

The Role of Bancassurance: Driving Growth in Life and Health Insurance

Strategic Outlook, Ecosystem Value,
and Future Opportunities

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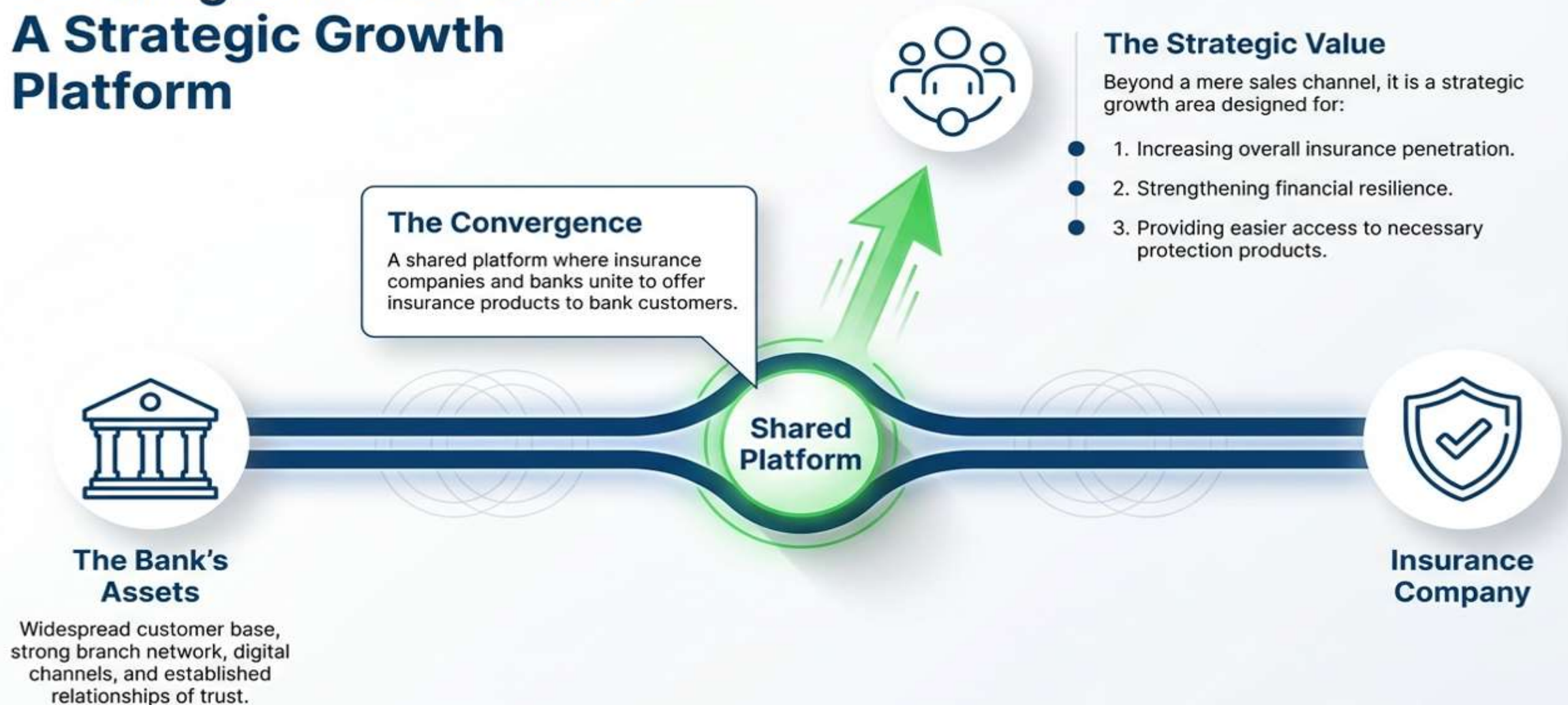
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*Insurance
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Defining Bancassurance: A Strategic Growth Platform



Structural Drivers of Bancassurance Growth

Bancassurance Growth



Absence of High Walls

Open collaboration structures between the banking and insurance sectors facilitate easier product distribution.



Revenue Diversification

Insurance provides complementary non-interest income when traditional banking revenues are pressured, deepening customer relationships.



Regulatory Flexibility

Regulatory frameworks that explicitly permit the offering of insurance products via bank channels support model expansion.



Channel Penetration

The ability to reach customers through diverse, embedded touchpoints: bank branches, internet banking, and mobile banking.



Market Maturity

As the insurance sector develops, product diversity increases, allowing for tailored solutions and highly effective bank-channel sales.

Current Outlook: Strong Channel in Life, Growth Area in Health

Total sector bank channel premium production share: ~23% (Non-life sector: ~14%)

Data: April 2026



Life Insurance
Bank Channel Share

The sector's main distribution and growth channel. Driven by credit-linked products and close ties to the financial obligations of the customer.



Health & Disease Branches
Bank Channel Share

Limited current share indicating a highly significant growth opportunity. Poised to scale by leveraging the bank's digital infrastructure and customer segmentation.

Bancassurance is today's main growth channel in life insurance, and tomorrow's scalable growth opportunity in health insurance.

Life Insurance: The Present Powerhouse

Protecting individuals and families against death, disability, critical illness, and unemployment.

The Financial Decision

- Credit applications, income status, and payment capacity make protection needs instantly visible.
- Creates a specific, quantifiable financial obligation for the customer.

Natural Connection

The Protection Mechanism

- Beyond simply reducing the bank's credit risk, it directly protects the family's financial future and ensures income continuity.
- Offered at the precise moment of strategic financial decision-making.

KEY TAKEAWAY: Life insurance must be positioned not merely as a complement to the credit process, but as a product that supports the overarching financial resilience of the customer's family.

Health Insurance: The Scalable Future

Facilitating healthcare access and financial protection against unexpected expenses.

The Growth Opportunity

The limited current market share (~7%) highlights an expansive area open to significant development.

Health Insurance

Complementary, private, and critical illness coverages.

Bank Advantage Pathways
1. Widespread Customer Base

2. Digital Banking Channels

3. Customer Need Analysis Capacity

Wider Audience

Strategic Execution

- **Product Requirements:** Must be simple, understandable, and intrinsically linked to daily life needs.
- **Positioning:** Must be presented as a natural part of financial planning for budget security and family welfare, not just a product needed during an illness.

Value Creation Ecosystem: Insurance Companies

A strategic distribution model to expand the market and customer base.

Reliability

Leverages bank's existing customer trust for easier product acceptance.

Customer base

Grants access to banks' large customer portfolios for wider insurance reach.

Market segmentation

Uses bank data for precise customer targeting and personalized product offers.

New products

Enables development of simpler, modular, need-based products.

Services

Enhances accessibility of pre-post-sale services via bank channels.

Market development

Expands the insurance market by reaching underserved customer groups.

Cost reduction

Lowers distribution and acquisition costs by using existing bank infrastructure.

Value Creation Ecosystem: Banks & Customers

Value for Banks

Strengthening financial relationships and revenue diversity.

Holistic Solutions: Moves the institution beyond merely credit, deposit, or payment services.

Competitive Advantages:

- Effective management of transaction costs.
- Superior fulfillment of customer needs.
- Increased customer retention and loyalty.
- Highly efficient utilization of extensive branch networks.

Advisory Role: Access to protection products strengthens the bank's position as a comprehensive financial advisor.

Value for The Insured

Increasing financial resilience and ease of access.

Time Savings: Practical, easy access to protection products through their existing, trusted bank relationship.

Clarity of Need: Financial risks become highly visible during credit processes, making the necessity for insurance easily understandable.

Family Protection: Radically reduces the financial burden on families in cases of death, disability, or unexpected health expenses.

Customer Experience: Managing the Intersection

Sustainable advantages rely on precise customer experience management.

Focus Areas (Clear Communication)



Product Clarity: Clearly explain scope, coverages, exclusions, premium structure, and specific benefits.



Health Specifics: Transparently communicate waiting periods, contracted institutions, renewal conditions, and usage processes to ensure high renewal rates.



Staff Competence: Bank employees must convey the product accurately, simply, and comprehensibly.

Risks to Mitigate (The Secondary Product Dilemma)



Attention Scarcity: During credit processes, the customer's primary focus is on the loan. Insurance is often viewed as a secondary product.



Perception of Coercion: Creating a perception of obligation for non-mandatory credit-linked products severely damages customer trust.



Strategic Action: The product's fundamental purpose and the exact protection it provides must be expressed with absolute clarity to counter these risks.

The Strategic Mandate

“Bancassurance is today’s main growth channel in life insurance, and tomorrow’s scalable growth opportunity in health insurance.”

Life Insurance Strategy

Current State: The main carrier channel of growth (~75% of production as of April 2026).

Core Contribution: Supporting the financial security of customers and families via natural touchpoints established in credit processes.

Mandate: Sustainable, customer-centric development of this existing powerful channel.

Health Insurance Strategy

Current State: Limited share currently, representing a highly significant area for development.

Core Contribution: Making health coverage vastly more accessible via broad customer bases and digital channels.

Mandate: Utilizing the bank channel more effectively to aggressively increase overall insurance penetration.

A strategic growth model that goes beyond premium production to **strengthen insurance awareness, build financial resilience**, and provide **comprehensive protection** against life and health risks.

Thank You.



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