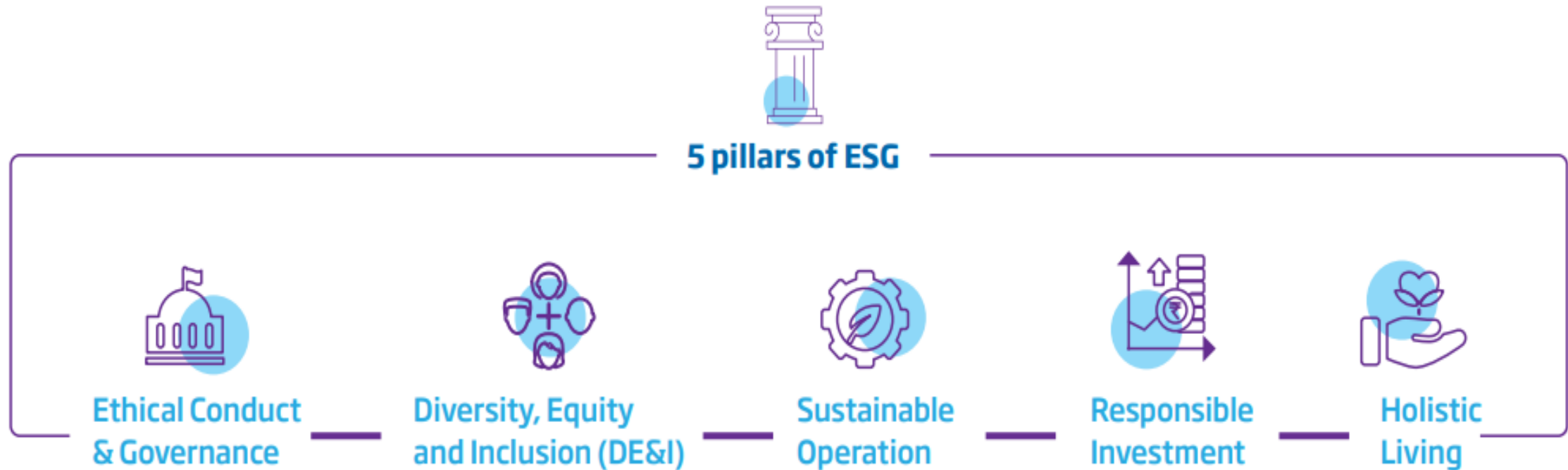


ESG at a Glance



ESG Score Highlights:

*We achieved a score of **48 (76 percentile)** in the 2024 S&P Global Corporate Sustainability Assessment reflecting an improvement of **+9 points** on a Y-o-Y basis

*Our Sustainalytics rating was upgraded from '**Medium**' to '**Low**' risk

Ethical Conduct & Governance

Leadership Oversight on ESG

- ESG governed by the Board **CSR & ESG Committee** and driven by the **ESG Management Committee** and cross functional teams
- **Board approved** Environment and Climate Change Policy

Corporate Governance

Board Composition*

- **Six** Independent Directors
- **Three** Non-Executive Non-Independent Directors
- Average tenure of the Board – **8.31** years

Board Diversity

- **Two** women Directors on Board

Remuneration Policy

- Seeks to balance the fixed and variable pay
- **ESOPs** based on the recommendations of NRC
- **Clawback /Malus provision** and/or **Deferred Payout** for **Long Term Incentive Pay (LTIP)**

Risk Management

- Risk oversight by Senior Management & Board of Directors vide **Risk Management Council** and **Risk Management Committee** respectively
- Modes of Risk Awareness: Trainings, E-mailers, Seminars, Conferences, Quizzes and Special awareness Drives
- Business Continuity Management (**BCM**): Recovery plan for critical business activities in place
- Enterprise Risk Management (**ERM**) framework:
 - 'Three Lines of Defence approach'
 - Reviewed and approved by the Board
- ESG risks including Climate change, etc. included under **Emerging risks** category of the ERM Framework
- **Materiality Assessment** conducted as per GRI Universal Standards 2021

Information / Cybersecurity

- Risk oversight by Senior Management & Board of Directors vide **Risk Management Council** and **Risk Management Committee** respectively; risk reporting done on a quarterly basis
- Modes of Risk Awareness:
 - Annual mandatory training for all employees
 - Security workshops and case study discussions
 - Specially curated programs and sessions for senior leadership
 - Monthly awareness mailers
 - Security posters and leaflets
 - Phishing Simulation Campaigns
- Dedicated helpdesk and email id's for reporting on the breaches
- Information security controls modelled in line with:
 - **ISO 27001** standards
 - IRDAI mandated cyber security guidelines

Policies & Frameworks

- Anti-bribery & Anti-corruption Policy
- Anti Money Laundering (AML) Policy
- Board Diversity Policy
- Code of Conduct
- Corporate Governance Policy
- Data Privacy Policy
- Emotional & Mental well-being Policy
- Investor Grievance Policy
- Responsible Investment (RI) Policy
- Stewardship Policy
- Tax Policy
- Whistleblower Policy
- Corporate Social Responsibility (CSR) Policy
- Diversity, Equity and Inclusion (DEI) Policy
- Human Rights Policy
- Policy for Prevention and Redressal of Sexual Harassment (PRSH)
- Supplier Code of Conduct
- Health & Safety Policy
- Environment and Climate Change Policy

* Board Composition as on 31st March'25

Responsible Investment

RI – Policy, Framework & Governance structure

Policy objective

To generate optimal risk adjusted returns over the long term through consideration of environmental, social and governance factors in investment decisions

Policy, Framework & ESG integration approach

- **RI and Stewardship policy** in place; ESG issues covered **in voting process**
- Major asset classes covered by RI Policy:
 - **Equity and equity related securities**
 - **Alternate Investment Funds (AIFs)**
 - **Investment Trusts**
 - **Corporate Bonds**
- Subscribed to **external ESG rating provider** for top 250 publicly listed investee companies by AUM
- Actively engaged with **38** investee companies on ESG issues during FY 2023-24

Governance structure

A **ESG Governance Committee** at the investment team level comprises of Chief Investment Officer, Head of Fixed Income, Head of Research, Fund Manager of ESG Fund and dedicated ESG research analyst

Head of Research ensures that ESG is incorporated into overall Research and Investment process

Responsible Investing Products

Sustainable Equity Fund

The fund seeks to generate returns from investing in companies with high ESG standards and commensurate score, create value for all stakeholders with lower risks & generate sustainable long-term returns. The fund grew by **more than 50%** during FY 2023-24

Exclusion criteria

- Companies engaged in the business of tobacco, alcohol, controversial weapons and gambling are excluded from the Sustainable Equity Fund
- Exclusion criteria aligned with the exclusion policy followed by Nifty 100 ESG Index

Responsible Investment Stewardship

- Signatory to **United Nations – supported Principles for Responsible Investment (UN-PRI)**
- Prepared and submitted 1st mandatory UN-PRI report for FY 23-24



Diversity, Equity & Inclusion and Employee Engagement

DEI – Policies & Programs

- **'Celebrate You'** programme ingrains DEI philosophy across policies, communication, leadership development and workforce culture
- **Employee Resource Groups (ERGs)** to create a more inclusive workplace
 - Women in Insurance
 - Life of Pride
 - Happiness at work
 - Wellness & Wellbeing
- **Promoting diverse talent pool** (work profiles for second career women, specially - abled)
 - Punarāgaman
 - #MyJobMyRules
 - Shakti – Acid attack survivors hiring initiative
- Official **DEI page** on our website highlighting various initiatives
- **Gender transition surgery** covered under mediclaim policy
- Launched **Emotional and Mental Well-being** Policy
- **Gender neutral** dress code and mediclaim policy
- **Adoption policy:** Use of terms like primary and secondary caregiver instead of using terms like parents, mother/father, man/woman

Employee Engagement

- **Emotional and well being assistance** program for employees and their families
- **Doctor on Call:** Unlimited free consultation
- OPD health plans for employees and their families
- **E-Sparsh:** Online query & grievance platform
- **Family integration programs:** Launched 'Bring your parents to work' initiative
- **Platform for employee engagement:**
 - CEO Speaks
 - HDFC Life Got Talent
 - E-appreciation cards
- **Leadership and expert sessions** to create awareness on various topics of inclusion

Training & Development

- **Smart Winner App:** An app for FLS to get instant feedback on their product knowledge and sales pitch from an AI coach
- **iLearn:** An External Courses Marketplace of exclusively curated 500+ courses, on completion of which you can become eligible for rewards linked to your Certification Program
- **Mobile learning** app for self-paced learning
- **Skill Up:** A curated online training programs from reputed universities

Talent Management / Retention

- **Apex Accelerator Initiative (AAI)** - a unparalleled development journey for nurturing the leader amongst our AVP cohorts
- Launched **Leadership Edge** for mid-management
- **Career microsite** & job portal
- **Leadership pathways** for senior management
- **STRIDE** program for HI-PO employees
- **Managers Transformation League:** Leadership development program for middle management
- **New Manager Boot Camp:** Leadership development program for First Time Managers
- **Long term incentive plans** in the form of ESOPs and cash to attract, retain and motivate good talent
- **Elaborate succession planning** for Key Managerial Personnel and critical senior roles

Attracting Talent

- **Hybrid work model** and flexi hours to attract gig workers
- Robust **employee referral** schemes
- **Hire-train-deploy** model through tie-up with reputed learning institutions
- **HR tech:** in-house application tracking system

Awards & Recognition

- Certified as **Great Place to Work 2025**
- Great Place to Work recognition – Among **Top 50 organizations** for 'Building a Culture of Innovation for All'
- **ET Best Organization for Women 2024**
- Great Place to Work recognition - **India's Best Companies To Work For 2024**
- **Best Workplace in Asia 2024** by Great Place to Work
- India's **Best Workplaces for Millennials 2024** by Great Place to Work
- India's **Best Workplaces for Women 2024** by Great Place to Work
- Exemplars: **Most Inclusive Companies** in India 2024 by Avtar
- **Brandon Hall HCM Excellence Awards 2024:** Gold award for Best Competencies and Skill Development (L&D)

Key Performance Indicators

- **Employee Satisfaction Score:** 85%
- **Women Representation:** 26.9%
- **Average hours of training per hour per employee:** 71.74

Holistic Living: Delivering superior customer experience

Customer Centricity

Journey simplification – frictionless sales and service

Simplifying buying journeys through **platforms** like LifeEasy (online term purchase)

Online claim processing for eligible customers via EasyClaims platform

Document simplification & elimination

OCR: Enabling digital document submission and verification

Straight through processing of maturity payouts for verified accounts

Leveraging advanced technologies for personalization and better customer experience (CX)

Cognitive bots – policy queries answered within 2-3 clicks

Personalization – Pre-approved sum assured for customers based on risk profile

Contactless services- new normal

Digital Life Certificate for collecting survival proof from senior citizens

Contactless branches by leveraging face recognition technology

Enhancing Customer Experience through our CX Program, based on 5 focus areas:

1. Enabling a customer centric culture within the Organisation
2. Creating new and simple Product propositions
3. Seamless Customer Journeys
4. Simplified Communication
5. Use of Technology and Analytics

Embarked on a technology transformation project called **INSPIRE** (INtelligent Systems and Platforms for Insurance REimagination) for enhancing Customer experience

Micro insurance Products for Financial Inclusion

Insurance awareness campaigns; customer communication in vernacular languages

Customer Satisfaction Score (March'25 score) – **88.3 %**

1. OCR: Optical Character Recognition

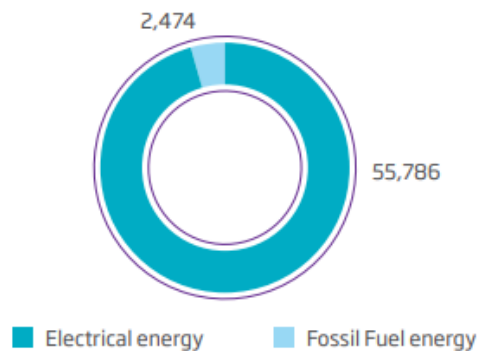
Sustainable Operations & Climate Strategy

Policies & Frameworks

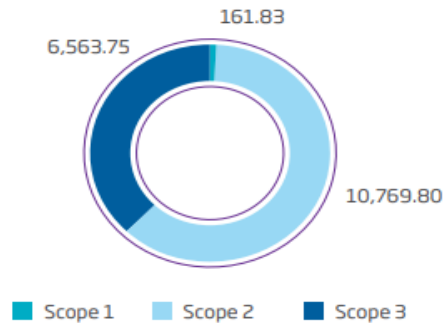
- Board approved [Environment & Climate Change Policy](#), serving as a guideline for understanding and managing our environmental and climate risks, impacts and opportunities
- Climate-related performance disclosed in accordance with the **TCFD** (Taskforce on Climate-related Financial Disclosures) framework
- GHG inventorization conducted as per **Greenhouse Gas Protocol, Corporate Accounting and Reporting Standard** (revised edition)

Climate Impact

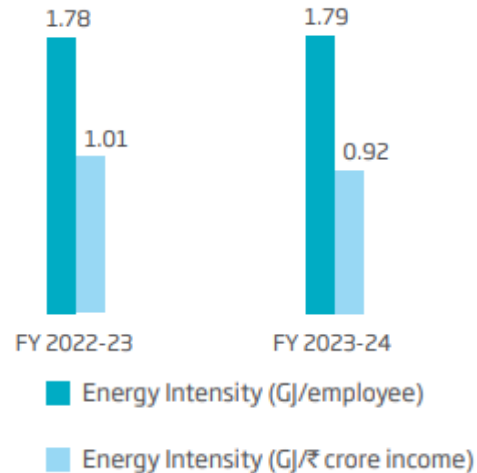
Energy Consumption (GJ) in FY 2023-24



GHG Emissions (tCO₂e) in FY 2023-24



Energy intensity for FY 2022-23 & FY 2023-24



We are in the process of conducting a **Climate Risk Assessment to identify and analyze the climate-related risks impacting the business and operations*

Performance Overview

• Reducing Carbon Footprint

- Planted **1,12,094** saplings and developed **5** Miyawaki city forests covering **2,25,250 sq. ft.** area under various CSR initiatives
- Installed **82.97 kWp** solar panels in 2 schools and 10 government hospitals, capable of generating **30.96 MWh** annually and off-setting **29.41 MtCO₂e** as part of CSR initiative
- Procured **FSC** (Forest Stewardship Council) certified eco-friendly paper made from wheat straw (agro waste) to reduce consumption of virgin paper

• Waste Management & Circularity

- Recycled / Disposed **5.3** tonnes of E-waste, **6.5** tonnes of Paper waste and **0.1** tonnes of Plastic waste

• Energy and Water

- Purchased **471.9 MWh** of electricity produced from renewable sources (wind energy)
- Total water consumption - **4,62,793.28 kL**
- **Water Body Rejuvenation:** Restored 4 water bodies in Tamil Nadu and Gujarat covering approximately 58 acres of area as part of CSR initiative, which will lead to increase in water holding capacity, groundwater recharge capacity and improvement in the overall ecology

• Digitization

- Issued policies in Demat format - Demat accounts for **30%** new insurance policies; encouraging policyholders to opt for Demat or online copies of their policy documents