoting employee awareness are critical to safeguarding data, ensuring operational resilience and maintaining customer trust and regulatory compliance.
- Sustainability and Climate Change:** The insurance industry is increasingly prioritizing sustainability and climate resilience within its business strategies. Beyond providing financial protection, insurers are expected to support risk prevention and mitigation related to climate change by developing sustainable insurance solutions and collaborating with stakeholders to promote environmentally responsible practices
- Customer-Centric Business Models:** Insurers are increasingly shifting toward customer-centric operating models focused on delivering seamless, personalized and relationship-driven experiences. Leveraging technology and data analytics to better understand evolving customer needs will be essential to enhancing engagement, strengthening trust and improving long-term customer retention and satisfaction.

The insurance industry is undergoing a significant transformation driven by evolving customer expectations, rapid technological advancements, regulatory developments and increasing focus on sustainability. As the sector adapts to a more digital and interconnected environment, insurers will need to strengthen cybersecurity frameworks, enhance customer-centric capabilities and integrate sustainable business practices into their long-term strategies.

Thus, the future of life insurance seems promising, and as a Company, we are prepared to seize the opportunities that lie ahead. We remain committed to deepening customer engagement, enhancing insurance accessibility, accelerating technology investments and developing innovative solutions that address the evolving financial protection and savings needs of our customers.

Regulatory update:

IRDAI (Insurance Fraud Monitoring Framework) Guidelines, 2025 – Key highlights

- Anti-Fraud Policy to include additional requirements such as red flag indicators for detection of fraud, investigation process, mechanism for appropriate action in case of non-compliance, due diligence for vendors engagement, etc.
- External Fraud and Affinity/Complex Fraud (involving collusion among fraud perpetrators) are added under Fraud categories.
- New provisions introduced in relation to Cyber or New Age Fraud.
- Establish Fraud Monitoring Committee (FMC) for operationalizing the Fraud risk management framework. Composition of FMC is prescribed, which shall be headed by KMP.
- FMC made responsible for reporting to Board, RMC and Audit Committee as per prescribed timeline.
- Establish Fraud Monitoring Unit (FMU), independent from internal audit, to support FMC in discharging its functions and effective implementation of measures by FMC.

IRDAI (Actuarial, Finance and Investment Functions of Insurers), (Amendment) Regulations, 2026 – Key highlights

- Amendments mandate the preparation and presentation of Financial Statements by Insurers in accordance with applicable Indian Accounting Standards (Ind AS), with effect from 1st April 2026.
- Introduction of Ind AS aims to enhance consistency, transparency, and comparability in financial reporting across the insurance sector, in alignment with globally accepted standards.
- Regulatory framework governing the recognition, measurement, presentation and disclosure of financial statements under Ind AS has been prescribed.
- Parallel reporting of Financial Statements is required for a period of two years, comprising financial statements prepared in accordance with Ind AS alongside financial information under the existing accounting framework.
- A provision has been made to grant one-year forbearance by IRDAI to insurers that are unable to prepare and present financial statements in compliance with Indian Accounting Standards.

Sabka Bima Sabki Raksha (Amendment of Insurance Laws) Act 2025

- Permitted aggregate foreign investment under automatic route, including foreign portfolio investors, in an Indian insurance company up to 100% of its paid-up equity capital, subject to prescribed conditions.
- Share transfer restrictions have been eased, as prior approval of IRDAI is now required only for any transfer or issuance of shares exceeding 5% of Insurer's paid-up capital (as opposed to 1% under erstwhile regime).
- Omits section, which includes a prohibition on investment in private companies by Insurers.
- IRDAI may in the interest of the policyholders, specify the limits of any commission, remuneration or reward payable to an insurance agent or an insurance intermediary including the manner of such payment, disclosures, etc.

Digital Personal Data Protection Rules, 2025

- Privacy Notices: To contain detailed, plain language notices in multiple Indian languages with a specific description of personal data and purposes.
- Consent flows: Have in place valid consent mechanisms, easy withdrawal and separate flows for children and Person with Disability (PwDs). Consent management related stipulations shall come into effect after 12 months.
- Security safeguards: Implement appropriate security measures, access controls, monitoring and mandatory log retention.
- Any personal data processed to be resident within Indian territory and shall not be transferred outside India by Data Fiduciary.
- Substantive obligations will take effect after 18 months.

3. Dividend and Reserves

The Board of Directors of the Company at its meeting held on February 25, 2026 has declared an interim dividend of ₹ 2.70 per equity share with face value of ₹ 10 each (previous year ended March 31, 2025, interim dividend of ₹ 2.70 per equity share with face value of ₹ 10 each). The total interim dividend pay-out amounts to ₹ 2.71 billion. No final dividend is recommended for the year ended March 31, 2026 and the said interim dividend declared is to be confirmed as final dividend.

During the year ended March 31, 2026, the Company has earned Profit after tax of ₹ 24.7 billion.

The accumulated reserves of the Company as at March 31, 2026 was ₹ 178.3 billion.

In terms of Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") the Dividend Distribution Policy of the Company is disclosed on the website <https://www.sbilife.co.in/en/about-us/investor-relations>

The Company has uploaded the details of unpaid and unclaimed dividend on the Company's website: <https://www.sbilife.co.in/en/about-us/investor-relations>

4. Capital and Shareholding

During the year there was no fresh capital infusion by the promoters in the Company. The authorized share capital and paid-up share capital of the Company stands at ₹ 20.00 billion and ₹ 10.03 billion respectively. The shareholding pattern during the year under review is in compliance with the statutory requirement. The shareholding pattern is provided as a part of Form No. MGT-9 which is annexed to this Report and under Schedule – 5A which forms part of the Financial Statement.

During the year, the Company has allotted 9,57,038 Equity Shares on exercise of certain stock options granted under SBI Life Employees Stock Option Scheme 2018 ('the Scheme' or 'ESOS 2018').

5. Deposits

During the year under review, the Company has not accepted any deposits from the public as per Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 (as amended).

6. Awards & Recognitions

The Company has received various awards during the year across brand management, technology, CSR initiatives etc. Brief highlight of some of the major awards are mentioned below:

- Won Silver Shield in Category – Life Insurance Sector at the ICAI Awards for Excellence in Financial Reporting 2025
- Awarded the Insurer of the Year – Best Operating Performance (Life Category) at the FICCI Insurance Industry Awards 2024
- Won the "Best Life Insurance Company – India" at the 6th edition of ICC Emerging Asia Conclave & Awards 2026
- Won the Smart Insurer – Life Insurance (Large Category) at the ET Now Insurance Summit 2025

- Awarded at the Indian Social Impact Awards 2025 for "Best 3 Healthcare CSR Initiative of the year – 2025"
- Won the award 'AI Pioneer – Learning Champion' at the LinkedIn Talent Awards 2025
- Recognised as "Best Risk Management Strategy of the Year (India)" by ICC in 6th Emerging Asia Insurance Awards 2026
- Recognised as "Best Enterprise Risk Management Program" at Bharat Credit Risk, Fraud and Compliance Summit 2026

The awards demonstrate the Company's commitment to achieve excellence, across all spheres of its activities and operations.

7. Products

SBI Life has a wide range of products/riders catering to various customer needs in the life, health, pension & micro-insurance segments. These products/riders are customer centric, simple to understand and have competitive features.

5 new products were launched to strengthen the product offerings by the company

1. SBI Life - Smart Shield Plus
2. SBI Life - Smart Money Back Plus
3. SBI Life - Smart Money Back Saver
4. SBI Life - Smart Platina Advantage
5. SBI Life – Group Pension Plus

Considering the focus on protection and participating business, the Company has launched SBI Life – Smart Shield Plus which is a new pure term insurance product with the plan options of level cover, Increasing cover and level cover with future proofing benefit.

Further, the Company has also launched two new Participating Moneyback products, SBI Life – Smart Money Back Plus, which is a limited premium payment product and SBI Life – Smart Money Back Saver, which is a regular premium payment product. These products cater the need of the customers where a fixed percentage of the Sum Assured is paid as Survival Benefit at the end of specific policy years during the policy term.

With the addition of a new premium payment term and policy term combinations, SBI Life – Smart Platina Advantage seamlessly steps in, to replace SBI Life – Smart Platina Assure.

SBI Life – Group Pension Plus is Group, Unit-Linked product which offers various options of funds to Master policyholder who are managing Superannuation fund for their employees.

In addition to the launch of new products, below mentioned products were modified for change in product features:

1. SBI Life – eShield Insta
2. SBI Life – Smart Shield Premier
3. SBI Life – Smart Annuity Income
4. SBI Life – Smart Money Back Plus

Also, Interest rate movements are being continuously monitored and interest rate sensitive savings products including annuity products are re-priced, if required.

8. Processes refinement and optimization

At SBI Life, the focus during the year remained on shaping a future defined by quality, innovation and sustained progress. The Company continued to embed a culture of disciplined innovation, enabling it to remain agile and responsive to evolving market dynamics. Strategic emphasis was placed on leveraging technology to drive smarter operations, enhance decision-making and strengthen customer engagement, thereby supporting consistent performance and long-term value creation.

Digital transformation and automation formed the cornerstone of the Company's operating strategy. Through a digital first approach and the adoption of advanced technologies such as Artificial Intelligence and Robotic Process Automation, SBI Life reimagined key processes to improve efficiency, scalability and execution. These initiatives reduced manual intervention, enabled faster and more accurate processing and enhanced overall operational resilience, positioning the Company to compete effectively in an increasingly digital insurance landscape.

The Company also advanced its commitment to environmentally responsible growth by promoting digital adoption across customer acquisition and servicing processes, leading to a meaningful reduction in paper usage. Strong operational performance during the year reflected the continued focus on service excellence, process efficiency and customer satisfaction. The successful retention of quality certifications across operations further reinforced SBI Life's commitment to high standards of governance, operational excellence and sustainable growth.

a) Enhancing Operational Capabilities & Process Efficiency

FY 2026 witnessed highest transaction volumes across New Business, Renewals, Policy Servicing & Living Benefits handled with utmost efficiency.

- 22.2 lakhs Individual Policies and 2.6 Lakh Group Credit Life lives issued in FY 2026.
- Benefits paid (net) of more than ₹ 53,000 Cr was paid to more than 42 lakhs policyholders/ claimants in FY 2026.
- Over 18.3 Lakh Inbound calls were handled on the Customer Care Toll free number in FY 26 with 16.7% increase in calls received over the last year.
- Renewal Premium collection of more than ₹ 58,000 Cr with 18.9% growth over the last year. Further, 13M Persistency has increased from 87.4% in FY 2025 to 87.9% in FY 2026 and 49M Persistency has increased from 68.0% in FY 2025 to 69.1% in FY 2026.
- Individual policy issuance Non-Medical TAT (days) has reduced from 2.0 days in FY 2024 to 1.7 days in FY 2026 Whereas medical TAT for individual policies has reduced from 9.0 days in FY 2024 to 8.5 days in FY 2026.
- Death Claim Settlement ratio (individual and group) has increased from 99.2% in FY 2024 to 99.4% in FY 2026.
- Mis-selling ratio has reduced from 0.03% in FY 2024 to 0.02% in FY 2026.
- Net Promoter Score (NPS) has improved significantly from 72 in FY 2024 to 86 in FY 2026.

b) Customer Engagement, Retention & Persistency Management

Customer retention and renewal premium collections remain critical to the Company's long-term profitability and financial stability. Persistency, which reflects the proportion of policies remaining in force over time, serves as a key indicator of customer satisfaction, trust and engagement. Strong renewal performance underscores customers' confidence in the Company's brand, products and service delivery, and contributes to sustained growth and profitability.

The Company continuously monitors persistency trends to gain insights into customer behaviour and expectations, as well as the effectiveness of its product offerings and service standards. Improved renewal collections signal positive customer experience

and support predictable cash flows, while also providing visibility on customer tenure and long-term relationship strength.

To enhance customer stickiness, loyalty and persistency, the Company remains focused on deepening customer engagement, strengthening renewal premium collections and persistency, and proactively managing exits through effective surrender and lapse control mechanisms.

Customer Engagement

Customer engagement remained a key focus area during the year, with the Company undertaking multiple initiatives to strengthen long-term relationships and enhance overall customer experience. Proactive engagement mechanisms were deployed at key policy milestones to reinforce product understanding, highlight the importance of timely premium payments and communicate the longterm value of insurance. Customer communications were further standardised and simplified across the policy lifecycle to ensure clarity, transparency and consistency.

The Company also undertook structured customer awareness initiatives across multiple communication channels to educate policyholders on policy features, servicing norms and available digital service touchpoints. These initiatives aimed at empowering customers through timely and relevant information, encouraging self-service adoption and building greater confidence and trust. The use of personalised, policy-specific digital content further enhanced transparency, reduced grievances and supported informed decision-making by customers.

In parallel, the Company continued to strengthen governance around customer protection. All mis-selling complaints were subjected to detailed internal review, with cases requiring further scrutiny referred for investigation and appropriate action taken in line with internal conduct policies. Insights from complaint analysis were regularly shared with leadership, distribution, product and training teams to enable continuous improvement and reinforce a customer-centric culture across the organisation.

Renewal collections & Persistency Management

During the financial year 2025-26, the Company achieved renewal premium collections of ₹58,734.8 crore registering a year-on-year growth of 18.9%. This improvement in renewal

collections was supported by sustained customer engagement initiatives and translated into improved persistency levels. The 13th-month persistency for regular premium policies increased to 87.9% (YoY improvement of 0.5%), while the 25th-month persistency improved to 78.0% (YoY improvement of 0.3%), reflecting stronger customer retention across the policy tenure.

The Company continued to focus on enhancing renewal efficiency through increased adoption of auto-debit and digital payment mechanisms. Auto-debit mandates were registered for 65.2% of new policies issued during the year, supported by early and proactive customer outreach. Over 98% of premium collections were received through digital and alternate payment modes during the year, with collections through physical instruments further declining. Additionally, focused retention and revival initiatives resulted in the revival of over 1.34 lakh lapsed policies during the year, generating renewal premium of ₹888 crore. These outcomes underscore the effectiveness of the Company's data-driven engagement strategies, digital enablement and targeted customer communication framework, strengthening renewal collections and persistency on a sustainable basis.

Surrender Prevention

To mitigate policy surrenders, the Company further strengthened its surrender retention efforts during the year by expanding the Surrender Prevention Tool, increasing its coverage to 91% of surrenderable policies through integration of newer products. The tool provides a concise, personalized retention note to policyholders intending to surrender, explaining key decision drivers in a simple and transparent manner, including comparisons of returns realized and projected over different time horizons, and highlighting the benefits of continued disciplined savings and rupee-cost averaging. The note also enables frontline teams to engage constructively and objectively with policyholders to address surrender concerns and support informed decision-making. As a result of these initiatives, surrender retention improved to 35% in FY 2025-26 compared to 33% in the previous year, with the tool covering 18 products across 11 versions as at year end.

c) Customer Support & Service Delivery

The Company continued to strengthen customer support and service delivery capabilities during the year by optimising servicing touchpoints and expanding digital and assisted service channels. The 24x7 inbound contact

centre, supported by multilingual voicebot capabilities and dedicated desks for HNI and NRI customers, handled significantly higher customer interactions with strong customer satisfaction outcomes. Self-service channels, including missed call services, the Smart Care mobile application, WhatsApp and AI enabled chatbots, enabled customers to access a wide range of policy servicing, payment, renewal, revival and information services in a seamless and digital manner, leading to high adoption across key policy alterations and transactions. Further, integration of Smart Care with the Smart Advisor platform enhanced intermediary assisted and operations assisted servicing, enabling efficient digital support for renewals, revivals and KYC related activities, thereby improving service accessibility, turnaround times and overall customer experience.

d) Process Quality Excellence & Risk Mitigation

Robust Quality assurance framework has been put in place to monitor the quality of data and processes across the spectrum of functions and transactional systems to ensure accuracy alongside mitigating operational risks. The process quality includes monitoring key financial transactions, operational and automated processes, data quality, development of automated and tech tools to improve the efficiency, effectiveness and scalability of the quality monitoring processes.

The key initiatives involves automated system for realtime validation of benefit payments independent check on the quality and accuracy of the payouts made to customers to mitigate risk, prevent financial loss & improve compliance and automated UAT for faster product launches and improved operational efficiency. Automation has enabled reduced testing cycles, enhanced quality and accelatated time to market.

e) Grievance Redressal

Grievance handling is not just about resolving complaints; it is about building trust, reinforcing our brand promise, and demonstrating our commitment to every policyholder. Each interaction is an opportunity to turn a dissatisfied customer into a brand advocate provided we respond with empathy, efficiency, and accountability.

We have taken multiple steps to enhance our systems and empower the employees to improve the quality of resolutions of customer's

grievances. The key initiatives undertaken includes robust Customer Relationship Management (CRM) system, designed to streamline the entire grievance lifecycle, integration of CRM with the 'Bima Bharosa' Portal (IRDAI) on real time basis. Through these initiatives, we continue to strengthen our service delivery with a focus on responsiveness, compliance, and customer-centricity.

The Net Promoter Score (NPS) is one of our key measures of customer satisfaction and improving the overall response rates and effective looping of the feedbacks to address the process gaps is our key focus area. We have improved our overall NPS Score to "86" in FY 26 as compared to "82" in FY 25.

The ratio of customer grievances to new policies issued stands at 0.22% in FY26. Additionally, the mis-selling complaints ratio remained constant at 0.02% over the same period.

f) Continual Process Improvement

Many process improvements and simplifications were rolled out during the year to enhance efficiency and effectiveness, as well as to mitigate risks and costs, as part of our continual improvement cycle. This cycle involves constantly looking beyond our boundaries, assessing external competition, and continuously benchmarking ourselves to drive improvement and innovation.

Some important changes made during the financial year are highlighted below:

i. Underwriting

Authority limits have been updated to strengthen operational efficiency and decision-making. Regional Underwriting Units (RUU) have been granted enhanced authority to enable faster processing of proposals. Limits have been increased across auto-underwriting as well as for RUU and CPC underwriters to support improved turnaround times.

The Underwriting First Framework has been developed to optimize risk management while enabling faster and more efficient issuance of policies.

ii. New Business & On boarding

The key initiatives in new business and on-boarding process are as below:

- Premium Standardization for Rinn Raksha

- Refund alert on Smart Advisor for managing refund of proposal on their fingertip
- Enhancement in CMI Cashiering Process at Branch Level for Individual
- Automation in New Business Process for operational efficiency
- Process changes in Policy Document Dispatch – Domestic & Overseas
- Capture of Assignment Details at Onboarding Stage

iii. Renewal Collection Management

Enhancements in payment/premium accounting from Alternate mode has improved operational efficiency by reducing manual intervention, enabling faster accounting, and strengthening risk control measures. These improvements have also contributed to better process management and optimized manpower utilization.

Personalized videos are being shared with policyholders as part of revival campaigns to highlight policy benefits, explain the revival process, and provide revival quotes along with embedded links for online revival requests. This initiative has enhanced customer engagement and contributed to improved revival conversion rates.

iv. Customer Grievance

To enhance operational efficiency and improve customer experience, several recent advancements have been implemented in our CRM grievance handling system. These changes are aimed at streamlining processes, enabling seamless coordination and improving overall service effectiveness. The key CRM enhancements are as follows:

- CRM Gold 8 a new and upgraded CRM version with a more user-friendly interface, reduced page scrolling, and a policy information card for quicker access to customer details and improved efficiency.
- Auto Service Request (SR) status updates to Bima Bharosa have been enabled to ensure automatic closure and seamless synchronization of SRs in line with IRDAI guidelines.
- Auto Service Request (SR) creation through email syndication enabling elimination of manual data entry,

instant request logging, and improved historical tracking and trend analysis.

v. Group operations

The following initiatives were undertaken to focus on Digitization, support continuous Process improvements & Enhanced Customer Experience.

- Enhancement in Smart Group Care to view and download Master Policy Document, Premium Receipt, Endorsements & Credit notes.
- RPA process implemented under GTI to enhance process efficiency, accuracy & Customer servicing
- Implemented multiple deduplication checks during on-boarding to enhance efficiency.
- Group Products deployed on an enhanced CRM Next UI/UX platform for quicker and easier access to customer and policy information.

vi. Robotic Process Automation

We are leveraging the power of Robotic process automation (RPA) to build capacity, reduce errors and processing times by automating high-volume and repetitive tasks.

- 470+ BOTs deployed across 385 processes using RPA, freeing up critical manpower to focus on more productive and value added work.
- During the year, RPA Bots did a total of 28,000+ man-hours of work and handled over 1.47 Billion transactions
- The automation using RPA has been performed in various business processes such as new business, underwriting, renewals, policy servicing, group operations claims etc.

9. Information Technology

SBI Life is continuously implementing the latest technologies which are relevant for the Life Insurance industry, in addition to addressing various requirements of regulators from time to time. Cyber Security continues to remain the topmost priority for the Company, with sustained focus on strengthening security frameworks, monitoring capabilities, and resilience against emerging threats.

The Company has further expanded its footprint in the area of Artificial Intelligence (AI) and Generative AI (GenAI) across customer service, distributor enablement, underwriting, claims, and operational processes. These initiatives are focused

on enhancing customer experience, improving operational efficiency, and enabling data-driven decision-making.

In addition, the Company is accelerating its digital transformation journey through adoption of cloud technologies, advanced data platforms, and analytics capabilities, thereby building scalable, agile, and future-ready technology infrastructure.

Some of the notable improvements implemented during the year under review are listed below:

Business Initiatives & Operational Efficiency

- Enhanced mConnect was launched with Aadhaar Based Face Authentication which was Industry first initiative, integration with DigiLocker, and liveliness check.
- Implemented Insta Loan and loan-repayment modules in Smart Care, enabling customers to avail loans on their policies with fast and convenient processing as well as easy and seamless loan repayments.

Strategic Initiatives & Innovation

- DRISHTI** - Data Reengineering Insights for Strategic Transformation Initiatives: SBI Life has embarked on a data driven transformation journey which will culminate with the formation of a Data Lake House consisting of both structured and unstructured data in a hybrid mode.
- Reimagined Distribution** - AI-first Sales Enablement Platform, SPARK (first in industry), a WhatsApp-based AI conversational bot, is live assisting distributors with customized collaterals, Pay & Get statements, product pitches, and comparisons.
- Key partnerships for Sovereign AI** - Strategic partnerships are forged with AI partners like Sarvam and BharatGen a section 8 company, in the fields of AI projects, to retain competitive advantage.
- Litigation Management System** - A new SaaS-based Litigation Management System was launched in February 2026 to streamline litigation management through seamless integrations with Indian judicial systems, thereby improving efficiency and case monitoring.

Tech Modernization (Application & Infra)

- Introduction of SSO / IDAM
- Next Gen Security Operation Center (SOC) to improve security incidence and event management (SIEM)

- Endpoints Technology Refresh
- Application upgrades
- Enhanced Employee Onboarding Experience
- Enhancing Security
- Augmentation of hosting capacity of Data Center (DC) and Disaster Recovery (DR) Centers

10. Investments

Indian equity markets delivered negative returns during FY 2025-26, with the Nifty ending the year at a decline of 5.05%. While midcap indices posted modest positive returns of 1.89%, smallcap indices declined by 5.54% over the year.

The yield on the 10-year Government of India bond hardened by 45 basis points during the year, rising from 6.58% in March 2025 to 7.03% in March 2026. This movement occurred despite cumulative policy rate cuts of 125 basis points by the RBI during the cycle, largely driven by a change in the RBI's policy stance, a sharp increase in crude oil prices from USD 74 per barrel to USD 118 per barrel, and significant depreciation of the Indian Rupee. Bond yields globally also hardened amid heightened geopolitical uncertainties.

The Assets under Management (AuM) of the Company has increased by 8.7% from ₹ 4,480.39 billion as on March 31, 2025 to ₹ 4,871.63 billion as on March 31, 2026. The debt equity mix of the AuM as on March 31, 2026 is 62:38. The AuM was made up of ₹ 2,282.19 billion of traditional funds (including shareholders') and ₹ 2,589.44 billion of unit linked funds. The unit linked portfolio majorly comprises of equity funds, bond funds and NAV guaranteed funds.

11. Persistency

Persistency remains a key indicator of business sustainability and brand strength. During FY 2025-26, the Company recorded a 18.9% growth in renewal premium collections to ₹587.3 billion, contributing 58.0% of the Gross Written Premium. Continued focus on renewals and targeted initiatives to strengthen policyholder engagement resulted in improved collection efficiency and persistency outcomes. The 13th month regular premium persistency for individual policies improved by 53 basis points to 87.9%, while the 49th month regular premium persistency improved by 107 basis points to 69.1%, demonstrating the effectiveness of the Company's customer retention and engagement strategies. The independent Renewal Vertical continues to focus on renewal premium collections and policyholder servicing, with the Company according sustained priority to this critical area.

12. Particulars of Employees

SBI Life, one of the most trusted Life insurance companies has successfully completed 25 years of business operations and is market leader in the private Life insurance industry. This milestone reflect the Company's commitment to excellence, sustained growth and enhanced customer and employee experience.

At SBI Life, we strongly believe that our employees are our most valuable assets. To maintain our competitive advantage in the industry, we proactively foster a progressive work environment marked by adaptability, collaboration and inclusivity.

We remain committed to continuously enhancing our workplace policies and practices while cultivating a strong, resilient work culture to attract, engage, upskill and retain quality talent.

During the year, the Company took several initiatives aimed at enhancing employee experience. The Company also reinforced its commitment to employee well-being through various initiatives, including enhanced group mediclaim policy, preventive health check-ups and wellness programs.

The employee strength of the company has increased by 11.3% i.e. from 26,355 as on 31st March 2025 to 29,344 as on 31st March 2026. The average age of employees at SBI Life is around 36 years and 8 months and the average tenure is 5 years and 3 months.

Our focused approach on improving our Gender diversity has resulted in increase of our women employees from 5,940 to 7,034 i.e. a growth of 18.41% over the last year. Therefore, women representation in the workforce has improved to 24.0% as against 22.5% during last year.

13. Employees Stock Option Scheme

The SBI Life Employee Stock Option Plan 2018 ('ESOP 2018') and SBI Life Employees Stock Option Scheme 2018 ('the Scheme' or 'ESOS 2018') has been approved by the shareholders of the Company in the Annual General Meeting (AGM) held on September 27, 2018 based on the recommendation of the Board Nomination & Remuneration Committee ('NRC') and Board of Directors ('Board') in their meetings held on August 31, 2018.

The maximum number of stock options granted to eligible employees in accordance with ESOP 2018 shall not exceed 30,000,000 shares. During any one year, no Employee shall be granted Options equal to or exceeding 1% of the issued share capital of the Company at the time of Grant of Options unless an approval from the Shareholders is taken

by way of special resolution in a General Meeting. Further, the maximum number of Options in aggregate granted to an employee under this Plan shall not exceed 10,000,000 Options. The Exercise Price shall be determined by the Board Nomination & Remuneration Committee in concurrence with the Board of Directors of the Company on the date the Options are granted and provided in the letter of grant.

During the year ended March 31, 2026 the NRC has approved the grant of 8,30,000 Employee Stock Options ('Options or ESOPs') to the eligible employees under ESOS 2018.

No employee was granted options during one year amounting to five percent or more of options granted during that year. Similarly, no employee was granted options during any one year, equal to or exceeding one percent of the issued capital of the Company at the time of grant.

During the year ended March 31, 2026, the Company has not granted any loan to its employees for purchasing shares of the Company.

The Company's ESOP Scheme is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (SEBI SBEB Regulations). The Members, at the Annual General Meeting held on August 29, 2025, approved an amendment to the ESOP Plan in respect of employees retiring on superannuation. The disclosures required under the SEBI SBEB Regulations have been placed on the Company at <https://www.sbilife.co.in/about-us/investor-relations>.

The disclosures pursuant to SEBI SBEB Regulations, Guidance Note on accounting for employee share-based payments, disclosure of diluted EPS in accordance with 'Accounting Standard 20 - Earnings Per Share' issued by ICAI or any other relevant accounting standard have been disclosed in the Notes to Accounts which form part of financial statements in the Annual Report.

14. Prevention of Sexual Harassment of Women at the Workplace

The Company has an Internal Committee (IC) to investigate and inquire into sexual harassment complaints in line with The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. The Company has in place a policy for Prevention of Sexual Harassment, which reflects the Company's zero-tolerance approach towards any form of prejudice, gender bias and sexual harassment at the workplace.

For FY 2026, the Company had organized workshops and awareness programs for the members of IC to equip them for effectively dealing with investigation, inquiry and disciplinary proceedings in connection with sexual harassment complaints as per policy and to develop skills necessary for enquiries and documentation procedures while dealing with such cases. Further, the Company's Policy on Prevention of Sexual Harassment of Women at Workplace along with the details of Internal Committee at each Region is accessible to all employees on the Company's intranet, e-bandhan. During the FY 2026 under review, 23 sexual harassment cases were filed. 29 cases were disposed-off during the year including 7 cases of previous year FY 2025 and appropriate actions were taken within timelines in FY 2026, remaining 1 case was disposed by IC in current FY 2026 – 27. Having an adept POSH policy has enabled us in employer branding by creating employee value proposition, permeating a sense of safety amongst employees, retaining vital talent and promoting inclusively. The details are mentioned in the Corporate Governance Report, which is annexed to this Directors' Report.

The details are mentioned in the Business Responsibility and Sustainability Report, which is hosted on the Company's web-link: <https://www.sbilife.co.in/en/about-us/investor-relations>

15. Compliance with the Maternity Benefit Act, 1961

The Company is in compliance with the applicable provisions of the Maternity Benefit Act, 1961, and provides maternity leave and related benefits to eligible female employees in accordance with the Act.

16. Risk Management

SBI Life has implemented robust Corporate Governance structure and has a strong risk aware culture by which the company is directed and controlled in the interest of shareholders and other stakeholders to sustain and enhance the value. Risk Management at SBI Life is an integral part of the responsibilities of management and covers all aspects, including strategic planning. Risk Strategy and Risk Vision of the Company is outlined in the Risk Management Policy. The Risk Management policy specifies the process of identification, assessment, and analysis of the Company's risk exposures, develop risk mitigation strategies and its monitoring.

Risk appetite statements at the corporate level are reviewed and monitored by the Risk Management Committee of the Board. Further assessment of Key Risks of the Company is conducted annually and submitted to the Risk Management Committee of the Board.

SBI Life has a robust enterprise risk management framework, which includes Governance, Operational Risk Management, Fraud Monitoring, Data Protection, Information Security, Business Continuity Management, Third Party Risk Management and Regional Risk Unit, to drive the enhanced risk culture across the organisation.

The Company also carries out an ICAAP (Internal Capital Adequacy Assessment Process) activity, which details the assessment of material risks, estimation of capital requirement and adequacy for maintaining solvency requirements.

Risk Management at SBI Life is certified/aligned with the following ISO Standards:

1. Enterprise Risk Management - ISO 31000:2018 (Statement of Compliance)
2. Business Continuity Management System (BCMS) - ISO 22301:2019 (Certified)
3. Information Security Management System (ISMS) - ISO 27001:2022 (Certified)

Sound risk management practices and business continuity management practises followed by the Company enables it to continue core business operations at an acceptable level in case of any crisis.

SBI Life Risk Management has won the following accolades and awards:

1. SBI Life recognised as "Best Risk Management Strategy of the Year (India)" by ICC in 6th Emerging Asia Insurance Awards 2026
2. SBI Life recognised as "Best Enterprise Risk Management Program" at Bharat Credit Risk, Fraud and Compliance Summit 2026

More information on the risk management practices adopted by the Company is available in the 'Enterprise Risk Management' section appended to this report and 'Management Report' section of the Annual report.

17. Internal Audit and Compliance Framework Internal Audit:

The Company has in place a robust internal audit framework. The Internal Audit Department (IAD) undertakes risk-based audit approach and it commensurate with the nature of the business and the size of its operations. The internal audit plan covers Information System Audit, Third Party Vendor audits, different process audit as well as transaction-based audits at the Head office and Regional Offices, administrative aspects across various branches of the Company.

The audits are carried out by the in-house internal audit team of the Company and by the outsourced audit firms also. The approach of the audit is to verify compliance with the regulatory, operational and system related controls. Key audit observations and recommendations are reported to the Audit Committee of the Board of the Company. Implementation of the recommendations is actively monitored.

IAD has designed offsite monitoring system (OMS) with an objective to identify deviations at an early stage and sharing the same with concerned process owners for immediate corrective action. Exception reports are developed and operational for around 100 scenarios. The frequency to extract and analyse a particular set of data through these exception reports is based on the criticality of the process. Frequency is defined as quarterly, half yearly and yearly for various processes. The OMS review enables the process owners to identify gaps, if any, at an early stage, ensuring timely resolution of the issues. The utility is also shared with the users on need basis for a proactive and real time assessment at user level, itself.

The branch inspection checklist was rationalized to match with the scope of current roles of Branches. The policy transactions with critical functions such as New Business Quality is reviewed at half yearly frequency, underwriting process and policy service transactions are reviewed at half yearly frequency, through offsite data analytics.

Concurrent Audit:

In accordance with Insurance Regulatory and Development Authority of India (Investment) Regulations, the Company has also engaged professional chartered accountants' firm to carry out concurrent audit of investment operation as per IRDAI investment regulations / guidelines and guidance note on Internal / Concurrent Audit of Investment functions of Insurance Companies, issued by the Institute of Chartered Accountants of India (ICAI). Any significant findings in the concurrent audit are presented to the Audit Committee and reviewed by Board Investment Sub-Committee and Board Investment Committee.

Compliance:

The Board Audit Committee of the Company has laid down governing principles to oversee the compliance framework of the Company. The Committee discusses the level of compliance in the Company and any associated risks and reports the same to the Board. The Company has also formulated various internal policies and procedures to define framework for the working of various

functions to ensure compliance. The Compliance function identifies and communicates regulatory requirements to relevant functions in a timely manner and monitors critical compliance risks based on suitable monitoring mechanism. The Compliance function works in liaison with the regulators and provides clarifications to various functions on applicable laws, regulations and circulars issued by the regulatory authorities. A compliance certificate signed by the Managing Director & CEO is placed at the Board Audit Committee on a quarterly basis.

The Company has also formulated various internal policies and procedures relating to working of various functions to ensure compliance.

18. Internal Financial Controls

In accordance with the requirements of the Companies Act, 2013 and Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has established adequate and effective internal financial controls over financial reporting. The internal financial control framework is aligned with a globally accepted, risk-based COSO framework and is designed to enhance transparency, accountability and effective risk management. The framework comprises entity-level controls through defined policies and governance mechanisms, process-level controls across key business and support functions, and robust review mechanisms based on the three-lines-of-defence model. The control environment is supported by clearly defined delegation of authority, standard operating procedures, and periodic testing by statutory, concurrent and internal auditors, ensuring the effectiveness of internal financial controls.

The Company has a Chief Audit Officer with a dedicated internal audit team which is commensurate with the size, nature & complexity of operations of the Company.

The Company also undergoes an independent internal /concurrent audit by specialised third party professional consultants to review function specific regulatory compliances as well as internal controls.

The Audit Committee reviews reports submitted by the Management and audit reports submitted by the internal auditors and statutory auditors. Suggestions for improvements are considered and the Audit Committee follows up on corrective actions. The Audit Committee also meets the Company's Statutory Auditors to ascertain their views on the adequacy of internal control systems and keeps the board of directors informed of its major observations, if any periodically.

The Company has complied with internal financial controls (IFC) as per section 134(5) of Companies Act, 2013 and regulation 17(8) of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 in terms of internal controls over financial reporting.

Auditor's Report

There were no qualifications, reservations, adverse, remarks or disclaimers on Internal Financial Controls made by the Statutory Auditors in their report for the financial year ended March 31, 2026.

19. Related Party Transactions

The Company has Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions to regulate the transactions with its related parties. As per the policy, all related party transactions require approval of the Board Audit Committee. Further, as per Rule 6A of the Companies (Meeting of Boards and its Powers) Rules 2014, the Audit Committee may grant omnibus approval for related party transaction proposed to be entered into by the Company subject to terms and conditions mentioned in the said Rule.

All the Related Party Transactions entered during the financial year were on arm's length basis and in ordinary course of business. All related party transactions are placed before the Audit Committee of the Board for its approval. During the year, there were no material contracts or arrangements or transactions with related parties that need to be disclosed as per Section 188(1) of the Companies Act, 2013.

M/s. K. S. Aiyar & Co., Chartered Accountants, reviewed the related party transactions for the year ended March 31, 2026 and their certificate is placed at the meeting of the Board Audit Committee, along with details of such transactions.

All Related Party Transactions as required under Accounting Standards AS-18 are reported in Note 43 of Schedule 16(C) – Notes to Accounts of the Financial Statements of the Company.

The policy on materiality of Related Party Transactions and on dealing with Related Party Transactions, has been hosted on the website of the Company can be viewed at <https://www.sbilife.co.in/en/about-us/investor-relations>

20. Ind AS Implementation

International Accounting Standard Board (IASB) has notified the amended IFRS 17, with global date of implementation starting from January 1, 2023.

The Institute of Chartered Accountants of India (ICAI) has issued exposure draft of amendments in Ind AS 117 on February 8, 2022. The Ministry of Corporate Affairs (MCA) vide its notification dated August 12, 2024 has notified the Ind AS 117 on Insurance Contracts. Further, on September 28, 2024, the MCA has issued a notification that insurance company may provide its financial statements as per Ind AS 104 for the purpose of consolidated financial statements till IRDAI notifies the Ind AS 117. The IRDAI (‘the Authority’) vide its communication dated July 14, 2022 on Ind AS implementation in Insurance Sector has conveyed its broad approach on Ind AS implementation and necessary steps to be initiated by the insurers. On March 3, 2026, IRDAI issued the Exposure Draft of the IRDAI (Actuarial, Finance and Investment Functions of Insurers) (Amendment) Regulations, 2026, proposing mandatory adoption of Indian Accounting Standards (Ind AS) by all insurers with effect from April 1, 2026. Thereafter, on March 30, 2026, IRDAI notified the IRDAI (Actuarial, Finance and Investment Functions of Insurers) (Amendment) Regulations, 2026, mandating preparation and presentation of financial statements in accordance with applicable Ind AS, including Ind AS 117, with effect from April 1, 2026. The Regulations, inter alia, provide one year forbearance, at the discretion of IRDAI, for insurers facing implementation challenges, subject to submission of a Board approved Ind AS transition plan with defined milestones and quarterly submission of Ind AS financial information to IRDAI during the forbearance period.

As per the directions of Authority, the Company has constituted Steering Committee headed by President & CFO and members from cross-functional areas such as actuarial, investment, information technology. The Company has engaged knowledge partner for Ind AS implementation. The Ind AS Gap and impact assessment is completed. The Company has prepared and submitted to the Authority Ind AS Proforma Financial information for the FY 2023-24 and FY 2024-25. The Company is currently in the process of preparing the Proforma Ind AS Financial information for the year ended March 31, 2026, along with quarterly Ind AS proforma financial information, for submission to IRDAI in line with stipulated regulatory timelines. The Company has finalized the technology solution provider for Ind AS reporting and commenced vendor onboarding, and implementation activities are currently underway. In accordance with the Board-approved implementation plan, the Company had sought a one-year forbearance from IRDAI for FY 2026-27 to facilitate a controlled and regulator-aligned transition to Ind AS. The Authority has granted the requested forbearance for FY 2026-27.

21. Board of Directors and Key Management Persons

Change in Directors and Key Managerial Persons* (KMPs) during the year 2025-26:

Name of the Director / KMPs	Nature of change	With effect from
Mr. Amit Jhingran	Re-appointment as Managing Director & CEO	October 01, 2025
Ms. Hema B.	Ceased as Chief Audit Officer	November 14, 2025
Mr. Ganesh Prasad	Appointed as Chief Audit Officer	November 15, 2025

* Key Management Persons as per IRDAI (Corporate Governance for Insurers) Regulations, 2024 read with Master Circular on Corporate Governance for Insurers, 2024

Key Managerial Personnel's

Mr. Amit Jhingran, Managing Director & Chief Executive Officer; Mr. Sangramjit Sarangi, President & Chief Financial Officer and Mr. Girish Manik, Company Secretary are designated as “Key Managerial Personnel” of the Company, under the provisions of Section 203 of the Companies Act, 2013.

Further, in accordance with IRDAI (Corporate Governance for Insurers) Regulations, 2024 read with Master Circular on Corporate Governance for Insurers, 2024 (“IRDAI Corporate Governance Regulations”) issued by IRDAI, the Company has Fourteen (14) Key Management Persons including above mentioned Key Managerial Personnel as on March 31, 2026. For more details of 14 KMP's, refer to page no. 137 of the Corporate Governance report.

Declaration by Directors

All Independent Directors have submitted declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 along with Rules framed thereunder and Regulation 16 of the Listing Regulations. The Company has also received declarations from all its Directors as per Section 164 of the Companies Act, 2013, confirming they are not disqualified from being appointed as Directors of the Company. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

The Independent Directors have confirmed that their names have been added in the data bank maintained by the Indian Institute of Corporate Affairs for Independent Directors, in accordance with rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. Pursuant to Rule 6 of the said Rules, every Independent Director whose name is included in the data bank shall pass an online proficiency self-assessment test. However, the Director who has fulfilled the criteria prescribed in Rule 6(4) of the said Rules, is exempted from passing the online proficiency self-assessment test. In view of the same, none of the Independent Directors were required to take the proficiency self-assessment test.

The said declarations along with annual disclosures were noted by the Board of Directors at its Meeting held on April 22, 2026. Further, based on these disclosures and confirmations, the Board is of the opinion that the Directors of the Company are distinguished persons with integrity and have necessary expertise and experience to continue to discharge their responsibilities as the Director of the Company.

‘Fit and Proper’ criteria

In accordance with IRDAI (Corporate Governance for Insurers) Regulations, 2024 issued by IRDAI, the Directors of insurers have to meet the ‘Fit and Proper’ criteria. Accordingly, all the Directors of the Company have confirmed compliance with the ‘Fit and Proper’ criteria, prescribed by IRDAI

Directors & Officers Liability Insurance

Regulation 25 (10) of the SEBI (Listing Obligations & Disclosures Requirement) Regulations 2015 requires the Companies to take Directors & Officers Liability Insurance (D & O Insurance) for all its Independent Directors. The Company has taken D & O Insurance for all its Board of Directors and Key Management Persons for such quantum and risks as determined by the Board.

Common Directorships

Pursuant to Section 48A of the Insurance Act, 1938 and Master Circular on Corporate Governance for Insurers, 2024, the Company has obtained the necessary approval from IRDAI for Directors having common directorship with State Bank of India (being corporate agent of the Company). The provision of section 48A is exempt in case of director appointed as a nominee of a promoter of the Insurer. Further, Section 32A of the Insurance Act, 1938, was amended through Section 25 of Sabka Bima Sabki Raksha (Amendment of Insurance Laws) Act 2025, which is pending to be notified in Official Gazette.

Meetings

During the year, eight Board Meetings were convened and held, the details of which are given in the report on Corporate Governance, which is

forming a part of this Board Report. The intervening gap between the said Board Meetings was within the period prescribed under the Companies Act, 2013. The details of the Board and Committee Meetings, and the attendance of Directors thereat, forms part of the Corporate Governance Report, which is annexed to this Directors' Report.

Secretarial Standards

During the FY 2025-26, the Company has complied with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

Remuneration Policy

The Company has adopted a Remuneration Policy for the Directors, KMPs and employees in Senior Management, pursuant to the provisions of Section 178 of the Companies Act, 2013, IRDAI Corporate Governance Regulations on Remuneration of Directors and Key Managerial Persons of Insurer and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Remuneration Policy was approved by the Board of Directors on the recommendations of the Board Nomination & Remuneration Committee in consultation with the Board Risk Management Committee. Key features of the policy are mentioned in detail in the Corporate Governance Report. The detail of the said policy is annexed as **Annexure I** which forms part of this Report.

Annual Performance Evaluation of Board, Committees and Directors

In terms of the provisions of the Companies Act, 2013 read with rules made thereunder, the IRDAI Corporate Governance Regulations and Listing Regulations, the Board of Directors on the recommendation of the Board Nomination and Remuneration Committee, have evaluated the effectiveness of the Board. Accordingly, the performance evaluation of the Board, each Director (including Independent Director) and Committees were carried out for the financial year ending March 31, 2026. The details of the said Annual Performance Evaluation forms part of Corporate Governance report.

22. Corporate Governance

The Corporate Governance philosophy of the Company is to comply with not only the statutory requirements but also to voluntarily formulate and adhere to a strong set of Corporate Governance practices which includes code of business conduct, corporate ethics, values, risk management, etc.

Through governance mechanism, the Board along with its Committee discharge its fiduciary

responsibilities towards all its stakeholders by ensuring transparency, accountability, fairness and independence in its decision making.

Composition of Board Audit Committee and terms of reference is mentioned in detail in Corporate Governance Report. During the FY 2025-26, there were no instances of any non-acceptance of recommendation(s) of the Committee by the Board of Directors.

The Report on Corporate Governance is annexed and forms part of this Annual Report.

23. Details of Vigil Mechanism/ Whistle Blower Policy

The Company has a Board approved Whistle Blower Policy in place to enable its Directors, employees and stakeholders to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairperson of the Board Audit Committee.

The Policy is available on the website of the Company at <https://www.sbilife.co.in/en/about-us/investor-relations>

24. Corporate Social Responsibility

The Company constituted the Corporate Social Responsibility Committee (CSR) of the Board of Directors in accordance with the provisions of Section 135 of the Companies Act 2013 read with the Companies (Corporate Social Responsibility) Rules 2014, which drives the CSR program of the Company. Composition of Board Corporate Social Responsibility Committee and terms of reference is mentioned in detail in Corporate Governance Report.

The CSR Committee of the Board confirms that, the implementation and monitoring of CSR policy, is in compliance with CSR objectives and Policy of the Company.

The brief outline of CSR Policy, including overview of the program proposed to be undertaken, the composition of the CSR Committee, average net profits of the Company for the past three financial years, prescribed CSR expenditure and details of amount spent on CSR activities during the financial year have been disclosed in **Annexure II** to this report, as mandated under the said Rules. Further, the Corporate Social Responsibility Policy of the Company as approved by the Board has been hosted on the website of the Company at <https://www.sbilife.co.in/en/about-us/corporate-social-responsibility>

25. Particulars of Loans, Guarantees or Investment

In line with the clarification given by the Ministry of Corporate Affairs under the Removal of Difficulty Order dated February 13, 2015, the provisions of Section 186 of the Companies Act 2013 relating to loans, guarantees and investments do not apply to the Company.

26. Subsidiary, Joint Ventures and Associate Companies

The Company does not have any Subsidiary, Joint Ventures or Associate Company.

27. Rural and Social Sector Obligations

The Company has issued 33.18% policies in the rural sector which affirms the Company's approach towards life insurance inclusion. Further, 25,19,507 new lives covered (9.87% of total new lives covered in preceding year) by the Company are from the social sector. Further, the Company has been allotted 2,238 Gram Panchayats (GPs) for covering rural population. The Company has covered 22,24,899 lives in these GPs.

28. Management Report

Pursuant to the Regulation 10 of Schedule II, Part I of the Insurance Regulatory and Development Authority (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024, the Management Report is placed separately and forms part of the Annual Report.

29. Statutory Auditors

In view of the applicability of Section 139 of the Companies Act 2013, Comptroller and Auditor General of India (C&AG) appoints Statutory Auditors of the Company. Accordingly, C&AG appointed M/s. K. S. Aiyar & Co., Chartered Accountants, and M/s. J Singh & Associates, Chartered Accountants, as joint statutory auditors of the Company for FY 2026.

Statutory Audit and other fees paid to Joint Statutory Auditors for FY 2026 as below:

(₹ in Lakh)	
Particulars	Amount
Joint Statutory Audit Fees	103.00
Other Certification Fees	4.00

30. Statutory Auditors' Report

The Statutory Auditors' Report (including annexure thereof) to the Members does not contain any qualification, reservation, adverse remark, or disclaimer hence do not call for any further comments u/s 134 (3) (f) of the Companies Act 2013.

There were no reportable frauds identified by the statutory auditors during the FY 2026.

31. Comments of the Comptroller and Auditor General of India on the accounts of the Company

The Comptroller & Auditor General of India (C&AG) have conducted a supplementary audit u/s 143(6) (b) of the Companies Act, 2013 of the accounts of the Company for the year ended March 31, 2026. The C&AG vide their report no. GA/ CA-I /Accounts /SBI Life Insurance Co. Ltd./ 2025-26/01 dated July 01, 2026 have stated that there is nothing significant which would give rise to any comment upon or supplement to Statutory Auditors' Report. The Report of C&AG is being placed with the report of Statutory Auditors of the Company.

32. Secretarial Auditors' Report

In terms of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company based on the recommendations of Board Audit Committee and approval of Board of Directors appointed M/s Aashish K. Bhatt & Associates, Practicing Company Secretaries as the Secretarial Auditor of the Company for a term of five consecutive years from FY 2025-26 to FY 2029-30.

The Auditor has not made any qualification, reservation or adverse remark or disclaimer in his report for FY 2025-26. The Report of the Secretarial Auditor for the FY 2025-26 is enclosed as **Annexure III** to the Board Report.

33. Cost records and cost audit

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of section 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company as the Central Government has not prescribed the maintenance of cost records under Section 148 of the Act for the services rendered by the Company.

34. Annual Return

Pursuant to Section 134(3)(a) and Section 92(3) of the Companies Act 2013 (as amended by the Companies (Amendment) Act, 2017), read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the draft of the Annual Return of the Company for Financial Year ended on 31st March, 2026 is hosted on the website of the Company and can be viewed at <https://www.sbilife.co.in/en/about-us/investor-relations> with the information available up to the date of this report, and shall be further

updated as soon as possible but no later than sixty days from the date of the Annual General Meeting.

35. Material Events, Changes and Commitment affecting Financial Position of the Company

No material events, changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which the financial statements relate and the date of this report.

36. Other Events

Insurance Regulatory and Development Authority of India (IRDAI) vide its order dated June 2, 2023 (IRDAI order) passed in terms of section 52B (2) of the Insurance Act, 1938 has directed to transfer the life insurance business of Sahara India Life Insurance Company Limited (SILIC) involving policy liabilities and policyholders' investments/assets to SBI Life Insurance Company Limited (SBI Life' or 'the Company'). On appeal filed by SILIC against the said IRDAI order, the Securities Appellate Tribunal (SAT' or 'Tribunal') vide its order dated June 13, 2023 has granted stay on the effect and operation of the said IRDAI order. Subsequently, the IRDAI has filed an appeal with Hon'ble Supreme Court against the stay order passed by SAT. The Hon'ble Supreme Court in its hearing held on July 17, 2023 has set aside Securities Appellate Tribunal's (SAT) stay and directed the SAT to hear the case and decide it afresh. Thereafter, the SAT, vide its order dated December 5, 2025, has dismissed the appeal filed by SILIC and upheld the order passed by the IRDAI dated June 2, 2023.

Further, As advised by the Authority via letter dated June 23, 2026, the Company will continue to maintain separate books of accounts for SILIC up to FY 2026-27. From FY 2027-28 onwards, the impact of transactions pertaining to SILIC will be reflected in the Company's financial statements prepared under the Ind AS framework, with parallel reporting maintained under the existing accounting framework (IGAAP).

37. Significant and Material Orders Passed by Regulators or Courts or Tribunals impacting the Going Concern Status and Operations of the Company

In FY 2026, no significant or material orders were passed by the Regulators or Courts or Tribunals

which impact the going concern status and Company's operation in future.

38. Director's Responsibility Statement

In terms of Section 134(3) (c) read with 134(5) of the Companies Act, 2013 and the Corporate Governance Guidelines, your Directors confirm that;

- in the preparation of the annual accounts for the year ended March 31, 2026, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2026 and of the profit of the Company for the year ended on that date;
- they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- they have prepared the accounts for the current financial year ended March 31, 2026 on a going concern basis;
- they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

39. Particulars of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

A. Conservation of Energy

In view of the nature of business activity of the Company, the information relating to the conservation of energy, as required under Section 134 (3) and Rule 8 (3) of Companies (Accounts) Rules, 2014, is not applicable to the Company.

B. Technology Absorption

Sr. No.	Particulars	Remarks
Technology absorption, adaption and innovation		
1.	Efforts, in brief, made towards technology absorption, adaptation and innovation	- Adoption of Artificial Intelligence (AI), Generative AI (GenAI), cloud technologies, advanced analytics, and enterprise security frameworks to strengthen technology absorption, adaptation, and innovation. - Implementation of AI-driven conversational platforms to enhance customer engagement and improve service experience. - Development of distributor enablement platforms, such as SPARK, to improve partner productivity and business efficiency. - Automation of business processes through Robotic Process Automation (RPA) to enhance operational efficiency and reduce manual intervention. - Advancement of cloud migration, system modernization, and enterprise cybersecurity capabilities (including IDAM and SOC) to build secure, scalable, and resilient digital infrastructure. - Research and development in AI, GenAI, Advanced Analytics, Data Lake House architecture (DRISHTI), MLOps, and Cloud to enable scalable, data-driven decision-making and accelerate digital transformation across the enterprise.
2.	Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.	- Enhanced customer experience through AI-enabled platforms, including conversational chatbots, multilingual Voice IVR, and WhatsApp-based customer journeys. - Improved operational efficiency and productivity through automation initiatives using Robotic Process Automation (RPA) and IT Service Management (ITSM). - Reduced manual effort and turnaround time, resulting in faster and more accurate business processes. - Strengthened decision-making capabilities through advanced analytics, AI, and scalable data-driven frameworks. - Improved system reliability, agility, and performance through cloud adoption, system modernization, and scalable technology infrastructure. - Enabled scalable deployment of AI and analytics models through MLOps and Data Lake House architecture, supporting continuous innovation and business growth. - Increased process accuracy and overall productivity through the adoption of AI, automation, and digital technologies across business operations.
3.	In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished: - Technology imported - Year of import - Has technology been fully absorbed? - If not fully absorbed, areas where this has not taken place, reasons there for and future plans of action.	Nil
4.	Expenditure incurred on Research and Development	NA

C. Foreign Exchange Earnings and Outgo

Details of foreign exchange earnings and outgo required under above Rules are as under:

Particulars	(₹ in billion)	
	FY 2026	FY 2025
Foreign Exchange Earnings	0.02	0.03
Foreign Exchange Outgo	0.19	0.26

40. Investor relations

The Company has always valued its customer relationships and it is the Company's belief that all stakeholders should have access to complete information regarding its position to enable them to accurately assess its future potential. The Company disseminates information on its operations and initiatives on a regular basis. The Company's website (www.sbilife.co.in) serves as a key awareness facility for all its stakeholders, allowing them to access information at their convenience. It provides comprehensive information on the Company's strategy, financial performance, operational performance and the latest press releases.

The Company publishes financials results on a quarterly basis. The financial results of the Company are prepared and posted on the website of the Company for the current as well as previous years. Further, the quarterly results and earnings update are also posted on the website of the Company. Every quarter, the Managing Director & CEO along with the senior management officials of the Company participate on a call with the analysts / shareholders. The Company's investor relations personnel respond to specific queries and play a proactive role in disseminating information to both analysts and investors. All information which could have a material bearing on the Company's share price is released through as per regulatory requirements.

41. Business Responsibility and Sustainability Report

Business Responsibility & Sustainability Report as stipulated under Regulation 34 of the Listing Regulations form part of the Annual Report and has been hosted on the website of the Company <https://www.sbilife.co.in/en/about-us/investor-relations>

42. Proceeding under Insolvency and Bankruptcy Code, 2016

The Company has not filed any application or no proceeding is pending against the Company under the Insolvency and Bankruptcy Code, 2016, during FY 2025-26

43. Details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the banks or financial institutions along with the reasons thereof.

The Company has not taken any loans from the banks or financial institutions, therefore, the same is not applicable.

44. Integrated Reporting

The Company has prepared Integrated Report for FY 2026 which forms part of this Annual Report. The said

report encompasses both financial and non-financial information to enable various stakeholders to have a more holistic understanding of the Company's long-term perspective.

45. IRDAI License

The Insurance Regulatory and Development Authority of India (IRDAI) has renewed the annual license of the Company to continue the Life Insurance Business. The license is in force as on March 31, 2026.

46. Other Information

A. Economic Capital:

The annual assessment of Economic Capital of SBI Life was carried out as on March 31, 2026. As part of this exercise, we have quantified the capital requirements relating to various risks such as Insurance Risks (Mortality risk, Morbidity Risk, Longevity Risk, Persistency Risk, Expense Risk, Catastrophe Risk) and Non- Insurance Risks (Market Risk, Operational Risk, Default Risk). As at March 31, 2026, Solvency ratio on Economic Basis is 3.20. The Solvency Ratio on Economic Basis has been estimated as, the ratio of excess of economic assets over economic liability to Total Economic Capital Requirement.

B. Solvency Margin:

The Directors are pleased to report that the assets of the Company are higher than the liabilities of the Company and the assets are more than sufficient to meet the minimum solvency margin level of 1.50 times, as specified in section 64 VA of the Insurance Act, 1938 read with the IRDAI (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024. The Company has a strong solvency ratio of 1.90 as on March 31, 2026 (Previous year ended March 31, 2025: 1.96) as against the Regulatory requirement of 1.50.

C. IRDAI Directions

a) The IRDAI has issued directions under section 34 (1) of the Insurance Act, 1938 to refund allegedly excess commission paid to corporate agents amounting to ₹ 27,529 Lakhs (previous year ended March 31, 2025: ₹ 27,529 Lakhs) to the members or the beneficiaries vide order no. IRDA/Life/ ORD/Misc/083/03/2014 dated March 11, 2014. The SBI Life Insurance Company Limited ('the Company'), has preferred appeal against the order with the Securities Appellate Tribunal ('the SAT') for quashing the order passed by IRDAI as aforesaid. While deciding/disposing off the appeal the SAT vide its order dated

29 January 2020 opined that the amount of ₹ 27,529 Lakhs has wrongly been calculated by the IRDAI and the appeal is partly allowed. The matter is remitted to the IRDAI to recalculate the unlawful gain, namely, the interest earned on advance premium collected and recover the same accordingly and pay it to the policyholders. However, the IRDAI recalculation, if any, has not been received by the Company instead the IRDAI preferred an appeal against the SAT order before the Hon'ble Supreme Court of India in Civil Appeal Nos. 254-255 of 2021. The Company has also challenged the SAT order dated 29 January 2020 before the Hon'ble Supreme Court of India in Civil Appeal No. 2497-2498 of 2021, inter-alia praying for quashing the aforesaid order. At this juncture, the operation of the SAT order granting partial reliefs on quantum of disgorgement has been challenged in the Hon'ble Supreme Court by the IRDAI and the Company. Pending final adjudication of these cross appeals filed with the Hon'ble Supreme Court, the Company has considered entire disputed amount of ₹ 27,529 Lakhs as contingent liability.

b) IRDAI has issued directions under section 34(1) of the Insurance Act, 1938 to distribute the administrative charges paid to master policyholders amounting to ₹8,432 Lakhs vide its order no. IRDA/Life/ ORD/MISC/228/10/2012 dated October 5, 2012 and subsequent order no. IRDA/Life/ ORD/MISC/009/01/2017 dated January 11, 2017. The Securities Appellate Tribunal (SAT) vide its order dated April 7, 2021 has dismissed the appeal filed by the Company against the IRDAI order. Subsequently, the Hon'ble Supreme Court vide its order dated September 22, 2021 has dismissed petition filed by the Company against the SAT order. Accordingly, in FY 2022, the Company has made provision in the Profit and Loss Account (Shareholders' Account) for refund of administrative charges paid to group master policy holders amounting to ₹ 8,432 Lakhs plus applicable interest as per IRDAI order dated January 11, 2017. As at March 31, 2026, out of the total provision amount, the Company has refunded administrative fees of ₹ 5,746 Lakhs along with interest of ₹ 2,358 Lakhs

(As at March 31, 2025 administrative fees of ₹ 5,665 Lakhs and interest of ₹ 2,299 Lakhs) to the members of group insurance policy.

D. Appointed Actuary's Certificate

The certificate of the Appointed Actuary on valuation and actuarial assumptions is enclosed in the financial statements.

E. Certificate from Compliance Officer (under the IRDAI Corporate Governance Regulations)

A Compliance Certificate, for complying with IRDAI (Corporate Governance for Insurers) Regulations, 2024 and circular issued thereunder by Compliance Officer, is enclosed and forms part of the Corporate Governance Report.

47. Acknowledgements

The Board of Directors would like to express its sincere thanks for the co-operation, support and advice received from Insurance Regulatory and Development Authority of India (IRDAI), Reserve Bank of India (RBI), Comptroller and Auditor General of India (C&AG), Securities and Exchange Board of India (SEBI) and Government of India (GOI). The Directors also take this opportunity to express their gratitude for timely and valuable assistance and support received from State Bank of India (SBI) & to the valued customers and shareholders for their trust and patronage.

The Directors also express their gratitude for the advice, guidance and support received from time to time, from the auditors, and statutory authorities. The Directors expresses their deep sense of appreciation to all the employees, insurance advisors, corporate agents and brokers, distributors, re-insurers, bankers and the Registrars who continue to display outstanding professionalism and commitment, enabling the organization to retain market leadership in its business operations. The Directors also wish to express their gratitude to all stakeholders for their continued support and trust.

For and on behalf of the Board of Directors

Challa Sreenivasulu Setty
Chairman
DIN: 08335249

Place: Mumbai
Date: July 13, 2026