

An Overview of our ESG Journey



Our ESG approach



Our Purpose

To provide a **financial safety-net** to individuals

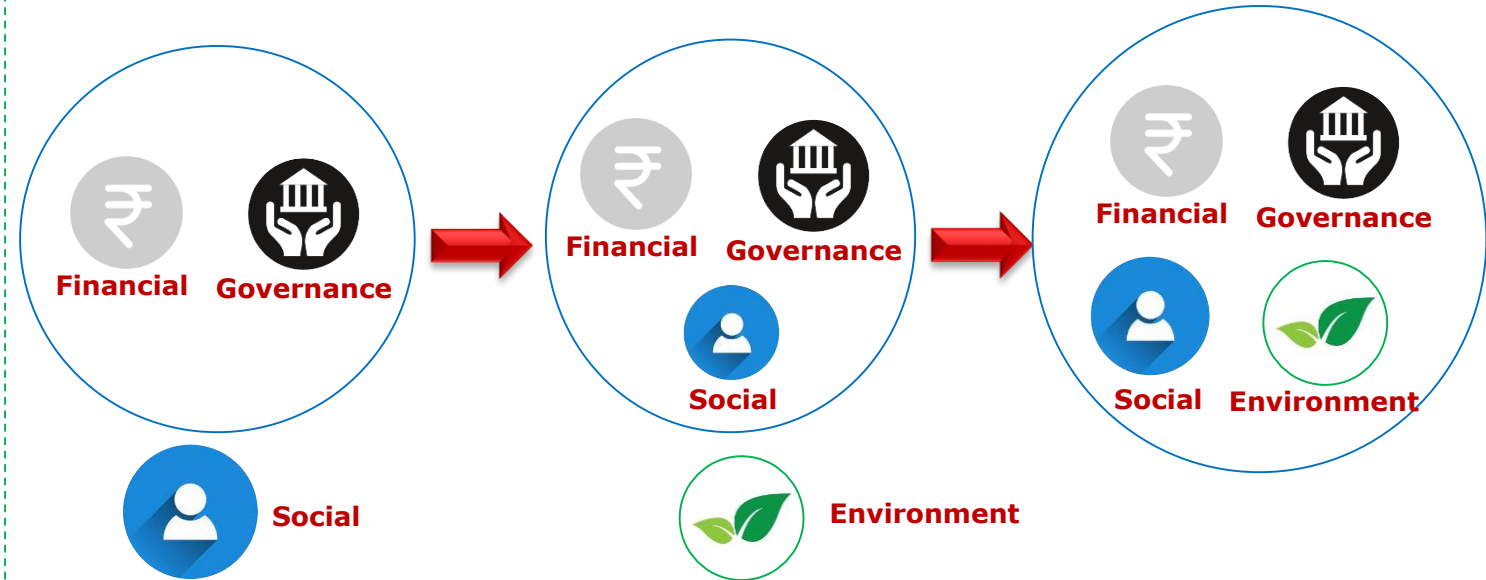
Our Vision

To be the most successful and admired life insurance company, which means that we are the **most trusted** Company, the **easiest to deal with**, offer the **best value for money** and **set the standards** in the industry. "The most obvious choice for all".

Our ESG Statement

We are committed to industry leading ESG standards that help in building a sustainable future

Multi-year ESG Roadmap



Phase-wise approach of incorporating ESG elements in our day-to-day business

Our ESG Strategy

5 pillars of ESG Strategy





Ethical Conduct & Governance

- **Governance Structure & Philosophy**
- **Business Ethics & Policies**



Ethical Conduct & Governance

Governance structure & Compensation Framework



Comprehensive **Corporate governance framework** including corporate structure and stakeholder management



Board independence
50% independent directors¹, all directors 'Fit & Proper' as per regulation



Board Diversity
30% women directors¹, Diverse Board in terms of knowledge & experience



Performance management system
Based on balanced scorecard

Key Policies



Code of Conduct



Whistle blower



PRSH²



Anti Bribery & Corruption



Human Rights



BRR³ & Stewardship Code



AML⁴



Privacy



Tax

1. As on 30th September, 2021

2. PRSH: Prevention of Sexual Harassment

3. BRR: Business Responsibility Report

4. AML: Anti Money Laundering



Responsible Investment

- **Responsible Investment**
- **Sustainable Equity Fund**
- **Risk Management**



Responsible Investment

RI Policy



Objective

To generate optimal risk adjusted returns over the long term



RI framework

- **RI** and **stewardship policy** in place
- Applicable to all **major asset classes**
- **Head of Research** ensures that ESG is incorporated into overall Research and Investment process
- ESG issues covered **in voting process**



Sustainable Equity Fund¹

What is Sustainable Equity fund?

This fund shall seek to generate returns from investing in companies with high ESG standards and commensurate score

Why sustainable investing?

To create value for all stakeholders with *lower risks & generate sustainable long-term returns*

Change begins with you. And your investments.

HDFC Life Sustainable Equity Fund

Responsible Investing with Sustainable Equity Fund.

1. To be launched with Click2Wealth Plan in December 2021

Risk Management

Risk Management and Mitigation



Risk oversight
by Board of Directors;
Review in multiple
management forums



Enterprise Risk Management (ERM) framework
Three Lines of Defense
approach



Maintaining Balance Sheet Strength
Over 98% of the debt
investments are made
in Government bonds
and AAA rated
securities



Risk awareness
Through trainings, e-
mailers, seminars,
conferences, quizzes
and special awareness
drives



**Sensitivity analysis
and Stress testing at
regular intervals**



Business Continuity Management (BCM)
Creation of recovery
plan for critical
business activities

Other Risks & Mitigation



Information/cyber security
ISO 27001:2013 and ISMS assessment
program;
Data Privacy Policy



Cyber insurance
To cover for the cost of
expenses incurred due
to security
breaches/losses



Fraud risk management
Values program;
Disciplinary Panel for
Malpractices; Fraud
monitoring initiatives



Identification of emerging risks
Economic, technology,
societal/health,
regulatory, geo-political
environmental



Diversity, Equity and Inclusion

- **Diversity, Equity and Inclusion**
- **Employee Engagement**

Employee Engagement

Employee diversity, equity & inclusion

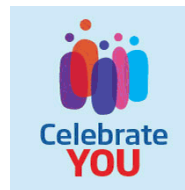
- Promoting **DEI ally ship**: communication, strengthening policies, aligning workforce
- **26% women employees**
- Promoting **diverse talent pool** (work profiles for second career women, specially-abled) - #MyJobMyRules
- **LGBTQ+ friendly** organisation
- CHRO conferred with **Avtar's Male Ally Legacy Award 2021** for boosting women representation

Capability development

- **Mobile learning** app for self-paced learning
- **Training for all** including employees, contractors, channel partners
- **Skill Up: Curated online training** programs from reputed universities

Employee engagement

- **Emotional and mental well being assistance** program for employees and their families
- **Doctor on Call:** Unlimited free consultation
- **E-Sparsh:** Online query & grievance platform
- Platform for **employee engagement:** HDFC Life Got Talent, e-appreciation cards



VIRTUAL CAREER FAIR



HDFC Life Cares for You & Your Family



Is Multitasking Stressing You Out?



Seek help from **HDFC Life Emotional and Mental Well-Being Assistance**



Specialization Matters!
Access to a Special Panel of Doctors is now at your fingertips!



Diversity, Equity and Inclusion

HDFC Life's Diversity & Inclusion Journey

Here's an opportunity to learn about how HDFC Life is taking steps to be Diverse and Inclusive. Be part of the D&I journey.

Together, let's Bridge the Gap!

Religion - Color - Age - Race - Gender - Differently Abled - Sexual Orientation



Parenthood is about Love, not Gender!

HDFC Life's Adoption Leave Policy is now more inclusive!



You have the power to define your identity

In line with efforts to create a more inclusive workplace, HDFC Life is proud to introduce the Gender Reassignment Policy.

A photograph of a young woman with dark hair, smiling warmly. She is wearing a light blue top and a gold bracelet. The background is a blurred office setting with colorful streamers.

Punarāgaman

After my daughter's birth, I had to give up my career. She is my priority now!

Thanks to HDFC Life's Punarāgaman Program, I can now relaunch my career.

New Mother and A Project Coordinator

Pride, not Prejudice



We can help you!

We have launched an exclusive mail id for LGBTQ+ related counseling

Do you feel isolated because you cannot share your thoughts and aspirations with anyone?



You are not alone!

We are here if you need us!





Holistic Living



- **Fulfilling our Corporate Social Responsibility**
- **Inclusive Growth**
- **Customer Centricity**

Holistic Living: Corporate Social Responsibility/Inclusive Growth

Our CSR Focus
HDFC Life Swabhimaan strives to build sustainability in everything we do, but not limited to:

- Education and Livelihood
- Environmental Sustainability
- Healthcare and Sanitation
- COVID-19 Response

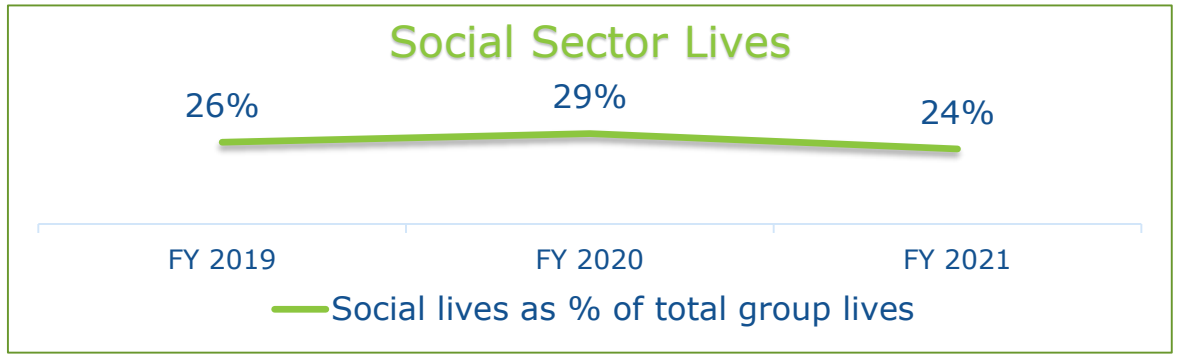
The Swabhimaan Impact

2.3 lakh+ Beneficiaries

19 Implementation Partners

22 Projects

24 States, 3 Union Territories



“ **SUSTAINABLE DEVELOPMENT GOALS** ”

Support **10** out of the 17 UN SDGs ”

43%

Higher CSR spend v/s regulatory requirement over last 3 FYs

28%

Higher CSR spend v/s regulatory requirement in FY21



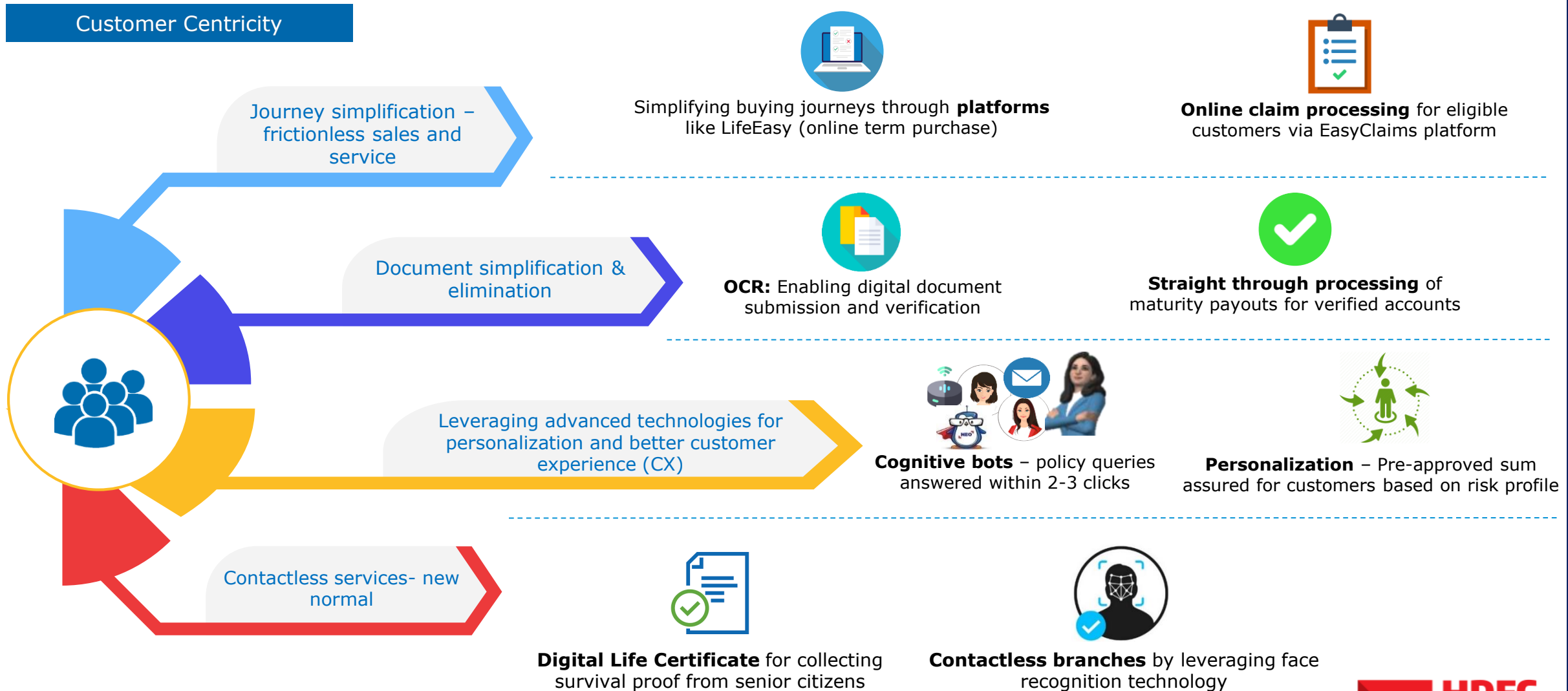
Required % or no. of lives as per the regulations: **5%**

% lives covered in last 3 years: **27%**

No. of lives covered via micro insurance products: **1.1 cr as on Sep 30, 2021**



Holistic Living: Customer Centricity



1. OCR: Optical Character Recognition



Sustainable Operations

- **Energy, Emissions, and Water Conservation**
- **Digitisation**
- **Reducing Carbon Footprint – Biodiversity conservation**
- **E-Waste and other Waste Management Initiatives**



Sustainable Operations

Energy and water



- Use of **3/5 star rated** appliances
- 69% of branches use **LED based lighting** system
- Use of **sensor based** urinals and water taps
- Implementation of **switch rooms** across branches resulting in reduced air-conditioning usage
- Replacement of Uninterruptible Power Supply (UPS) with new **energy efficient devices**

Digitization - Reduction of Paper Usage

- Online /**e-forms** for customers
- Annual report FY21 digitally communicated
- **Demat** or dematerialized i.e. digital policy accounts **43.9%** of our new business



Bio-diversity



- **20 city forests** created using **Miyawaki method**; **50** different native species
- **Expansion to support solar** on schools and **water rejuvenation**

Business travel

- **40+ video conferencing rooms** setup to reduce travel



Waste management



- **310 Kgs of e-waste** recycled/ refurbished/disposed in FY21
- **Donated old IT assets** to help under-privileged sections of the society
- **No single-use plastics**
 - Bio-degradable garbage bags
 - Cafeteria with reusable plates, cutlery, wooden stirrers etc.

ESG Engagement and Way Forward



External Validation and Disclosures



- Active engagement with external agencies including MSCI, S&P Global (DJSI)



- **MSCI** rating improved from 'BB' in October 2019 to 'BBB' in August 2020
- **S&P Global** (DJSI) percentile improved significantly from **1** in 2019 to **61** in 2021 despite increase in participation by 60%



- **Integrated report** and **ESG Report** published in 2021



Way forward



Deepen our focus on environment – understand and track carbon footprint



Strengthen our investment strategy



Go beyond CSR obligation and inculcate a culture of giving back to society



Augment employee health and mental well-being programs



Continue on our journey to simplify insurance buying, servicing – enhance customer experience

Thank you

