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Effective Governance

At HDFC Life, good governance is foundational to our strategic approach and is rooted in the principles of integrity, transparency, and accountability. It enables ethical decision-making and supports consistent adherence to the highest standards of conduct.

Read more  P. 49



From the desk of Executive Director & Chief Financial Officer

We are pleased to have received an 'A' rating from MSCI, a score of 48 from S&P Global, and a rating of 'low' risk from Sustainalytics. These reflect our continued efforts to align with global ESG benchmarks and enhance disclosure quality.

Read more



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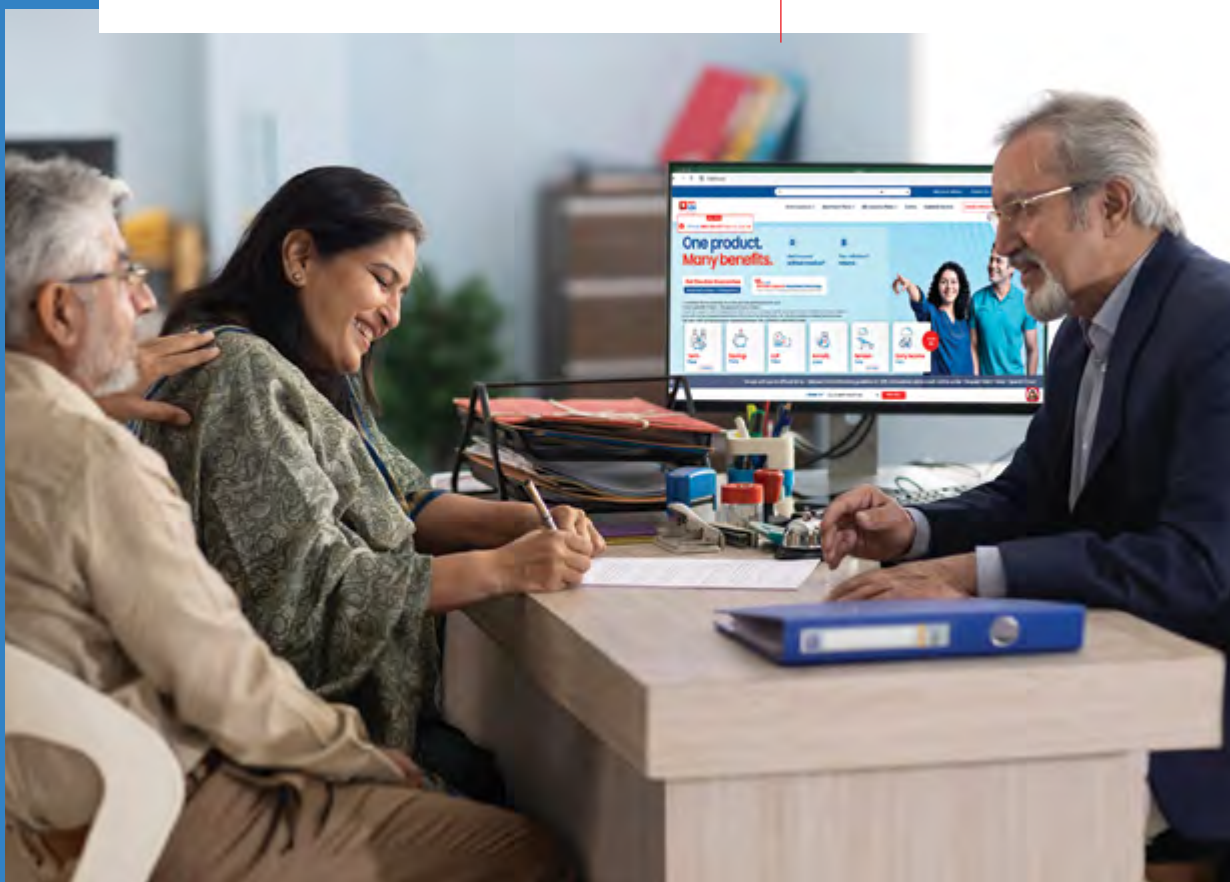
Advancing Communities with Purpose

We strengthen Social and Relationship Capital through inclusive community programmes in education, livelihoods, healthcare, sanitation and sustainability under Swabhimaan.

Read more



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About the Report

At HDFC Life (referred to as 'We', 'Us', or 'the Company'), we are committed to advancing long-term, value creation for our stakeholders. Having embarked on our ESG Reporting journey in FY 2020-21, we continue to augment the depth and breadth of our disclosures. Our ESG Report highlights our performance across non-financial parameters, amid evolving regulatory, economic, and market dynamics. The report also provides insights into our ESG (Environmental, Social, and Governance) pillars. Integrated thinking is embedded across our strategic and operational decision-making processes, enabling us to holistically evaluate and manage the interconnected impacts of our business on long-term value creation. This is underpinned by a vigilant risk management framework and supported by ethical and transparent governance practices.

Reporting Scope and Boundary

This report presents information on non-financial performance on a standalone basis, covering the financial year from April 1, 2024, to March 31, 2025. It encompasses details on our ESG initiatives, stakeholder engagement, risk framework, and material concerns that influence our long-term sustainability and business resilience.

Reporting Framework and Compliance

This report adheres to statutory and voluntary reporting standards, ensuring a balanced, accurate, and forward-looking representation of our performance..

The report also contains disclosures with reference to Task Force on Climate related Financial Disclosures (TCFD).

Materiality

This report includes material information for all stakeholders and provides an overview of our business and related activities. While evaluating material topics, we considered our operational environment, including legal and regulatory compliance, industry trends, and our risk framework. In FY 2022-23, we conducted a materiality assessment to determine our key topics. This year, we have refreshed material topics through an internal reassessment and have identified 12 material topics most relevant to our strategy. These focus areas guide our decisions and reflect our commitment to long-term value creation and sustainable growth.

For more information on Materiality, refer to  P. 22

Assurance

G. M. Kapadia & Co has provided a reasonable assurance on the BRSR core KPIs and limited assurance on the identified sustainability information disclosed in our Business Responsibility and Sustainability Reporting (BRSR) and Integrated Annual Report. Assurance has been provided in accordance with the Sustainability Assurance Engagements (SSAE) 3000 Standard on, "Assurance Engagements on Sustainability Information" issued by the ICAI.

Governance Over the ESG Reporting Process

The preparation of this Report is a collaborative, organisation-wide effort involving multiple functions. A dedicated cross-functional ESG team compiles and structures the contents of the Integrated Report, drawing insights from extensive discussions with business and subject matter experts across the Company. Following thorough evaluations, review and approval by Senior Management, Integrated Report is presented to the Board of Directors for final sign-off.

ESG Management Committee Approval and Responsibility Statement

The ESG Management Committee acknowledges that it has applied its collective judgement in the preparation and presentation of this Report. It assumes full responsibility for its completeness, accuracy, and fairness. The Committee believes that this Report provides a balanced and holistic view of the Company, in line with the stakeholder expectations.



Corporate Information

Board of Directors

Mr. Keki M. Mistry
Chairman

Mr. Kaizad Bharucha

Mr. Sumit Bose

Mr. Ketan Dalal

Ms. Bharti Gupta Ramola

Dr. Bhaskar Ghosh

Mr. Venkatraman Srinivasan

Mr. Subodh Kumar Jaiswal

Ms. Vibha Padalkar
Managing Director & Chief Executive Officer

Mr. Niraj Shah
Executive Director & Chief Financial Officer

Mr. Vineet Arora
Executive Director & Chief Business Officer
(Effective from May 1, 2025)

Key Management Persons

Ms. Vibha Padalkar

Mr. Niraj Shah

Mr. Vineet Arora

Mr. Prasun Gajri

Ms. Eshwari Murugan

Mr. Narendra Gangan

Mr. Vibhash Naik

Mr. Sameer Yogishwar

Mr. Khushru Sidhwa

General Counsel, Chief Compliance Officer & Company Secretary

Mr. Narendra Gangan

Statutory Auditors

M/s G.M. Kapadia & Co.,
Chartered Accountants

M/s BSR & Co. LLP,
Chartered Accountants

Corporate Social Responsibility and ESG Committee

Mr. Subodh Kumar Jaiswal

Dr. Bhaskar Ghosh

Mr. Niraj Shah

ESG Management Committee

Mr. Niraj Shah

Mr. Narendra Gangan

Mr. Prasun Gajri

Mr. Vibhash Naik

Registered Office

13th Floor, Lodha Excelus,
Apollo Mills Compound,
N M Joshi Marg, Mahalaxmi,
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Email: investor.service@hdfclife.com

Website: www.hdfclife.com

CIN: L65110MH2000PLC128245



The World of HDFC Life





HDFC Life Insurance Company Limited ('HDFC Life') is a publicly listed life insurance provider, promoted by HDFC Bank Limited – India's leading private sector bank. As of March 31, 2025, HDFC Bank held a 50.3% stake in HDFC Life. Established in 2000, HDFC Life is a prominent Indian provider of long-term life insurance solutions, catering to diverse customer needs through its range of individual and group products covering protection, pension, savings, investment, annuity and health.

As of March 31, 2025, the Company had a product portfolio comprising over 70 products (including individual and group products) and optional riders, catering to a diverse range of customer needs. Guided by our vision and values, we remain committed to delivering long-term financial security through thoughtfully designed solutions tailored to various life stages and financial goals of our customers.



~5 crore

New Business Lives Insured

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 Values

E Excellence

Excel in every action with an aspiration to be the best in the industry

P People Engagement

Respect your colleagues and contribute towards an engaged work environment

I Integrity

Conduct in a manner that is consistent with the Company's code of conduct and demonstrate accountability for all professional actions

C Customer Centricity

Keep policyholders' interest at the core and deliver on all commitments

C Collaboration

Proactively align all actions towards achieving organisational goals



Our Parentage

HDFC Bank is India's largest private sector bank by balance sheet size as on March 31, 2025. It was incorporated in August 1994 by the erstwhile Housing Development Finance Corporation Limited (HDFC Ltd.) which was amongst the first financial institutions in India to receive an "in-principle" approval from the Reserve Bank of India to set up a bank in the private sector. It started off as a transaction bank and subsequently forayed into the entire gamut of asset, liability and payments products providing banking solutions to a larger customer base of retail, MSME and corporate segments.

On July 1, 2023, HDFC Ltd. merged with and into HDFC Bank, enabling the Bank to add mortgages to its suite of products. This also brought broader financial services institutions, including HDFC Life, HDFC AMC and HDFC Ergo as subsidiaries under the HDFC Bank Group, in addition to the existing HDFC Securities and HDB Financial Services.

As of March 31, 2025, the Bank's distribution network stood at 9,455 branches and 21,139 ATMs spread across 4,150 cities/towns. About 51% of these branches are in semi-urban and rural locations. The Bank's international operations comprise five branches, located in Hong Kong, Bahrain, Dubai, Singapore and an IFSC Banking Unit in Gujarat International Finance Tec-City. Additionally, it has four representative offices in Kenya, Abu Dhabi, Dubai and London respectively, catering to Non-Resident Indians and Persons of Indian origin.

Our Subsidiaries

HDFC Pension Fund Management Limited

HDFC Pension Fund Management Limited (formerly known as "HDFC Pension Management Company Limited"), a wholly-owned subsidiary of HDFC Life, began its journey in August 2013. Since then, it has emerged as one of the fastest Pension Fund Managers (PFM) under the National Pension System (NPS), with a remarkable 50% year-on-year growth in Assets Under Management, surpassing ₹ 1.15 lakh crore as of March 31, 2025, highest AUM amongst the private NPS PFMs.

In FY 2019-20, HDFC Pension also became a registered Point of Presence (PoP), enabling it to open and manage NPS accounts for both retail and corporate customers. As of FY 2024-25, it proudly serves over 3,500 corporates and more than 4.5 lakh NPS customers. HDFC Pension ranked #1 based on corporate subscribers during FY 2024-25.

With a strong focus on disciplined retirement planning and long-term wealth creation, HDFC Pension continues to simplify access to NPS and help individuals and organisations plan confidently for the future.

HDFC International

HDFC International Life & Re, a wholly-owned subsidiary of HDFC Life based in the Dubai International Financial Centre (DIFC), has successfully completed nine years of operations, steadily expanding its footprint across the GCC and broader MENA region. The Company provides both treaty and facultative reinsurance solutions across life and health insurance lines, supporting its cedents and partners with trusted expertise.

In FY 2023-24, the Company marked a significant milestone by launching its first overseas branch in India - HDFC International Life and Re, IFSC Branch at GIFT City. Branded as HDFC Life International, the branch introduced a range of innovative life and health insurance plans tailored for global Indians, including NRIs, PIOs, and resident Indians. The Company also retained its "BBB" insurer financial strength rating from S&P Global Ratings for the seventh consecutive year, a reflection of its financial stability and consistent performance. Apart from S&P Global Ratings, for the first time AM Best Ratings assigned a Financial Strength Rating of B++ (Good) and a Long-Term Issuer Credit Rating of "bbb" (Good) to HDFC International Life & Re. The outlook assigned to both these Credit Ratings (ratings) are stable. Furthermore, HDFC International Life & Re received its re-certification on ISO/IEC27001:2013 for Information Security Management Systems (ISMS) underscoring its commitment to excellence in technology and services.



A portrait of Niraj Shah, a middle-aged man with a short beard and mustache, wearing a blue blazer over a white shirt. He is smiling slightly and looking towards the camera. The background is a light-colored, textured wall.

From the desk
of Executive
Director & Chief
Financial Officer

Niraj Shah



We are pleased to have received an 'A' rating from MSCI, a score of 48 from S&P Global, and a rating of 'low' risk from Sustainalytics. These reflect our continued efforts to align with global ESG benchmarks and enhance disclosure quality.

Dear Shareholders,

At HDFC Life, ESG principles are not ancillary. They are central to how we operate, grow, and create value for all our stakeholders. Our ESG commitment forms the backbone of our long-term sustainability strategy, and we are proud to share key achievements and ongoing priorities in this regard.

We are pleased to have received an 'A' rating from MSCI, a score of 48 from S&P Global, and a rating of 'low' risk from Sustainalytics. These reflect our continued efforts to align with global ESG benchmarks and enhance disclosure quality.

On the environmental front, we are focused on reducing our ecological footprint. Our GHG emissions inventory covers Scope 1 and 2 emissions, along with select Scope 3 categories. We align our climate-related disclosures with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and are taking steps to improve resource efficiency and support climate resilience.

Social responsibility is integral to our corporate ethos. We continue to invest in creating a safe, inclusive, and empowering workplace that promotes diversity and equal opportunity. Our focused efforts on gender diversity have resulted in women comprising 28.2% of our workforce across roles and levels.

We also remain committed to community development through structured CSR programs, targeted partnerships, and active employee volunteering. These initiatives are aimed at making a meaningful difference to the lives of those we serve.

Our governance practices are rooted in transparency, accountability, and ethical conduct. A diverse and experienced Board of Directors guides our decisions, supported by strong internal controls, compliance frameworks, and enterprise risk management systems to protect stakeholder interests.

Looking Ahead

We believe companies that embed ESG into their core strategy are better positioned to manage risks, unlock efficiencies, and drive sustainable returns. As we move forward, we remain steadfast in integrating ESG considerations into all facets of our operations and strategy. We thank you, our valued stakeholders, for your continued trust and support. Together, we look forward to building a future defined by responsibility, resilience, and shared progress.

Sincerely,

Niraj Shah

Executive Director & Chief Financial Officer

Driving Impact through SDG Alignment

Through our core business operations and corporate social responsibility initiatives, we actively support India's commitment to the United Nations Sustainable Development Goals (UN SDGs) and are dedicated to advancing the 2030 Agenda by aligning our efforts with these goals.



HDFC Life's Progress Aligned with the UN SDGs

1 NO POVERTY



NO POVERTY

We aim to break the cycle of poverty by equipping underserved communities with skills and financial know-how. In select districts of Uttarakhand and Andhra Pradesh, we support vocational and agri-based livelihoods. Through Swabhimaan, we deliver financial literacy across six states, building lasting economic resilience.

2 ZERO HUNGER



ZERO HUNGER

We support mid-day meals and maternal nutrition programmes in parts of West Bengal, Himachal Pradesh and Maharashtra. In 24 villages of Parvathipuram, Andhra Pradesh, we work with smallholder farmers – focussing on women and indigenous communities – to promote sustainable agriculture and strengthen local food systems. This provided opportunities for a better livelihood to more than 1,400 households consisting of 1,730 people.

3 GOOD HEALTH AND WELL-BEING



GOOD HEALTH AND WELL-BEING

We expand primary healthcare access in underpenetrated regions through e-clinics, health camps, and awareness sessions across seven states. In West Bengal, we focus on maternal and child health – covering nutrition, pre- and postnatal care, and adolescent education. Across 11 states, we support early screening and treatment for childhood illnesses, including cancer, spina bifida and congenital heart conditions. These programmes positively impacted 2,030 children. We also improve preventive health through hygiene education, menstrual health awareness, and road safety initiatives.

We promote employee well-being through programmes focussed on physical, mental, and emotional health.





4 QUALITY EDUCATION



QUALITY EDUCATION

We support inclusive education across age, gender, and ability through early learning, formal schooling, and non-formal education. In Maharashtra, we upgraded ICDS anganwadi centres and school infrastructure to foster school readiness and improve access to safe, inclusive learning environments. These efforts benefited over 1,860 children in rural and semi-urban areas. In Jharkhand, we trained over 7,000 teachers in English and Mathematics for Grades 1 to 5 across government schools in eight aspirational districts using ICT tools to strengthen foundational literacy and numeracy. Our programmes also promote vocational training for persons with intellectual disabilities, financial literacy for low-access communities, and integrate sustainability, human rights, and cultural diversity into community learning modules.

We also facilitate continuous learning for our employees through structured capability-building programmes and future-ready skill development via digital, behavioural, and leadership academies.

5 GENDER EQUALITY



GENDER EQUALITY

We advance gender equality by promoting equal access to education, livelihoods, and healthcare. Our initiatives support girls from low-income households through scholarships, school infrastructure in select districts, enable women's participation in skilling, and income-generation programmes. We also work to ensure equitable healthcare access for women and girls through maternal care, menstrual health awareness, and nutrition-focussed interventions in Uttar Pradesh, Bihar, Jharkhand, Madhya Pradesh, Meghalaya, Odisha, Maharashtra, and West Bengal.

We focus on advancing gender diversity within the Company through targeted hiring, mentorship, and career development programmes. We are committed to creating equitable pathways for women through supportive policies and enablement frameworks.

6 CLEAN WATER AND SANITATION



CLEAN WATER AND SANITATION

We support sanitation and hygiene through infrastructure and behaviour-change initiatives in low-income communities. In Maharashtra, we facilitated the construction of 190 toilets in Navi Mumbai and conducted awareness sessions on hygiene and menstrual health. In parts of Madhya Pradesh, Himachal Pradesh and West Bengal, we promote WASH practices, school sanitation, and efforts to end open defecation – especially for women, girls, and vulnerable groups.



7 AFFORDABLE AND CLEAN ENERGY



AFFORDABLE AND CLEAN ENERGY

We promote access to clean energy through decentralised solar solutions in remote regions. Through our initiatives, we have installed rooftop solar systems in 3 schools and 10 healthcare centres across Maharashtra, Assam, Meghalaya, and Nagaland, with a combined capacity of 105.41 kWp (35.41 kWp in schools and 70 kWp in health centres) to reduce grid dependency and enable uninterrupted services in remote, energy-poor areas.

8 DECENT WORK AND ECONOMIC GROWTH



DECENT WORK AND ECONOMIC GROWTH

We promote inclusive growth through, financial literacy, and entrepreneurship programmes in parts of Bihar, Madhya Pradesh, Jharkhand, Uttarakhand, Meghalaya, and Uttar Pradesh. These have benefited over 1,21,340 individuals, with more than 14,000 linkages established to various government welfare schemes. These initiatives equip youth and women, with job-ready skills, better financial management supporting access to sustainable livelihoods.

We foster an inclusive and merit-based workplace by promoting diversity in hiring across abilities, backgrounds, and geographies, enabling internal mobility, and supporting early-career talent through structured onboarding and development. Our performance and remuneration practices are anchored in fairness, transparency, and meritocracy.

We align with the 'Insurance for All' vision by Government of India as we actively expand our coverage in tier 2 and 3 towns and aid in advancing financial literacy – enabling broader economic participation and resilience.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



INDUSTRY, INNOVATION & INFRASTRUCTURE

We advance product innovation through a customer-centric design approach, creating solutions tailored to evolving life stage needs, supported by agile processes and a future-ready digital infrastructure.

We are advancing innovation through Ideathons, InsureTank, Futurance, and the Innovation Studio to co-create tech-led solutions with practical impact.

We ensure a responsible and purpose driven investment strategy. Our investments in infrastructure/housing sector amounted to ₹ 44, 245 crores as of March 31, 2025.

10 REDUCED INEQUALITIES



REDUCED INEQUALITIES

We promote inclusion across socio-economic backgrounds through multi-dimensional interventions. In Tier 2 and 3 cities, we work to broaden social protection coverage. As of March 31, 2025, about 9,87,985 lives were covered under the PMJJBY scheme. Our initiatives support inclusive infrastructure and non-formal education for persons with disabilities and children with special needs. We advance equitable access to sanitation, hygiene, education, and skilling for women, youth, and low-income groups across urban and rural communities in Jharkhand, Maharashtra, and Tamil Nadu.

We promote equal opportunity through bias-free hiring, inclusive policies, and sensitisation, while building a disability-inclusive workplace through accessible infrastructure, targeted skilling, and allyship.



11 SUSTAINABLE CITIES AND COMMUNITIES



SUSTAINABLE CITIES AND COMMUNITIES

We support sustainable development in urban and rural areas through clean energy, resource conservation. In parts of Maharashtra, Assam, Nagaland, and Meghalaya, we implemented solar solutions in schools and health centres. Our efforts include city forest plantation drives in Maharashtra, volunteer-led waste management, and water restoration in Madhya Pradesh. In Andhra Pradesh, we promote sustainable agriculture and water conservation to build climate resilient, self-sustaining communities.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



RESPONSIBLE CONSUMPTION & PRODUCTION

Our initiatives on responsible consumption focus on improving safe disposal and promoting conservation-led behaviours. In parts of Maharashtra, Madhya Pradesh, and urban areas like Navi Mumbai, we drive WASH and menstrual hygiene awareness, support sanitary waste disposal, and advance waste management through reuse, recycling, and plastic reduction.

13 CLIMATE ACTION



CLIMATE ACTION

We supported climate action through plantation of 9,500 saplings across three city forest sites in Maharashtra, covering 28,500 sq. ft., water restoration, and decentralised solar energy solutions in parts of Maharashtra, Madhya Pradesh, Andhra Pradesh, and the Northeast. Through workshops and community-led initiatives, we promote sustainable practices and build awareness on climate resilience in vulnerable geographies.

We also integrate climate and ESG risks into investment decisions through HDFC Life's Responsible Investment Policy, aligning capital deployment with long-term sustainability goals.

15 LIFE ON LAND



LIFE ON LAND

We contribute to ecosystem restoration by supporting tree plantation, lake rejuvenation, and biodiversity conservation. In parts of Maharashtra, we are developing city forests to restore green cover in urban areas. We supported the rejuvenation of a 9.3 acre waterbody — Kanadiya Lake in Indore, Madhya Pradesh — through de-silting, fencing, and eco-restorative landscaping.

16 PEACE, JUSTICE AND STRONG INSTITUTIONS



PEACE, JUSTICE AND STRONG INSTITUTIONS

We promote institutional trust through strong board oversight, clear separation of roles, and a well-defined governance framework and policies.

We ensure regulatory compliance and institutional accountability through robust Risk, Compliance, and Internal Audit functions.

We reinforce ethical conduct through Board-approved policies on Anti-Money Laundering and Combating the Financing of Terrorism, Anti-Bribery and Corruption, Anti-Trust practices, and guidelines on gifts and entertainment. Our whistleblower and grievance redressal mechanisms further strengthen transparency and accountability.

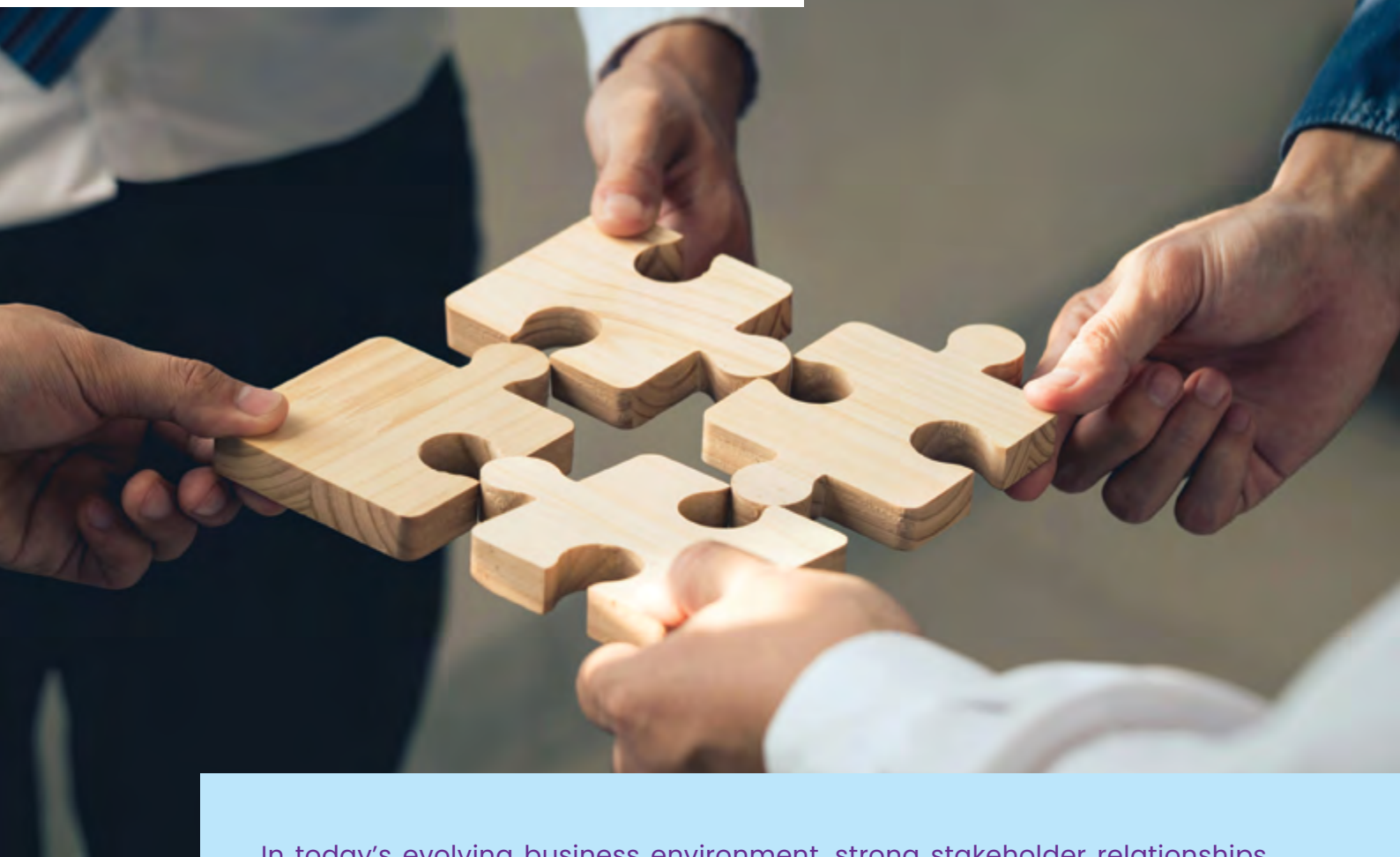
17 PARTNERSHIPS FOR THE GOALS



PARTNERSHIPS FOR THE GOALS

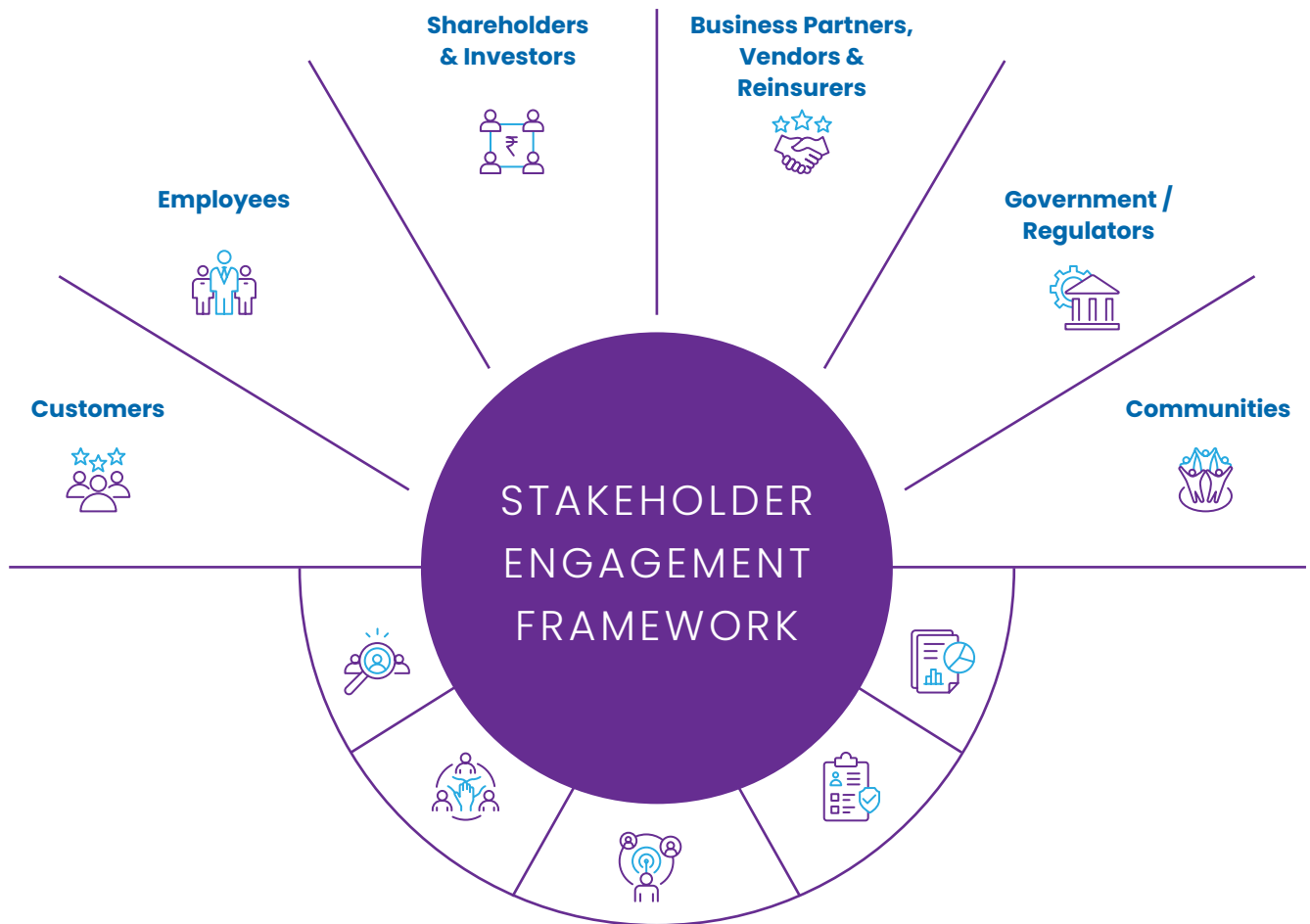
Through strategic partnerships with implementation partners, we work closely with communities to enable self-reliance through sustainable livelihoods. Our collaborations also align with national development priorities, reinforcing our commitment to shared growth and inclusive impact.

Stakeholder Engagement



In today's evolving business environment, strong stakeholder relationships are key to sustainable growth. At HDFC Life, we prioritise open communication and meaningful engagement to ensure our actions create value across our ecosystem. With a clear focus on risk awareness, our engagement approach supports both business continuity and social responsibility.

We identify key stakeholders through regular discussions with senior leadership, partners, and subject matter experts to ensure our efforts remain relevant and aligned with our strategy. We maintain consistent engagement with customers, employees, and communities – keeping their needs central to our decision-making. Feedback from these interactions helps shape our products, strengthen community initiatives, and improve our risk and governance practices. Using a range of communication channels, we adapt our engagement based on relevance and impact. This ongoing dialogue helps us stay responsive to expectations and build long-term trust with all stakeholders.

**Identify**

- Identify stakeholder groups

Engage & Consult

- Identify areas of interest and concern

Communicate Responses

- Share information on on-going initiatives in areas of their interest and concern
- Solicit suggestions for improvement

Materiality Assessment

- Identification and Prioritisation
- Updates on policies and strategies

Report

- Monitoring, evaluation, reporting and communication

The detailed engagement approach for each stakeholder group is outlined below, highlighting key expectations, methods of engagement, value delivered, and relevant performance metrics.



Customers

We exist to serve and protect our customers by delivering need-based solutions that support them across every life stage

CSAT

88.3%

Overall Claim Settlement Ratio

99.8%

Digital customer interactions

91%

Key Expectations

- Seamless & fast policy purchase journeys & buying assistance
- Service with empathy and access to physical and digital service touchpoints
- Simple and timely claims and benefit payouts
- Need-based, innovative products
- Strong data security measures
- Commitment to ethical business practices

Capitals Impacted



Frequency

Continuous

Mode of Engagement

Digital Mode

- Corporate website & chatbots
- Communication via E-mails and social media platforms

Retail

- Feedback through surveys
- Customer service touchpoints including branches & call centres
- Partner touchpoints
- Outbound calling

Corporate

- One-on-one meetings
- Video calls and Conferences

How do we deliver value

- Enhancing customer's buying experience
- Designing customer-centric products
- Empowering customers with self service avenues
- Automating processes and strengthening data security for greater efficiency
- Expanding accessibility via physical and digital touchpoints
- Cultivating a customer-first approach & culture
- Maintaining high ethical standards

Material Matters

- Customer Centricity and Product Pricing
- Brand and Reputation Management, Business Ethics & Policies
- Regulatory and Legislative Landscape
- Third-party Vendor Management and Growing Dependency on Third-party Vendors
- Information, Cyber Security and Data Privacy Risk
- Technological transformation with system stability



Employees

Our people are at the heart of our success, driving innovation, excellence, and long-term value through their passion and purpose

Employee Satisfaction (ESAT) score
84%

Diversity Ratio
28.2%
women employees

Average Learning and Development Hours
78 hrs

Key Expectations

- Competitive compensation and benefits
- Growth opportunities and career advancement
- Ongoing training and skill development
- Support for psychological and physical well-being
- Safe, stimulating, and inclusive work environment
- Strong commitment to equity and fairness

Capitals Impacted



Frequency

Continuous/Periodic review of the modes of engagement

Mode of Engagement

- Annual surveys to gauge satisfaction and improvement areas
- Learning & Development modules across insurance, data science, teamwork & management, leadership, and more
- Ongoing performance feedback
- Well-being-focussed engagement initiatives
- Open dialogue via town halls and connect sessions
- Values sessions to reinforce culture and teamwork

How do we deliver value

- Fair, transparent, and timely evaluations
- Digital tools & self-service platforms to improve employee experience
- Holistic wellness programmes for physical and mental health
- Strategic succession planning to build talent pipelines
- Inclusive, diverse & unbiased hiring backed by scientific approach
- Diversity, Equity & Inclusion (DE&I) -focussed initiatives & policies
- Industry-aligned compensation
- Raising awareness and engagement ESG goals

Material Matters

- Human Capital Development, Performance Management and Compensation
- Human Rights, Safety, and Workplace Ethics
- Corporate Governance and Risk Management
- External Risks and Factors
- Brand and Reputation Management, Business Ethics & Policies
- Regulatory and Legislative Landscape
- Information, Cyber Security and Data Privacy Risk
- Technological transformation with system stability



Shareholders & Investors

We deliver long-term value to our investors through disciplined growth, strong governance, and sustainable business practices

Capitals Impacted



Frequency

Continuous

New Business Margin

25.6%

Operating Return on Embedded Value

16.7%

Value of New Business Growth

13%

Positive and range-bound operating variance over the past nine years (excluding Covid)

Key Expectations

- Sustainable and predictable business performance
- Proactive and responsive Investor Relations team
- Strong balance sheet
- Minimal operating variances
- Consistent dividend payout
- Experienced management and Board
- Maintaining market leadership and outpacing industry growth

Mode of Engagement

- HDFC Life Annual General Meeting
- Quarterly earnings call
- Annual Report(s), public disclosures, and investor presentations
- Investor conferences and meets
- Press releases and newspapers notices
- Stock exchange announcements
- Emails/letters

How do we deliver value

- Delivering consistent, predictable performance and profitable growth across business cycles
- Diversified distribution with balanced product mix
- Efficient operations with strong risk management
- Delivering faster than overall industry growth
- Dividend payout in line with Board-approved policy
- Embedding ESG principles into core business
- Transparent, ongoing investor engagement on key developments

Material Matters

- Company performance, growth outlook
- Balance sheet strength
- Management credibility
- Brand and Reputation Management, Business Ethics & Policies
- Corporate Governance and Risk Management
- Regulatory and legislative landscape
- Information, Cyber Security and Data Privacy
- External Risks and Factors
- Human Capital Development, Performance Management and Compensation
- Customer Centricity and Product Pricing
- Technological transformation with system stability
- Human Rights, Safety, and Workplace Ethics



Business Partners, Vendors & Reinsurers

We build enduring partnerships based on trust, shared success, and operational excellence across our distribution and service ecosystem

Key Expectations

- Alignment on shared business goals and strategic outcomes
- Transparent communication of performance metrics
- Delivery of competitive, value-driven products & propositions
- Efficient, secure, and streamlined operational processes
- Timely and consistent payment settlements
- Ongoing knowledge-sharing through joint workshops & training

Capitals Impacted



Frequency

Continuous/Periodic review of the modes of engagement

Number of
distribution
partners

Over 350

No. of
Reinsurance
partners

Over 15

Mode of Engagement

- Monthly/quarterly/annual reviews
- Contracts, e-mails, newsletters, calls, in-person & virtual interactions
- Periodic surveys

How do we deliver value

- Innovative product launches
- Leveraging digital capabilities for seamless partner and vendor integration
- Regular business communications
- Robust cyber and data security
- Timely service payments
- Collaboration on risk management with reinsurers

Material Matters

- Third-party vendor management and growing dependency on third-party vendors
- Brand and Reputation Management, Business Ethics & Policies
- Regulatory and Legislative Landscape
- External Risks and Factors
- Information, Cyber Security and Data Privacy Risk
- Technological transformation with system stability



Government/Regulators

We collaborate with regulators by maintaining transparent operations, full compliance, and alignment with national priorities

Solvency Ratio

194%

Key Expectations

- Strong governance through fairness, conduct, and transparency
- Complete regulatory compliance & timely implementation of regulatory changes
- Making Business Responsibility and Sustainability Reporting (BRSR) disclosures to the extent feasible
- Transparent business practices
- Supporting insurance industry growth

Capitals Impacted



Frequency

Continuous

Mode of Engagement

- Timely submissions and regulatory engagement and correspondence
- Active participation in industry forums and seminars
- Compliance with all mandates, notifications and guidelines
- Issue corporate announcements and press releases as needed

How do we deliver value

- Engage with regulators on key industry issues
- Align governance and risk management with domestic and global standards (TCFD, UN PRI, etc.)
- Disclosure as per BRSR framework
- Promoting awareness of the importance of insurance

Material Matters

- Brand and Reputation Management, Business Ethics & Policies
- Corporate Governance & Risk Management
- Information, Cyber Security and Data Privacy Risk
- Regulatory and Legislative Landscape
- Human Rights, Safety, and Workplace Ethics
- Fulfilling our Corporate Social Responsibility (CSR)



Communities

We support the communities we serve through inclusive development, financial literacy, and targeted social impact initiatives through 'Swabhimaan'

No. of CSR projects
24

No. of lives impacted
Over 9.07 Lakhs

Key Expectations

- Supporting social causes in education, healthcare, livelihoods, and sustainability
- Driving community development and growth initiatives
- Encouraging employee participation and volunteering
- Aligning efforts with the UN Sustainable Development Goals (SDGs) for 2030

Capitals Impacted



Frequency

Continuous

Mode of Engagement

- Face-to-face interaction with community members via CSR partner events, workshops
- Disclose CSR-related activities
- Monitor, evaluate, and collect feedback on initiatives
- Ensure quality of CSR initiatives through third-party impact assessments

How do we deliver value

- Targeted support for marginalised communities
- Rural insurance access with local sourcing
- Vendor partnerships supporting disadvantaged workers
- Employee volunteering opportunities
- Alignment with UN SDGs
- Integrating ESG principles into CSR initiatives
- Defining a clear ESG agenda for sustainable operations
- Embedding eco-friendly practices into operations
- Strong global ESG ratings (MSCI: A, S&P: 20% improvement in score, Sustainalytics: Low risk rating)

Material Matters

- Fulfilling our Corporate Social Responsibility (CSR)
- Responsible Investment and Climate Change Resilience
- Human Rights, Safety, and Workplace Ethics
- Regulatory and Legislative Landscape
- External Risks and Factors
- Brand and Reputation Management, Business Ethics & Policies

Materiality



At HDFC Life, understanding what matters most to our stakeholders is central to how we grow responsibly and sustainably. In FY 2022-23, we conducted a comprehensive materiality assessment based on the GRI Universal Standards 2021, identifying 33 material topics through engagement with both internal and external stakeholders. These were evaluated by Senior Management and refined into 17 critical focus areas, reflecting the issues most relevant to our business and sustainability agenda.

Building on these insights, we undertook detailed internal assessments across FY 2023-24 and FY 2024-25 to incorporate regulatory developments, changing market conditions, and emerging ESG risks. This iterative and forward-looking approach ensures that our material topics remain strategically relevant and responsive to stakeholder expectations. As a result, we have identified 12 material topics for FY 2024-25, presented in order of priority, that represent the most significant areas of impact and opportunity for our organisation. Further, these material issues are integrated in our risk management process and strategic framework, shaping how we conduct our business.



Brand and Reputation Management Business Ethics & Policies

As an industry leader, safeguarding and elevating our brand value is essential to ensuring long-term success and resilience. The trust we've built with customers brings a responsibility to deliver on our promises, especially during claims and long-term support. This reinforces the need for a strong, credible reputation that resonates deeply with stakeholders. We place exceptional emphasis on preserving our brand, as it directly informs strategic priorities and reflects our commitment to operational excellence.

GRI 2: General Disclosures, GRI 417: Marketing and Labelling,
GRI 204: Procurement Practices, GRI 205: Anti-corruption,
GRI 206: Anti-competitive behaviour, GRI 207: Tax, GRI 415: Public Policy

R Risk

O Opportunity

R **O**

Capitals impacted



Stakeholders impacted



Strategic pillars affected

SP3 **SP4** **ESG P1**

Performance Metric

CSAT Score
88.3%

Corporate Governance and Risk Management

Our governance and risk management framework provides an ethical and resilient foundation for sustainable growth, rooted in the principles of integrity, transparency, accountability, and responsible conduct. We proactively identify, assess, and manage current and emerging risks, ensuring preparedness against disruptions while unlocking potential opportunities. Upholding ethical business practices remains a top priority, with strong safeguards against fraud, corruption, and other misconduct. Our Code of Ethics and Conduct reflects this commitment, guiding behaviour across all levels of the organisation to reinforce stakeholder trust and long-term value creation.

GRI 2: General Disclosures 2021, GRI 201: Economic Performance

R

Capitals impacted



Stakeholders impacted



Strategic pillars affected

SP4

External Risks and Factors

External risks arise beyond the organisation's direct control but can significantly impact our operations, reputation, or value chain. These include geopolitical shifts, regulatory changes, market volatility, technological disruptions, natural disasters, and evolving stakeholder expectations. We focus on identifying key risks with the highest potential impact and allocate resources accordingly, even when the timing is uncertain. Mitigation plans for these risks are reviewed by senior management and incorporated into our Strategy, Risk and ESG frameworks to enhance long-term resilience.

GRI 2: General Disclosures 2021, GRI 201: Economic Performance,
GRI 203: Indirect Economic Impacts

R

Capitals impacted



Stakeholders impacted



Strategic pillars affected

SP4

Information, Cyber Security and Data Privacy Risk

R Risk

O Opportunity

Safeguarding information assets is a top priority for HDFC Life, and our cybersecurity framework is built on globally benchmarked standards, including ISO 27001 and IRDAI guidelines. We maintain a robust Information Security Management System (ISMS), supported by a resilient security architecture and a well-defined incident management process to ensure swift response and recovery. Business Continuity Planning (BCP) is closely integrated with cybersecurity efforts, incorporating Business Impact Analysis (BIA) to evaluate operational and service-level risks. Our comprehensive data privacy programme – governed by the DPDP Act 2023, IT Act 2000, and IRDAI norms – ensures secure and consent-based data handling across the lifecycle for customers, employees, vendors, and partners. Measures include data masking, breach response protocols, vendor Data Processing Addendums (DPAs), regular audits, employee training, and the enforcement of user rights such as access and correction.

GRI 201: Economic Performance, GRI 418: Customer Privacy

R

Capitals impacted

Stakeholders impacted

<p>Strategic pillars affected</p> <p>SP4 SP5</p>	<p>Performance Metric</p> <p>Number of Cybersecurity Incidents and Data Breaches:</p> <p>Refer P. 39</p>
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Regulatory and Legislative Landscape

As a regulated business entity, our company places significant importance on adhering to regulatory norms and staying informed about evolving regulations. We recognise that changes in our Product structure, Distribution network, corporate and personal tax regimes can significantly impact our profits, valuation, and the demand for our insurance and savings products. Accordingly, we are closely monitoring recent regulatory changes to ensure compliance, mitigate risks, and leverage opportunities to maintain our financial strength in a dynamic and evolving business environment.

GRI 2: General Disclosures, GRI 205: Anti-corruption, GRI 207: Tax, GRI 415: Public Policy

R

Capitals impacted

Stakeholders impacted

Strategic pillars affected

SP1 SP4

Human Capital Development, Performance Management and Compensation

We recognise human capital as a critical driver of long-term value and are committed to fostering a diverse, inclusive, and continuously evolving workforce. Through structured learning pathways, talent transformation programmes, and targeted training, we empower employees to meet customer needs, navigate industry shifts, and contribute to strategic objectives. Our performance management system provides regular, role-specific feedback annually for all employees and biannually for frontline and senior staff – driving continuous improvement. A fair and transparent compensation framework, aligned with skills, roles, and performance, supports employee motivation, retention, and alignment with stakeholder expectations.

GRI 2: General Disclosures, GRI 401: Employment, GRI 405: Diversity and Equal Opportunity, GRI 406: Non-discrimination, GRI 407: Freedom of Association and Collective Bargaining, GRI 408: Child Labour, GRI 409: Forced or Compulsory Labour, GRI 410: Security Practices

O

Capitals impacted

Stakeholders impacted

<p>Strategic pillars affected</p> <p>ESG P3 ESG P4</p>	<p>Performance Metric</p> <p>Average amount spent on Learning Development per employee – ₹ 3,534</p>
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Third-Party Vendor Management and Growing Dependency on Third-Party Vendors

We partner with many third-party business partners/vendors for effective delivery of sales/services and various other needs within the ambit of regulatory guidelines. The risks associated with such partners can significantly affect our operations, reputation, and financial standing. To mitigate these risks, all third-party vendors undergo a rigorous evaluation process before onboarding, followed by regular performance assessments to ensure continued compliance and alignment with our standards

GRI 204: Procurement Practices

R **O**

Capitals impacted



Stakeholders impacted



Strategic pillars affected

SP1 **SP2** **SP3**

Customer Centricity and Product Pricing

Our strategy places customers at the core of all decisions, ensuring products, services, and experiences are aligned with their evolving needs and preferences. We foster long-term relationships through active feedback, need-based solutions, and consistent delivery of value. Fair and transparent pricing is central to this approach – balancing customer affordability with financial sustainability, while mitigating reputational and compliance risks. By enabling informed decision-making through clear communication and suitable product recommendations, we build trust, satisfaction, and lasting customer loyalty.

GRI 206: Anti-competitive behaviour, GRI 416: Customer Health and Safety, GRI 417: Marketing and Labelling, GRI 418: Customer Privacy

O

Capitals impacted



Stakeholders impacted



Strategic pillars affected

SP1 **ESG P4**

Performance Metric

Overall Claim Settlement Ratio – 99.8%
Complaints per 10,000 policies – 31

Technological Transformation with System Stability

Technological transformation is central to our strategy, enabling us to stay ahead of industry trends and evolving customer needs. Through initiatives like Project INSPIRE, we are modernising our IT landscape with a multi-cloud environment, advanced data platforms, and AI-driven solutions across underwriting, claims, and sales. These upgrades enhance automation, ensure zero downtime, and improve operational agility and service quality. A strong focus on system stability and reliability underpins these efforts, ensuring seamless experiences and long-term digital resilience.

GRI 201: Economic Performance, GRI 203: Indirect Economic Impacts, GRI 103: Management Approach, GRI 418: Customer Privacy

O

Capitals impacted



Stakeholders impacted



Strategic pillars affected

SP5



Human Rights, Safety, and Workplace Ethics

R Risk

O Opportunity

We are committed to fostering a safe, inclusive, and ethical workplace that prioritises the physical and mental wellbeing of our employees. By integrating robust safety standards, conducting regular risk assessments, and offering continuous training, we mitigate workplace hazards and promote employee health. Our DEI policy empowers individuals to bring their authentic selves to work, enhancing collaboration and stakeholder value. Respect for human rights is embedded across our operations, supported by grievance redressal mechanisms that uphold accountability and ensure ethical conduct throughout the organisation.



GRI 205: Anti-corruption, GRI 204: Procurement Practices, GRI 406: Non-discrimination, GRI 407: Freedom of Association and Collective Bargaining, GRI 408: Child Labour, GRI 409: Forced or Compulsory Labour, GRI 410: Security Practices, GRI 411: Rights of Indigenous Peoples, GRI 413: Local Communities

Capitals impacted 	
Stakeholders impacted 	
Strategic pillars affected <u>ESG P1</u> <u>ESG P4</u>	Performance Metric E-SAT Score - 84% Number of Health and Safety incidents - Nil

Fulfilling our Corporate Social Responsibility (CSR)

Our CSR interventions are conceptualised, developed and executed with a targeted approach aimed at maximising impact on beneficiaries. These initiatives are conducted either in collaboration with reputed agencies or directly managed by project management teams.



GRI 203: Indirect Economic Impacts, GRI 413: Local Communities

Capitals impacted 	
Stakeholders impacted 	
Strategic pillars affected <u>ESG P4</u>	Performance Metric Total no. of lives impacted - 9.07 lakhs

Responsible Investment and Climate Change Resilience

We recognise that long-term business sustainability depends on reducing environmental impact and managing climate-related risks effectively. Our approach focusses on lowering resource consumption, minimising carbon footprint, and enhancing environmental performance across operations. Through responsible investment practices, aligned with the UN Principles for Responsible Investment (UN-PRI), we integrate ESG factors into decision-making and encourage greater transparency and accountability among our investee companies.

GRI 201: Economic Performance

Capitals impacted 	
Stakeholders impacted 	
Strategic pillars affected <u>ESG P2</u>	Performance Metric Sustainable Equity fund (Market Value) - ₹ 34.4 crore



Risk Management



The insurance sector is undergoing swift changes fuelled by shifting consumer demands, geopolitical unpredictability, intensifying climate-related risks, and evolving regulatory environments. In this context, a strong and well-structured approach to risk management is essential to ensure stability, continuity, and long-term value creation.

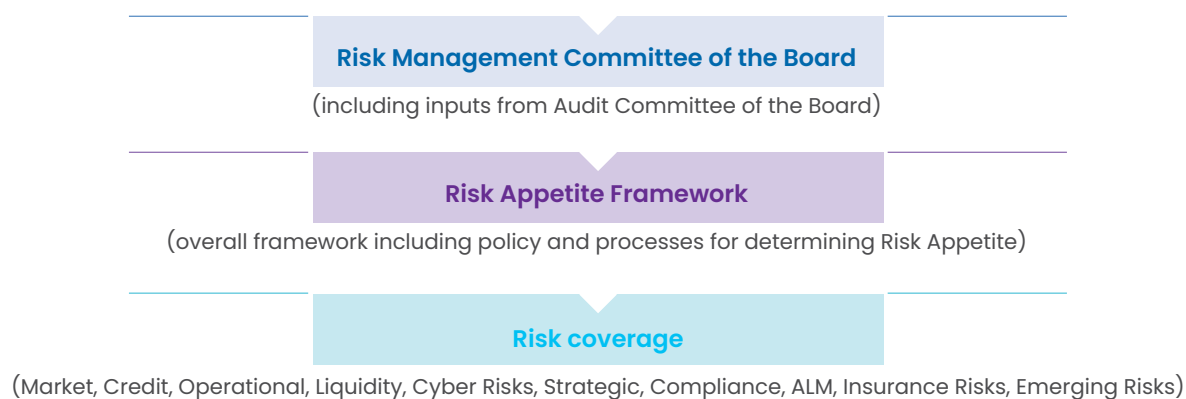
At HDFC Life, risk management is a core aspect of how we operate and make strategic decisions. It is driven by a strong governance framework and a culture that promotes awareness, accountability, and preparedness across the organisation. Our Risk Management system is designed to proactively identify, assess, and mitigate key risks through tools such as key risk indicators and monitoring dashboards, enabling timely and informed responses.

This structured and comprehensive approach ensures effective oversight, enhances our ability to manage uncertainties, and supports our long-term growth objectives. By continuously strengthening these processes, we not only safeguard against potential disruptions and financial losses but also reinforce the trust our customers place in us as we work to secure their financial future with confidence and care.

Goals of our Risk Management Framework



RM Framework at HDFC Life



Guidance Reporting

Risk Management Team / ICOP		Business Teams
Risk Policy formulation team	Establish, Articulate	Sales
Risk methodology & measures		Operations
Implementation of risk methodology & measures tolerances	Cascade	Actuarial
Monitoring of key risk measures	Manage, Monitor	Investments
Review of risk framework	Report, Escalate, Action	Finance Other Support functions

*Various governance councils where risks are reported, discussed and actions proposed



Roles of various Stakeholders within the ERM Framework

Roles of stakeholders in ERM framework

Governance Councils and Oversight Bodies	Business Teams	Risk Management Team
<ul style="list-style-type: none"> Set strategic direction and enable a proactive risk environment Oversee the development of the Risk Management Framework Ensure risks are managed in line with business objectives Keep the Board and leadership informed on key risks and opportunities Define risk tolerance levels Monitor misconduct trends and evaluate the Whistle Blower Policy Reinforce risk culture through recognition and incentives 	<ul style="list-style-type: none"> Own and manage risks stemming from business activities Implement effective mitigation measures and control mechanisms Initiate corrective actions when required Resolve process gaps and control weaknesses Design and apply suitable supervisory controls Timely report and escalate identified risk issues 	<ul style="list-style-type: none"> Develop the risk framework, policies, and templates Proactively identify, assess, and quantify risks Recommend mitigation strategies and provide regular updates to management Keep the Risk Management Council and Committee informed on key risks and controls Support business teams in making informed risk decisions Manage risk-related data and reporting Drive stakeholder-wide risk awareness Champion adoption of leading risk management practices

Approach to Risk Management

We believe that managing risk effectively is not just about protection – it is also about creating opportunities for better decision-making and that create long-term value for all stakeholders. We take a proactive approach to identifying and addressing risks, continuously refining our processes to stay ahead of change.

We foster a culture where being aware of risks is everyone's responsibility. Our teams are supported with clear frameworks, regular training, and open communication to help them make informed choices. To ensure that our approach remains robust and forward-looking, our risk management practices

are reviewed annually by independent auditors and benchmarked against global standards.

Our Three Lines of Defence Model

HDFC Life's Risk Management framework is structured around the "Three Lines of Defence" model. This approach integrates the framework into each operational area as the first line of defence. The second line, separate from routine operations, comprises the Risk Management and Compliance functions, emphasising oversight and control. The third line is formed by the Internal Audit function and External Auditors, providing assurance to the Audit Committee and the Board on the effectiveness of internal controls



This layered approach allows us to manage risks in a structured, transparent, and proactive manner – ensuring we continue to safeguard our stakeholders' trust while staying aligned with our long-term goals.

Staying Ahead of Emerging Risks

At HDFC Life, we have an emerging risk framework that enables us to anticipate and prepare for financial and non-financial risks likely to arise beyond the near term. Recognising the evolving nature of such risks, the framework accounts for shifting materiality over time. Sustainability-related risks – especially those tied to ESG and climate change – are particularly significant due to growing stakeholder expectations and potential business impact. Climate risk is managed under the ESG-related risk and update published as an integrated annual report, detailing the various actions that organisation has taken in various aspects related to ESG.

We periodically engage senior leadership through structured surveys to identify top emerging risks. These span internal and external factors and are broadly classified into Economic, Geo-political, Regulatory and Legal, Environmental, Societal, Health, and Technological categories. Internal and External emerging risks as identified through senior management surveys are stated below. Most of these emerging risks are topical in nature to insurance industry this ensuring business actions/mitigation can be aligned.

Internal Emerging Risks

Pricing pressures or profit margin compression

Mitigants: Adopted balanced pricing strategy, focussing on customer value and shareholder returns through LOB mix, expense reviews, and strong underwriting.

Inability to derive the intended benefits from the technology transformation projects undertaken

Mitigants: Regular oversight and monitoring by the Steering Committee.

Retention or hiring of requisite talent or development of existing talent

Mitigants: Leveraging analytics for quality hires, enhancing sourcing through referrals and university alliances, strengthening onboarding with OBX programme, enforcing a "No Poach" clause for 1 year post-exit.

External Emerging Risks

Regulatory changes on product specifications or payouts could limit pricing or sales

Mitigants: Diversifying distribution channels and product mix to reduce risk and ensure growth.

Sudden regulatory changes on expense allocation, tax exemptions, or GST may increase compliance costs

Mitigants: Ongoing regulatory advocacy and active participation in industry forums to stay ahead of changes and represent industry interests.

Regulator allowing open architecture for agents or composite licenses

Mitigants: Open architecture expands the agency network, leveraging the HDFC Life brand to attract top agents, while the composite licence enhances insurance penetration.

Cyber attacks or data breaches within the company or its partners

Mitigants: Implementing controls, tools, and infrastructure to prevent and respond to cyber attacks and data breaches.

Competition risk from InsurTech and disruptive business strategies by new players

Mitigants: HLIC partners with InsurTechs through the "Futurance" programme to drive innovation, offering competitive, customer-centric products focussed on service delivery rather than price.



Embedding Risk Awareness Through Employee Participation

Risk management is a core part of our organisational culture and leadership responsibility. The Key Management Persons (KMP) is fully accountable for driving sound risk practices across the business, with risk performance forming a part of individual scorecards. Members of the EC also actively contribute to the Risk Management Council, which provides oversight and works to embed a strong risk culture throughout the company.

Several initiatives have been institutionalised to ensure employees across all levels are engaged in building a risk-aware environment.

A culture of shared responsibility, supported by tools, training, and open dialogue, continues to strengthen our ability to manage risks effectively and responsibly – keeping our people, partners, and customers protected. (For more details, refer Fraud Risk Management section below)

Incident Reporting Framework

A safe, structured framework enables employees to report operational losses without fear of consequence. This is complemented by a Risk Control and Self-Assessment (RCSA) process that adopts a bottom-up approach. Operational teams, with support from the Risk Management function, lead these self-assessments to identify and mitigate risks early and effectively

Data-Driven Fraud Risk Management

Advanced analytics and predictive models are being used to proactively manage fraud risk. Real-time data monitoring helps detect anomalies and patterns that may indicate fraudulent activity, allowing for faster response and stronger protection across business functions

Enhanced Vendor Management Framework

Robust due diligence and ongoing monitoring are built into our vendor management process, ensuring thorough oversight throughout the vendor lifecycle. This approach not only upholds compliance and ethical standards but also strengthens partnerships, increases operational efficiency, and prevents fraud through vigilant tracking
























Awareness Campaigns

Engage employees through training and campaigns for risk awareness and preparedness:

- **Cyber Awareness Programme:** Includes leadership communication, training modules, mailers, certifications, and employee recognition.
- **Phishing Campaigns:** Simulated exercises to assess employee alertness and promote cyber-safe practices.
- **Fraud Awareness Drives:** Regular training by RMCU, quarterly recognition of alert employees, and an annual Fraud Awareness Month to reinforce vigilance.

Relevant policies and processes are accessible to all employees via the Company intranet. This culture of awareness extends to partners and vendors, promoting a Risk aware culture in the Organisation. Regular training ensures internal and external teams stay informed, enabling thorough risk assessments and effective mitigation planning.

Business Risks, Impacts and Mitigation Measures

Risk Type	Impact	Mitigation Measures	Capitals Impacted
Operational Risk Risk arising from lacunae in internal processes and systems or lapses by people, including but not limited to legal risk	Weaknesses in internal systems or processes, including human errors, can lead to financial losses, reputational damage, and regulatory penalties, particularly during system changes introduced for compliance, new products, or process improvements.	Managed through Risk Control Self-Assessment (RCSA), pre-launch risk reviews, incident reporting frameworks, loss data analysis, control reports, thematic reviews, and Key Risk Indicators (KRIs).	  
Technology, Business Continuity, and Privacy Risk Risks hampering the confidentiality, integrity and availability of information systems and underlying data	Technology-related lapses or data breaches can compromise customer trust, disrupt services, and affect regulatory compliance amid growing digital reliance.	Managed through periodic BCP and IT DR drills, ISO 27001 compliance, robust cyber security governance, data classification, system integration, use of monitoring tools like DLP, and regular internal and external audits.	    
Compliance/Regulatory Risk Risks emanating from nonadherence to regulatory, judiciary and legislative mandates and guidelines leading to fines and penalties	Non-compliance with evolving laws and regulations can lead to penalties and operational challenges, impacting profitability and stakeholder trust.	Addressed through timely communication of regulatory changes, internal reviews, compliance council oversight, and implementation after regulatory approvals.	  
Strategy and Planning Risk Risks emanating from nonachievement of strategic objectives, deviation from strategic plans, execution failures, external and internal factors	Shortfalls in achieving strategic goals can affect future readiness, competitiveness, and market presence.	Managed through monthly and strategic reviews, along with dedicated cross-functional teams overseeing key projects.	    
Insurance Risk Risk arising due to adverse movement of mortality, persistency, morbidity and expense rates as compared to historical movements	Unfavourable shifts in mortality, persistency, or claim trends can impact profitability and solvency.	Controlled using risk dashboards, reinsurance assessments, claim and persistency monitoring, product-level pricing reviews, and scenario analyses.	 
Fraud Risk Risk resulting due to fraudulent acts of employees, intermediaries, policyholder or third parties	Fraud can damage financial performance, operational integrity, and brand reputation.	Handled through RMCU oversight, internal fraud models, early warning systems, industry data sharing, fraud awareness drives, and vendor monitoring.	    



Risk Type	Impact	Mitigation Measures	Capitals Impacted
Market Risk Risk of loss resulting from adverse movement in market prices across asset classes and investment positions	Adverse market movements can affect asset values and return expectations, impacting profitability and solvency.	Managed via stock/sector limits, return analysis, stop-loss frameworks, cash flow matching, hedging instruments, sensitivity analysis, and stress testing.	
Liquidity Risk Inability to liquidate an asset or to meet contractual obligations when due	Insufficient liquidity can restrict the Company's ability to meet obligations or pursue strategic growth.	Mitigated through cash flow tracking, investments in high-quality and liquid assets, and compliance with regulatory investment norms.	
Credit Risk Inability of counterparty to meet obligations in accordance with the agreed terms	Counterparty defaults can result in financial losses and weaken the investment portfolio.	Managed through investments in sovereign or high-rated instruments, periodic reviews, and oversight by the Credit Council.	
Asset Liability Mismatch Risk Inability of counterparty to meet obligations in accordance with the agreed terms	Imbalances between asset maturity and liability timelines can cause liquidity strain and reputational risk.	Addressed through regular monitoring, duration matching, sensitivity testing, and periodic reviews.	
Subsidiary-related Risks Risks originating from actions taken by subsidiary companies	Governance issues or missteps in subsidiaries may affect group performance and compliance.	Controlled through structured governance, subsidiary-level risk committees, and reporting mechanisms to the parent company.	
Emerging Risks New or developing risks that can affect the Company's financial strength, competitive position, viability, or reputation over the medium to long-term. Emerging risks may present a threat or an opportunity for the enterprise as a whole or a specific business unit or geography. The key categories of emerging risks are: <ul style="list-style-type: none"> Economic Geopolitical Regulatory/Legal Environmental/Societal Technological 	New or evolving risks may impact long-term resilience, stakeholder expectations, or competitive positioning.	Identified through leadership reviews, resource planning, and integration with the ESG risk framework.	

Leading Risk Management Practices at HDFC Life

Risk management at HDFC Life is driven by a structured, forward-looking approach that supports sound decision-making and long-term value creation. We continue to invest in the systems, capabilities, and governance required to manage risks effectively across the organisation. Below are some of our key initiatives:

OUR RISK MANAGEMENT PRACTICES

Data-driven Decision-making

Business risks are continuously monitored through analytics, with actions taken for those nearing or breaching tolerance levels. We collaborate with external sources like IIB, credit bureaus, and research firms for deeper insight. Tools like IIB Quest help monitor real-time data quality, particularly for detecting potential fraud related to undisclosed medical or financial information. A unified platform provides leadership with a consolidated view of key risks across operational, IT, fraud, and continuity areas.

Mandatory Pre-launch Risk Sign-off

A structured risk review process is conducted before any major launch. This has significantly reduced operational disruptions, mitigated potential losses, and introduced early indicators of system vulnerabilities.

Unified View of Risk Exposure Through a Central Risk Database

We maintain a six-year comprehensive risk database that captures policy features, customer demographics, and mortality experience. This database underpins tools such as the Mortality Risk Dashboard and Claims Early Warning Indicator, enabling more accurate analysis and timely insights.

Developing Future-ready Talent

Our risk team is equipped with skills in actuarial science, analytics, forensic investigation, and risk modelling. Ongoing training – both internal and external – ensures the team remains current with industry developments, enhancing risk evaluation and mitigation capabilities.

Incident Management Framework

A simplified reporting process and regular awareness initiatives have encouraged active participation in incident reporting across the organisation. Issues are resolved through structured governance forums, with a strong focus on implementing permanent fixes.

Focussed Monitoring Through Risk Dashboards

Custom dashboards are used to track key risks such as Mortality, Fraud, and Subsidiary Risks. These tools offer decision-makers a quick and clear view of critical trends, supporting more responsive and informed action capabilities.



Fraud Risk Management

At HDFC Life, managing fraud risk is a key part of our governance framework. As digital adoption and operational complexity grow, we emphasise timely, proactive measures to protect stakeholders and business interests. Our approach integrates people, processes, and technology to prevent, detect, and respond to fraud – safeguarding our integrity and stakeholder trust.

Fraud Risk Maturity Model

To strengthen our overall fraud management capabilities, we carry out periodic assessments using the Fraud Risk Maturity Model, based on the five components of the ACFE/COSO Fraud Risk Management Guide. This structured evaluation helps us track progress and identify areas for further improvement across the following areas:



Governance and Oversight

Clear roles and responsibilities for fraud risk management are defined and overseen by senior leadership.

Fraud Risk Assessment

Risks are regularly assessed to understand where fraud may occur and what controls are in place to address them.

Fraud Control Activities

Specific controls are implemented and monitored to prevent and detect fraud, supported by regular updates.

Investigation and Corrective Action

Reported incidents are thoroughly investigated, and appropriate actions are taken to resolve issues and prevent recurrence.

Monitoring and Reporting

Continuous monitoring and reporting strengthens our control over potential fraud, and promotes a culture of vigilance and integrity across the Organisation.

This approach ensures we are not only compliant with industry standards but also aligned with our broader commitment to be responsible and transparent in our business practices.

We have developed a plan of action to achieve the desired state across each of these components in phased manner.

Strengthening Fraud Awareness and Prevention

Our employees and distribution partners play a crucial role in identifying and preventing fraud. As the first line of defence, they are equipped with the right tools, knowledge, and support to stay alert and act swiftly. We continue to invest in awareness and training initiatives to strengthen this collective responsibility.

Fraud Awareness Initiatives – Highlights from FY 2024–25

- Quarterly Fraud Fighter Awards to recognise individuals demonstrating exceptional vigilance
- Revamped Online Fraud Awareness Module for improved engagement and learning outcomes
- Classroom Training Sessions covered over 17,500 employees across business functions
- Online Learning through M-Learn completed by 23,400 employees
- Fraud Awareness Month – December 2024, included:
 - The I-Pledge campaign
 - Interactive quizzes
 - Leadership videos and messages
 - Beat the System challenge
 - Awareness sessions for Vendor Groups
 - Participation from over 38,000 employees

Fraud Management Enhancements

- Fraud Control Unit (FCU): Established to lead data-driven detection and fraud prevention strategies
- Fraud Assessment Unit (FAU): Focussed on proactively assessing fraud risks across the value chain
- Expanded Mystery Shopping and Vendor Oversight to monitor service interactions and ensure compliance with ethical standards





At HDFC Life, vendor fraud prevention is a priority, with a dedicated Fraud Assessment Unit overseeing onboarding, renewal due diligence, mystery shopping, and risk reviews. These initiatives help detect and prevent vendor related frauds, ensuring operational integrity.

Fraud Assessment Unit – Dedicated team for vendor fraud risk management



Through continuous assessment and monitoring, HDFC Life remains committed to strengthening fraud prevention strategies safeguarding trust and transparency in vendor operations.

Early Warning Indicators

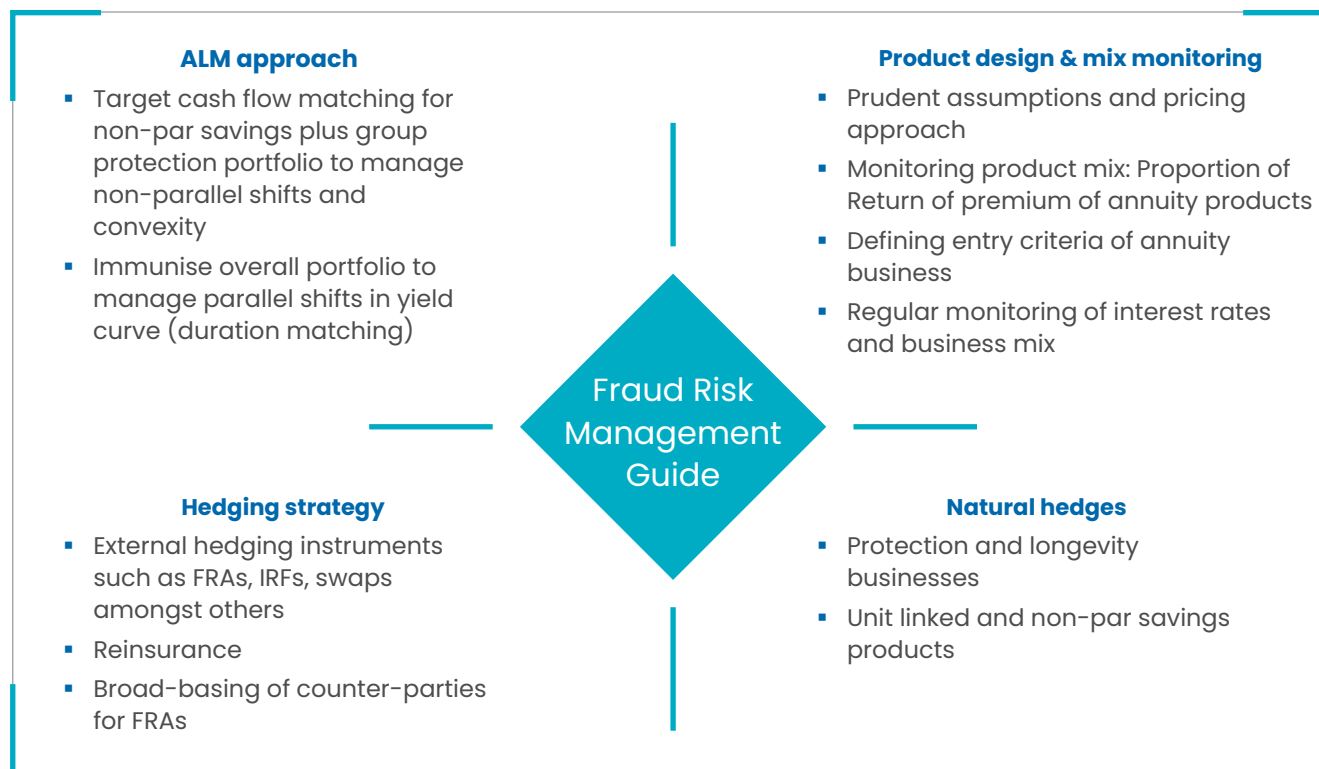
We have developed a structured framework to detect early signs of fraud throughout the customer journey. These indicators enable timely corrective and preventive actions, helping minimise fraud risk before it escalates.

Payout Intelligence Unit (PIU)

Established in FY 2022-23, the PIU plays a vital role in safeguarding customer payouts. The unit focusses on identifying suspicious patterns and preventing fraud in the disbursement process, thereby enhancing customer trust and experience.

Financial Risk Management Framework

Our financial risk management framework is comprehensive, covering key aspects like asset liability management, product design, and hedging strategies.



Additional Risk Mitigation Initiatives

We continue to strengthen our risk management approach through focussed initiatives that address specific areas of concern. Some of our key actions are outlined below:

Persistency Risk

Policy lapses – where customers discontinue premium payments mid-term – can impact customer benefits, disrupt asset-liability management, and affect overall profitability. To address this, we have developed a predictive persistency model that helps identify at-risk policies early. This allows for timely engagement with policyholders, offering customised product options and support to improve retention and ensure long-term value.

Claims Risk

We use custom predictive models at both the pre-claim and claim stages to flag potentially high-risk claims. These models are built using historical claim data and are designed to detect patterns linked to elevated risk across specific policies, intermediaries, and regions. This proactive approach strengthens our ability to manage claims effectively, safeguard against fraud, and ensure fair and timely outcomes for genuine policyholders.



Securing Trust in a Digital World



Information and Cyber Security

Protecting Our Systems, People, and Purpose

In today's digital-first world, safeguarding information is as essential as serving our customers. We see cybersecurity as a core part of how we protect trust, ensure business continuity, and deliver on our promise to stakeholders.

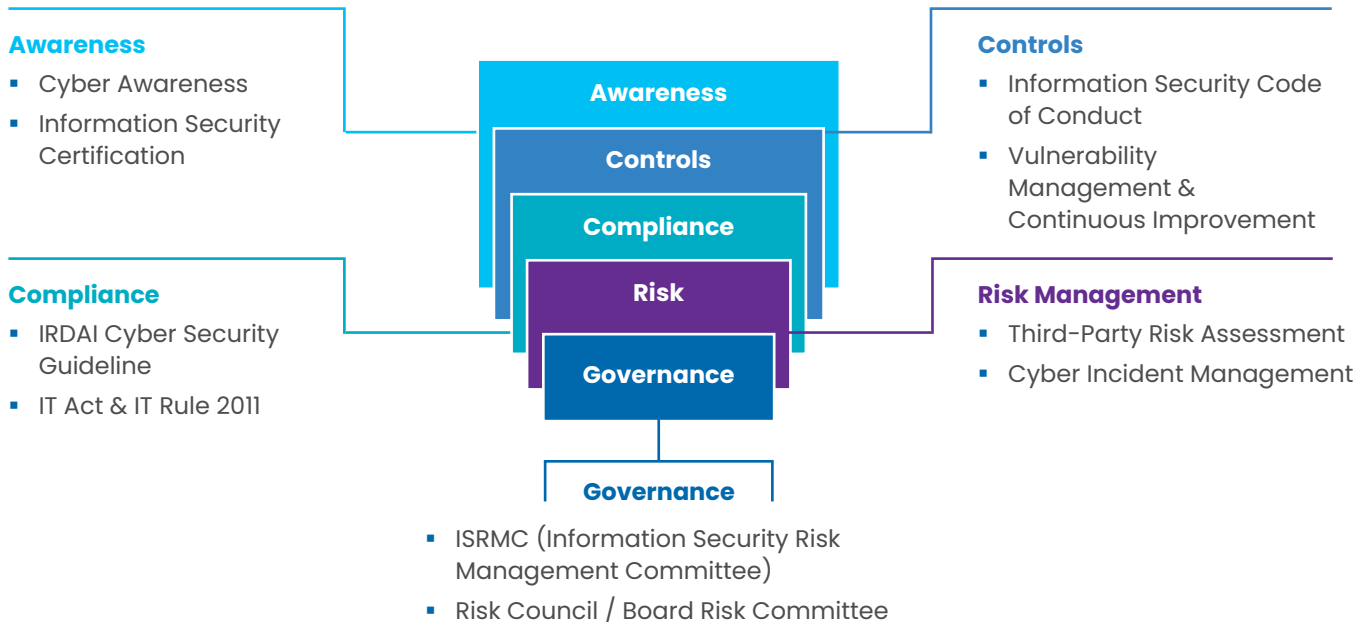
Our approach is grounded in a multi-layered security framework that keeps pace with the evolving threat landscape. Designed with both resilience and agility in mind, it spans across prevention, early detection, rapid response, and recovery – ensuring that security is embedded across the entire lifecycle of data and digital assets. Additionally, we strengthen our efforts through a robust governance framework, which ensures oversight and aligns initiatives with business priorities.

Cybersecurity, Business Continuity and Data Privacy

In an increasingly interconnected and digital-first environment, ensuring the security, continuity, and privacy of our operations is fundamental to safeguarding the trust of our stakeholders. Our approach to managing cyber risks, business disruptions, and data privacy challenges is proactive, structured, and continually evolving.

We have a globally benchmarked Cyber Security policy which is in line with ISO 27001 and IRDAI guidelines for Cyber Security. The policy outlines our core commitments to safeguard the confidentiality, integrity, and availability of information assets through –

Ensuring Integrity and Protection of Data	Continuous Improvement of Information Security Systems	Monitoring and Responding to Information Security Threats	Establishing Workforce Responsibilities for Information Security	Establishing Information Security Requirements for Third Parties
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Here are some of the key practices we follow to keep our ecosystem secure and future-ready:

- **Cyber Awareness for All:** We conduct regular training, simulations, and policy refreshers to keep all employees alert and informed. Our awareness programmes also engage partners, making cybersecurity a shared responsibility across the value chain.
 - **Third-Party Risk Management:** All vendors and partners are evaluated for alignment with our security, business continuity, and privacy standards. We maintain clear protocols for managing third-party incidents or data breaches, with accountability built in.
 - **Mandatory Information Security Code of Conduct:** Every employee signs off on our Information Security Code annually. It sets clear expectations and outlines the consequences of non-compliance, reinforcing our zero-tolerance approach to security breaches.
 - **Vulnerability Management and Continuous Improvement:** We regularly scan our systems to detect and resolve vulnerabilities. This ongoing review ensures that our defences meet industry benchmarks and comply with all regulatory expectations.
 - **Incident Response and Recovery:** We are prepared to respond swiftly and effectively if an incident occurs. With a tested response framework, cyber insurance cover, and a clear escalation plan, we minimise disruption while protecting customer confidence. In case of Suspected incidents, vulnerabilities or suspicious activities, employees can report it to infosec@hdfclife.com
 - **Compliance with Global and Local Standards:** Our cybersecurity practices are aligned with ISO 27001 and IRDAI's mandated guidelines. Regular governance checks and subsidiary risk assessments ensure consistency and accountability across the organisation.
 - **Independent Testing and External Audits:** We conduct regular third-party audits and ethical hacking exercises to identify and strengthen weak links. These assessments help us stay proactive and sharp in our security readiness.
- Cyber threats may evolve, but so does our resolve to stay ahead of them. Our goal is not just to protect systems – but to protect relationships, trust, and the peace of mind our stakeholders expect from HDFC Life.



Governance over Information & Cyber Security Practices

Our governance is overseen by our Risk Council and Board Risk Committee. Our Chief Information Security Officer (CISO) leads these efforts, guided by periodic vulnerability assessments, policy reviews, and a firm commitment from the leadership. The authority and responsibility matrix is as follows:

Governance Through Risk Council:

Our Risk Council, along with the Risk Management Committee, reviews our information security policies every year. The Risk Council members meet on a quarterly basis. This keeps our approach aligned with emerging risks and evolving industry requirements.

Information security Risk Management Committee:

The ISRMC governs the Information and cyber security policy, oversees infosec risk management objectives and embeds infosec culture in the organisation. The output of this committee goes to the Risk council for review.

Leadership-Led Security Culture:

Senior leadership takes an active role in shaping our cybersecurity posture, with direct engagement through the Board Risk Committee and dedicated overall oversight of the Chief Information Security Officer (CISO). Functional business heads work in conjunction with the CISO to ensure that cybersecurity

initiatives are aligned with business priorities and effectively implemented across the organisation.

Business Continuity

Resilience is not just about recovery, it is about being prepared to deliver consistently, even under pressure. Our Business Continuity Planning (BCP) framework is designed to keep essential operations running smoothly during unforeseen events, minimising impact on stakeholders.

We regularly conduct Business Impact Analyses (BIAs) to identify critical processes, define recovery priorities, and test contingency plans. These insights guide the creation and biannual testing of business continuity plans through simulation exercises and tabletop drills.

Our hybrid work environment is supported by secure remote access systems, resilient cloud infrastructure, and decentralised operations that allow teams to function effectively across geographies, even during disruptions.

By addressing people, infrastructure, and technology in an integrated manner, and aligning our practices with ISO 22301 standards, we ensure that our commitment to customers and partners remains uninterrupted, regardless of the external environment.

Business Impact Analysis

Identify critical functions, assess risks and determine Recovery Time and Point Objectives

Business Continuity Workflow

Plan Development

Create Business Continuity Plans based on BIA insights with roles, responsibilities, and processes.

Plan Testing

Conduct tabletop exercises and simulations to validate response effectiveness

Remote Access Readiness

Ensure secure access to systems, data, and collaboration tools for hybrid and remote work models

Stakeholder Assurance

Communicate readiness and recovery capability to customers, partners, and regulators

Data Privacy

We understand that every piece of data we handle represents a person who has placed their trust in us. That trust forms the foundation of our data privacy commitment.

Our data protection practices are anchored in the principles of transparency, explicit consent, and secure handling. At the heart of our approach is a commitment: to protect personal information with care and diligence.

We have a comprehensive privacy policy in place that is accessible on our organisation's website (<https://www.hdfclife.com/privacy-policy>). We maintain detailed inventories of Personal Data Word to ensure that every touchpoint - is secure and compliant. Personal Data is retained only as long as necessary for its collection purpose and legitimate business needs, adhering to legal and regulatory obligations. We disclose customer data to third parties only under specific, legally compliant circumstances.

Here is how we translate this commitment into action:

- **Consent and Customer Rights:** We obtain clear and informed consent when collecting any personal data. We also ensure that our data principals are fully aware of their rights.
- **Governance over Data Privacy:** Data privacy and protection are key priorities and are overseen at the highest levels of our organisation. Our Board-level Risk Committee provides formal oversight of privacy, information security, and cyber risk, ensuring these areas remain aligned with our enterprise risk management framework and business strategy. The Committee receives regular quarterly updates, including privacy and security metrics, regulatory developments, risk assessments, and progress on major initiatives.

The central leadership and accountability for our privacy and data protection framework reside with the Data Protection Officer (DPO). Empowered to drive the design, effectiveness, and operational aspects of the programme, the DPO is supported by a dedicated Data Privacy team and collaborates with a cross-functional task force including experts from legal, compliance, information security, data governance, audit, and technology (IT). This model ensures the embedding of privacy by design and by default across all business functions and geographies, promoting consistent compliance with global data protection regulations and industry best practices.

- **Unified Privacy Controls:** Data privacy is integrated into our enterprise risk framework, with principles of privacy by design and default. Business teams undergo rigorous data privacy team scrutiny and

implement recommendations before new product launches or updates, managed through a central risk reporting and tracking tool.

- **Secure Technology Infrastructure:** We employ encryption, strict access protocols, and limit data collection to essential needs.
- **Breach Preparedness and Rapid Response:** We have a tested incident response plan, including real-time monitoring, forensic analysis, and clear communication protocols, to quickly address breaches, minimise impact, and rebuild trust. Clear protocols for addressing data privacy breaches include corrective actions, prevention measures, and consistent disciplinary actions (caution, warning, termination) for violations of our Data Leakage Monitoring Policy.
- **Employee Awareness and Training:** Regular privacy training for all employees and contractors fosters a shared culture of accountability and prioritises data protection.
- **Extending Responsibility to Our Partners:** Our privacy standards extend to our ecosystem. Suppliers and partners undergo regular privacy audits and are required to sign Data Protection Addendums (DPAs) before any personal data exchange.

Recognising the dynamic nature of privacy, we are committed to upholding the highest standards through globally recognised certifications like ISO 27001, which are applied across key business operations and support functions, reinforcing our dedication to secure and responsible data management practices.

Consent & User Rights

Users have control over their personal data with clear rights to access, rectify, and erase.



Data Inventories

Maintain detailed records of personal data flows and storage across systems.



Unified Control Framework

Standardised privacy controls applied across all business functions to ensure compliance.



Vendor Assessments

Evaluate third-party partners to ensure their privacy practices align with our standards.



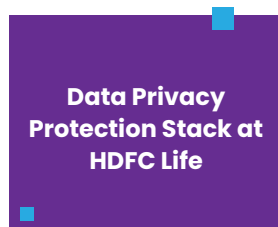
Encryption & Access Control

Use advanced encryption and strict access controls to protect sensitive data.



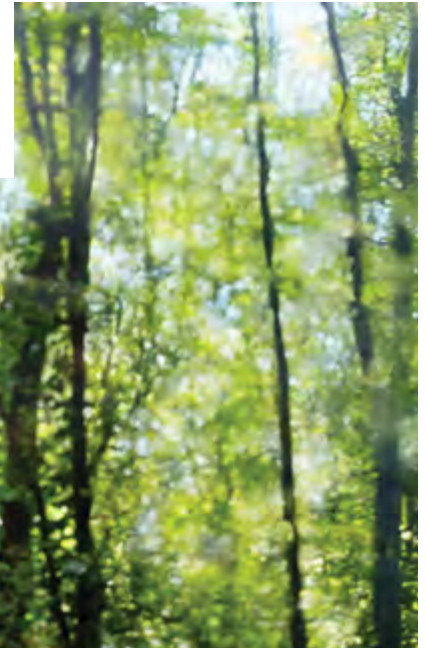
Breach Response & Training

Ongoing employee training and a comprehensive breach response plan ensure preparedness.





ESG at a Glance



At HDFC Life, our commitment to ESG principles is integral to our role as a responsible life insurer. We are focussed on driving long-term value by embedding ESG considerations into the heart of our business strategy. Our approach addresses key material issues for our stakeholders, such as environmental impact, governance practices, and social responsibility, ensuring that sustainability is woven into every aspect of our operations and decision-making.

Our ESG philosophy is further articulated through the 5 pillars of ESG



Ethical
Conduct &
Governance



Diversity, Equity
and Inclusion
(DE&I)



Sustainable
Operation



Responsible
Investment



Holistic
Living

Our efforts are reflected in our robust ESG ratings and scores across indexes



At HDFC Life, our approach to ESG is rooted in strong governance, with a clear focus on Ethical Conduct and Governance. We hold ourselves accountable through transparent decision-making and rigorous processes that guide all our actions. This commitment extends to our Responsible Investment strategy, where we integrate ESG factors into investment decisions, ensuring they align with both financial and societal value.

We prioritise Diversity and Inclusion by creating a workplace that not only promotes equal opportunity but values diverse perspectives. This culture of respect drives innovation and collaboration across all levels. Our Holistic Living approach extends our impact beyond the workplace – supporting community initiatives that focus on financial literacy, health, and environmental sustainability. We are committed to minimising our environmental footprint, reducing waste, optimising energy usage, and embedding sustainability into every aspect of our operations.

ESG P1

Ethical Conduct and Governance

Objective

To adhere to the highest standards of ethical and sustainable business conduct to create value for all our stakeholders. This aligns with and is included in the Company's strategic pillar of Risk Management and Board Governance.

How we do it

- We have instituted effective policies and frameworks to foster a culture of ethical conduct, transparency, and accountability
- A disciplinary panel reporting to the Board has been set up to address instances of malpractice
- We have formulated a governance structure for the effective implementation, monitoring, and oversight of ESG issues within the organisation

Read more on [P. 49](#)

What we achieved

- ESG governance was supported through regular oversight by the Board CSR and ESG Committee and the executive-level ESG Management Committee, which monitored key priorities and implementation of the Environment and Climate Change Policy, led by the ED & CFO
- Our Integrated Annual Report for FY 2023-24 received the Silver Shield at the ICAI Awards for Excellence in Financial Reporting and won multiple awards at the LACP Vision Awards, including Platinum in the Integrated Report category, Gold in the Annual Report category, the Technical Achievement Award, and a global ranking of 37th among the top 100 reports

What's Next

In the year ahead, we aim to enhance the transparency and quality of our ESG disclosures, while strengthening ethical conduct and responsible business practices across the organisation.

Capitals Impacted

Ethical governance enhances our Intellectual Capital through structured policies and oversight frameworks. It also strengthens Social and Relationship Capital by fostering trust, transparency, and constructive engagement with investors, regulators, and wider stakeholder group. These mechanisms also support Natural Capital stewardship by enabling accountable ESG implementation.





ESG P2

Responsible Investment

Objective

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

How we do it

- We have developed a proprietary ESG scoring methodology based on key ESG parameters and have also subscribed to an external ESG rating provider, which provides us ESG scores for top 250 listed companies in our active listed equity universe. All investment decisions factor in the scores thus generated
- We engage with investee companies on ESG issues as part of our integration approach, using dialogue and voting to influence better long-term outcomes
- We have put in place a robust governance framework and structure overseen by the ESG Governance Committee with policy adherence and regular review ensured by the Chief Investment Officer
- We consistently seek to align with global best practices as well as commit to frameworks such as the UNPRI to ensure adherence with the highest standards

What we achieved

- Our 'Sustainable Equity Fund' continued to gain traction among conscious investors, growing by over 30% in FY 2024-25
- We engaged with 38 investee companies during the year, with a focus on improving ESG integration in business practices, as part of our stewardship responsibilities
- We assigned ESG ratings to 96.27% active listed Equity AUM and 69% corporate fixed income AUM from our investment portfolio in FY 2024-25
- Underscoring our commitment to responsible investment practices, we further strengthened transparency by preparing and submitting our second UN PRI report, building on the voluntary reporting initiated in FY 2022-23

Read more on  P. 76

What's Next

Over the next few years, HDFC Life will focus on deepening ESG engagement in climate-exposed sectors and refining its ESG integration framework to reflect evolving sustainability risks and drive long-term, responsible investment outcomes.

Capitals Impacted

We strengthen Financial Capital through ESG-integrated investment decisions. Social and Relationship Capital is fostered through active stewardship, while climate-aligned portfolio strategies contribute to preserving Natural Capital.



ESG P3

Diversity, Equity and Inclusion (DEI)

Objective

To establish an inclusive culture that celebrates diversity and is free from discrimination of all forms.

How we do it

- We have constituted the 'Celebrate You' programme which ingrains our DEI philosophy across policies, communication, leadership development, and workforce culture creating a workplace that respects and empowers individuals of all gender identities and expressions
- The DEI agenda is driven from the top through the DEI council chaired by the MD & CEO with regional and zonal teams implementing the initiatives on ground
- We advance our DEI vision through diverse hiring, gender-neutral policies, flexible work practices, and targeted initiatives
- Through our Emotional and Mental Wellbeing Policy and Health and Safety Policy, we prioritise the wellness and safety of our workforce, embodying inclusivity as an integral part of our organisational culture

What we achieved

- Women comprise 28.2% of our workforce, and our gender ratio has improved by 10 percentage points over the past decade. HDFC Life was recognised among India's Top 50 Best Workplaces for Women by Great Place to Work and as one of the Best Companies for Women in 2024 by Avtar & Seramount
- We advanced our DE&I agenda through Pride Month initiatives led by the Life of Pride ERG, including Pride parade participation and fireside chats with LGBTQIA+ activists, alongside company-wide microaggression training and internal communication reinforcing zero tolerance for disrespectful behaviour
- We were recognised among India's Most Inclusive Companies 2024 and featured in India's Top 50 Workplaces for Building a Culture of Innovation by All 2025 by Great Place to Work

Read more on [→ P. 84](#)

[→ P. 93](#)

What's Next

In the coming year, we aim to build on our cultural strengths by deepening inclusion, advancing capability development through digital learning, and fostering stronger connections through transparent, trust-led engagement.

Capitals Impacted

We are strengthening Human Capital through inclusive hiring, leadership development, wellbeing, and fair evaluation practices, supported by structured DEI programmes and digital learning tools enabled by our evolving base of Intellectual Capital.





ESG P4

Holistic Living

Objective

To create holistic and sustainable value for all our stakeholders.

How we do it

- Our focus on enhancing the customer experience by simplifying journeys and leveraging technologies continues through the ongoing CX transformation programme. In our pursuit to promote financial inclusion, we have designed tailored offerings for the economically weaker sections of the society
- Through our 'Swabhimaan' programmes aligned with the National Agenda, we have launched targeted CSR initiatives designed to generate maximum impact for the community focussed on education and livelihood, healthcare and sanitation, environmental sustainability and financial literacy awareness

Read more on [→ P. 57](#)

What we achieved

- In FY 2024-25, HDFC Life achieved a 88.3% customer satisfaction score. We were recognised across multiple platforms for excellence in customer experience, winning awards for Customer-Centric Culture, Digital Experience, CX Innovation, and Service Excellence from forums including UBS Forums, Kamikaze B2B Media, The Brainalytics, and the Golden Globe Tigers Awards
- We insured 3,37,469 rural lives and 67,35,397 social lives
- Through Swabhimaan, this year, we executed 24 programmes impacting over 9.07 lakh beneficiaries covering 19 aspirational districts. Backed by a structured governance framework, credible on-ground partners, and periodic impact assessments, these initiatives contributed to 14 of the 17 UN Sustainable Development Goals

What's Next

- We aim to build on this year's progress by scaling personalised journeys, advancing omnichannel communication, and embedding deeper ownership of customer experience across the organisation
- We aim to deepen our impact on financial inclusion through community-focussed initiatives and further strengthen our CSR efforts by scaling programmes, enhancing measurement, and expanding employee-led volunteering – aligned with national priorities and the UN SDGs

Capitals Impacted

We are strengthening Social and Relationship Capital by advancing inclusive offerings, impactful community programmes, and trust-focussed customer experience, supported by structured governance and digital capabilities that enable consistent delivery and measurable outcomes across stakeholder touchpoints.



ESG P5

Sustainable Operations

Objective

To reduce the environmental footprint of our operations and contribute towards building a better future for our people and planet.

How we do it

- We continue to take responsible steps towards addressing climate-related impacts, with a focus on aligning our operations with long-term sustainability goals. Initiatives to enhance efficiency and minimise energy and water usage are underway
- We continue to embrace digitisation to minimise waste and streamline processes. We have also undertaken waste management initiatives to foster circularity and sustainability
- Building on our Environment and Climate Change policy, we conducted an ESG Awareness Campaign for employees, encouraging mindful habits that contribute to a more sustainable future. We also launched an ESG training module on our L&D platform to upskill employees on key ESG concepts and emerging regulatory requirements – empowering teams to stay ahead in a rapidly evolving sustainability landscape

What we achieved

- We continued our efforts towards improving energy efficiency across locations by deploying LED lighting, 4 & 5-star AC systems, and energy-efficient UPS systems
- We have purchased 534.2 MWh of renewable energy in FY 2024-25
- In pursuit of operational circularity, we recycled/ disposed of 6 tonnes of e-waste, 10 tonnes of paper waste, and 0.1 tonne of plastic waste through certified partners. Further, we also enhanced our paper usage by adopting FSC-certified paper made from agro-waste, with 60% lower CO₂ emissions than conventional virgin pulp paper
- Our water consumption stood at 4,99,415.5 kilolitres in FY 2024-25. We improved efficiency through sensor-based taps, while continuing to replace bottled water with purifiers. Rainwater harvesting and STPs remained operational at two locations

Read more on [→ P. 70](#)

What's Next

- We aim to further reduce GHG emissions by accelerating our transition to renewable energy sources, progressively increasing their share in our overall energy consumption.
- In the coming year, we also intend to streamline our strategies and risk management processes, incorporating more comprehensive assessments of climate-related risks across our operations and supply chain.

Capitals Impacted

We are advancing Natural Capital stewardship through ongoing efforts in efficiency, circularity, and emissions reduction, which are complemented by investments in Intellectual Capital through digitisation and governance systems that support sustained environmental performance.





Effective Governance



At HDFC Life, good governance is foundational to our strategic approach and is rooted in the principles of integrity, transparency, and accountability. It enables ethical decision-making and supports consistent adherence to the highest standards of conduct. Our governance framework provides structured oversight across the organisation, ensuring that decision-making remains responsible, well-informed, and aligned with long-term stakeholder expectations.

Board Composition, Diversity and Expertise

The Board of Directors at HDFC Life plays a pivotal role in steering the company towards its strategic objectives. The Board is assisted by a set of specialised committees with each committee undertaking specific responsibilities and enabling focussed attention on key operational and regulatory areas to help drive informed decision-making.

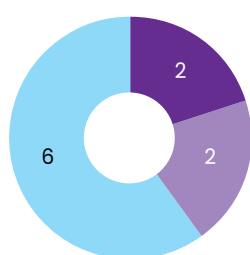
Comprising seasoned professionals with diverse expertise, the Board composition aligns to regulatory requirements, ensuring an optimal mix of executive, non-executive, and independent directors. This diversity facilitates balanced decision-making and effective governance.

6.19 years

Average tenure of the Board as on March 31, 2025

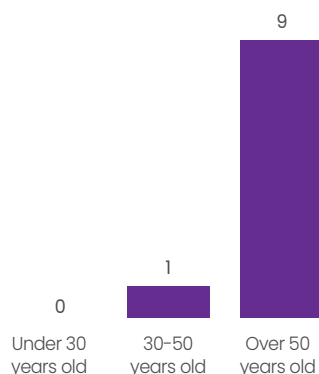
Board Composition

(as on March 31, 2025)

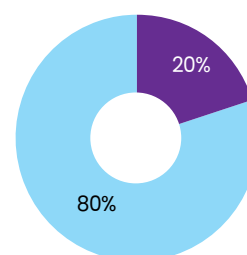


■ Non Executive
■ Executive
■ Independent

Board Age Diversity



Board Gender Diversity



■ Female Directors
■ Male Directors

Board Expertise



Upholding Excellence in Governance

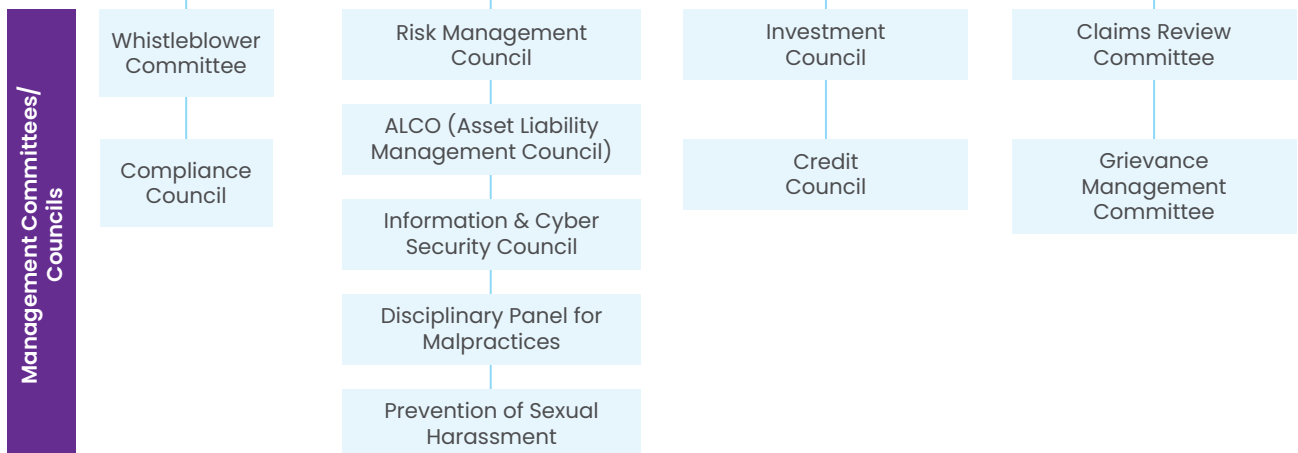
Following global best practices and governance standards, the roles and responsibilities of the Chairman and the Managing Director & CEO are clearly demarcated to promote efficient leadership. The Chairman provides strategic guidance and steers the Board's focus, and the Managing Director & CEO leads the Company's day-to-day operations. Regular evaluations of the Board are conducted using defined criteria, covering both individual and collective performance. The Independent Directors also convene separately to evaluate the performance of the Non-Independent Directors, the Board as a whole, and the Chairman, in addition to discussing matters as prescribed under the applicable laws and regulations.

To strengthen Board effectiveness, HDFC Life has put in place a structured familiarisation/ induction programme for Independent Directors. This programme is designed to equip the Board members with in-depth insights into the industry and the Company's operations during on-boarding, enabling them to contribute meaningfully from the outset. The governance framework is supported by various Board Committees, formed according to guidelines laid down by IRDAI, SEBI, and the Companies Act. These Committees are backed by dedicated Management Councils, ensuring timely and relevant information flow for effective oversight.



Governance Structure

Board Committees



Standalone Councils / Committees



■ No. of Independent Directors in committee ■ No. of Non-Independent Directors in committee

Additional Governance through Internal, Concurrent and Statutory Auditors

Key committee focus areas for FY 2024-25

The Board-level committees remained actively engaged during FY 2024-25, with each committee focussing on priority areas aligned to its mandate and the Company's strategic objectives. Please find below an overview of key focus areas addressed by the respective committees during the year:

Audit Committee

- **Integrity of Financial Reporting and Audit Oversight:** Ensured robustness of financial statements, audit processes, and auditor independence across the Company and key subsidiaries.
- **Internal Controls, Compliance and Intra Group-Level Governance:** Strengthened oversight of internal controls, compliance mechanisms, whistle-blower framework, and material intra-group exposures.

Capitals impacted



Stakeholders impacted



Nomination & Remuneration Committee

- **Board Composition and Leadership Succession:** Oversaw the nomination and re-appointment of Directors and senior leadership, with continued emphasis on independence, diversity, and long-term succession planning.
- **Remuneration and Alignment with Performance:** Ensured that the Company's remuneration framework remained fair, risk-aligned, and performance-linked, including oversight of equity-based incentives in line with regulatory requirements.

Capitals impacted



Stakeholders impacted



Stakeholders' Relationship Committee

- **Strengthening Shareholder Services and Communication:** Oversaw timely redressal of investor grievances, enhanced voting participation, and monitored effectiveness of shareholder communication and disclosures.
- **Governance of Shareholder Processes:** Reviewed and ratified share-related actions, monitored RTA and depository performance, and ensured compliance with timelines for statutory obligations and unclaimed dividends.

Capitals impacted



Stakeholders impacted



Risk Management Committee

- **Enterprise Risk Oversight and Mitigation:** Monitored the Company's aggregate risk profile across financial, operational, legal, and reputational dimensions, ensuring alignment with the approved risk appetite and escalation of key exposures to the Board.
- **Strengthening Risk Frameworks and Controls:** Oversaw risk governance structures, including ALM strategies, valuation assumptions, subsidiary-level risks, and disciplinary measures, with continued emphasis on proactive mitigation and industry benchmarking.

Capitals impacted



Stakeholders impacted





Policyholder Protection, Claims Monitoring and Grievance Redressal Committee

- **Grievance Redressal and Compliance:** Oversaw the functioning of complaint resolution mechanisms, including cases related to mis-selling, and ensured timely submission of grievance data and adherence to IRDAI norms on disclosures and customer communications.
- **Claims Oversight and Policyholder Protection:** Reviewed claims performance, ageing of outstanding claims, and unclaimed amounts. Further, monitored implementation of policies to safeguard policyholder rights and enhance customer awareness and experience.

Capitals impacted



Stakeholders impacted



Investment Committee

- **Policy Oversight and Risk Governance:** Reviewed and updated the Investment and Lending Policy, ensuring compliance with regulatory norms, ALM principles, and prudent risk limits.
- **Portfolio Performance and Strategic Allocation:** Monitored yield, duration, and exposure metrics across portfolios, and provided quarterly performance insights to support Board-level investment decisions.

Capitals impacted



Stakeholders impacted



CSR & ESG Committee

- **Policy Oversight and Strategic Alignment:** Recommended CSR and ESG policies and annual plans in line with Schedule VII of the Companies Act, 2013 and evolving stakeholder expectations.
- **Implementation Monitoring and Disclosure Review:** Oversaw the execution of CSR and ESG initiatives and reviewed related goals, performance, and external disclosure.

Capitals impacted



Stakeholders impacted



With Profits Committee

- **Oversight of Participating Product Methodology:** Reviewed the methodology and assumptions used by the Appointed Actuary for calculating asset shares in participating products.
- **Regulatory Reporting and Transparency:** Provided the report required under IRDAI (Corporate Governance for Insurers) Regulations, 2024 read with Master Circular on Corporate Governance for Insurers, 2024, ensuring transparency and regulatory compliance.

Capitals impacted



Stakeholders impacted



Capital Raising Committee

- **Strategic Evaluation and Fundraising Oversight:**
Assessed capital raising options and approved issuance terms for equity, debt, and other instruments in line with the Company's funding strategy.
- **Execution, Compliance and Stakeholder Coordination:**
Oversaw regulatory filings, allotment and stakeholder engagement to ensure timely and compliant execution of fundraising activities.

Capitals impacted



Stakeholders impacted



ESG Governance Framework

HDFC Life has instituted a multi-tiered ESG governance framework to ensure consistent oversight and integration of sustainability into core business operations. The Board of Directors provides strategic direction on ESG matters, supported by the CSR & ESG Committee, the ESG Management Committee, and the Risk Management Committee. These bodies collectively guide ESG strategy, execution, disclosure, and risk mitigation – enabling an accountable and enterprise-wide approach to sustainability governance.

For a detailed overview, refer to the 'Advancing Environmental Stewardship' section on

→ P. 71

Integrating ESG into Investment Strategy

At HDFC Life, ESG integration is a core component of our investment strategy. A dedicated ESG Governance Committee within the Investment function provides guidance on incorporating ESG factors – including climate-related risks – into fund management and engagement with investee companies. The Committee also tracks ESG score trends and aligns practices with global frameworks such as the UN Principles for Responsible Investment (UNPRI). Complementing this, the Environment and Climate Change Policy provides a structured approach to managing environmental risks and identifying responsible investment opportunities.

For further details, please refer to the 'Advancing Environmental Stewardship' section on

→ P. 76

Shareholder Grievance Redressal

As part of its governance oversight, the Stakeholders' Relationship Committee of the Board monitors and facilitates the resolution of queries and grievances raised by shareholders and security holders. The Company views timely and effective grievance redressal as integral to maintaining shareholder trust and transparency. A dedicated section on the website provides access to FAQs and contact details of key managerial personnel to support seamless communication. The process is operationally supported by KFin Technologies Ltd., the Company's Registrar and Transfer Agent, to ensure prompt handling of shareholder requests and correspondence.

Internal Control and Compliance

HDFC Life has a robust and comprehensive internal audit framework in place to evaluate the effectiveness of internal controls, financial reporting, and compliance with applicable laws and policies. The Internal Audit function operates independently and considers relevant material inputs from risk management framework, compliance reports, external audit or reports, etc. Audit reviews are conducted by the in-house Internal Audit team and by the co-sourced auditors (external Chartered Accountant firm), with key findings and follow-up actions periodically reported to the Audit Committee for oversight.



Policies and Frameworks for Ethical Conduct

HDFC Life follows a clear set of governance practices shaped by ethical business conduct. Principles of integrity, transparency, and accountability guide how we engage with policyholders, agents, shareholders, regulators, and the broader community. These standards support sound decision-making and help maintain confidence across stakeholder groups. To formalise our approach, we have adopted a Board-approved Corporate Governance Policy, which guides the implementation of governance best practices across the organisation. It outlines the governance structure, defines the roles and responsibilities of the Board and its Committees, and sets guiding principles for risk oversight, disclosures, and ethical conduct. The policy is publicly available on our website at www.hdfclife.com.

In addition, the Company has implemented a suite of policies and frameworks such as the Code of Conduct, the Anti-Bribery and Anti-Corruption Policy, and the Anti-Money Laundering Policy and detailing measures to prevent financial crimes. These policies are regularly reviewed to ensure alignment with global standards.

Anti-Money Laundering (AML) and Combating Finance of Terrorism (CFT)

HDFC Life complies with applicable statutory and regulatory obligations related to Anti-Money Laundering and Counter-Financing of Terrorism. The Company has established an AML/CFT Framework and Policy, which is reviewed annually by the Audit Committee and approved by the Board.

This framework outlines the governance structure, controls, and procedures adopted to prevent and detect unlawful financial activity.

Key components of this framework include:

- **Customer Due Diligence (CDD):** Conducting thorough CDD for all customers, ensuring strict adherence to Know Your Customer (KYC) guidelines during onboarding and throughout the customer lifecycle.
- **Risk Assessment & Monitoring:** Employing a Risk-Based Approach (RBA) to focus on higher-risk customers and transactions, scrutinising payment instruments and monitoring for suspicious activities.
- **Regulatory Reporting:** Promptly reporting suspicious transactions to governmental agencies in compliance with applicable laws and regulations.
- **Training and Awareness:** Mandating annual AML/CFT training and certification for all employees, agents, and distribution partners, covering relevant laws, policies, and procedures. In FY 2024-25, AML training was imparted to 37,493 employees. Further, all employees are required to annually acknowledge and accept the Code of Conduct, which outlines professional behaviour, including AML/CFT compliance.
- **Internal Audits:** Regular compliance testing is carried out by the internal audit function to assess adherence to AML/CFT policies, with periodic updates and exception reports submitted to the Audit Committee and the Board.

Our comprehensive set of other policies include:

CODE OF CONDUCT

Applicable to all employees, including consultants and outsourced personnel, this policy mandates adherence to company guidelines and requires employees to ensure third-party compliance. Regular reviews and updates are communicated to all staff.

HUMAN RIGHTS POLICY

Commits to upholding human rights by aligning with the United Nations Universal Declaration of Human Rights and the ILO Declaration, emphasising equality, non-discrimination, and fostering a respectful workplace culture.

RESPONSIBLE INVESTMENT(RI) POLICY

Integrates environmental, social, and governance (ESG) factors into investment decisions to ensure sustainable growth. It covers various asset classes and includes an ESG evaluation framework for informed decision-making.

DATA PRIVACY POLICY

Ensures the security of customer and website user information across services and products, mandating informed consent for data usage and adhering to strict confidentiality standards.

HEALTH AND SAFETY POLICY

Prioritises employee health and safety by fostering a culture of wellness, complying with international standards, conducting risk assessments, and providing regular training to ensure a safe work environment.

WHISTLEBLOWER POLICY

Establishes transparent procedures for reporting and investigating complaints related to legal breaches, fraud, and discrimination. It applies to all stakeholders, offering protection against retaliation for whistleblowers who use designated reporting channels.

ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

Enforces a zero-tolerance stance on bribery and corruption, applicable to employees, directors, and associates. The policy promotes ethical business practices, with the Whistleblower Committee overseeing compliance and investigating violations.

POLICY FOR PREVENTION AND REDRESSAL OF SEXUAL HARASSMENT (POSH)

Aims to maintain a workplace free from discrimination and harassment, particularly sexual harassment. It applies to all employees and associates, conforming to the Sexual Harassment of Women at Workplace Act, 2013, and provides mechanisms for prevention and resolution.

INVESTOR GRIEVANCE POLICY

Establishes a clear mechanism to promptly address and resolve investor complaints, enhancing confidence through transparency, confidentiality, and accountability.

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

Outlines the company's CSR framework, establishing a Board CSR Committee for compliance and oversight, with guidelines for executing and reporting CSR projects in line with the Companies Act, 2013.

ENVIRONMENT AND CLIMATE CHANGE POLICY

Aims to minimise environmental impacts through responsible operations and climate risk management, overseen by the ESG Management Committee, ensuring sustainability in operations, procurement, and waste management.

For more details on our policies, please visit: <https://www.hdfclife.com/about-us/investor-relations>.



Advancing Communities with Purpose



Capitals Impacted

We strengthen Social and Relationship Capital through inclusive community programmes in education, livelihoods, healthcare, sanitation and sustainability under Swabhimaan. These are enabled by Human Capital through structured employee volunteering and contribute to Natural Capital by supporting local environmental initiatives and resource stewardship.



Strong relationships with our communities are built on trust, empathy, and shared purpose. We understand that our long-term success is closely tied to the well-being of the people and environments we touch. This perspective shapes our approach to social responsibility, as a sincere commitment to enriching lives and supporting inclusive progress.

Our initiatives are designed to create meaningful and measurable impact, reaching vulnerable groups and underserved communities where support is needed the most. Whether it is enabling access to education, nurturing livelihoods, improving healthcare and sanitation, or supporting environmental stewardship, each programme reflects our intent to be a force for good.

Swabhimaan:

The Spirit Behind Our Social Initiatives

Under the banner of *Swabhimaan*, our CSR efforts reflect a belief in the inherent dignity of individuals and the positive impact of empowering communities through sustained support and opportunity. Led by a dedicated CSR team, each project is thoughtfully assessed and approved by our Board CSR and ESG Committee ensuring strong governance, transparency, and alignment with the Companies Act, 2013. While we prioritise key focus areas, we stay responsive to other meaningful causes.

Every project under Swabhimaan is aligned with the United Nations Sustainable Development Goals, in quality education, health, sustainable communities, and climate action. We also conduct impact assessments for select programmes to measure effectiveness and inform continuous improvement. Through this approach, we strive to be a responsible, responsive corporate citizen – creating long-term, meaningful value for people and the planet.

₹ 11 Crore

CSR Spends

24 No.

CSR Programmes / Initiatives

23 No.

Implementation Partners

9.07 Lakhs

Number of Lives Impacted

We focus our community engagement efforts around three core areas:



Education and Livelihood

Empowering people with the knowledge, tools, and opportunities they need to unlock their potential. From school support to large scale programmes, we aim to help individuals take confident steps toward brighter futures.



Healthcare and Sanitation

Ensuring access to basic healthcare and hygiene facilities, especially in underserved areas, to promote healthier lives and uplift communities.



Environmental Sustainability

Supporting sustainable transitions through clean energy, water conservation, and locally rooted environmental initiatives.

SDGs Impacted





In addition to our core CSR pillars, HDFC Life extends support to communities through need-based initiatives. This includes educational scholarships and aid for children of war veterans at Asha, Coast Guards and CRPF public schools, as well as financial assistance to veteran's families and war widows

– honouring their service and contributing to their continued wellbeing.

By investing in these areas, we create shared value – supporting societal well-being while staying true to our purpose.

Supporting Aspirational Districts, Enabling Inclusive Growth

At HDFC Life, we are proud to support the Government of India's **Aspirational Districts Programme**, dedicated to uplifting historically underserved regions. Our initiatives align with the programme's focus on improving health, education, agriculture, financial inclusion, and infrastructure.

In FY 2024-25, our work spanned 19 aspirational districts across 5 states, focussing on tribal regions and addressing local needs through targeted interventions in healthcare, education, livelihoods, and financial inclusion. By bridging development gaps and creating opportunities, we are contributing to a more equitable, resilient, and empowered India.

Creating Opportunities through Education and Livelihood

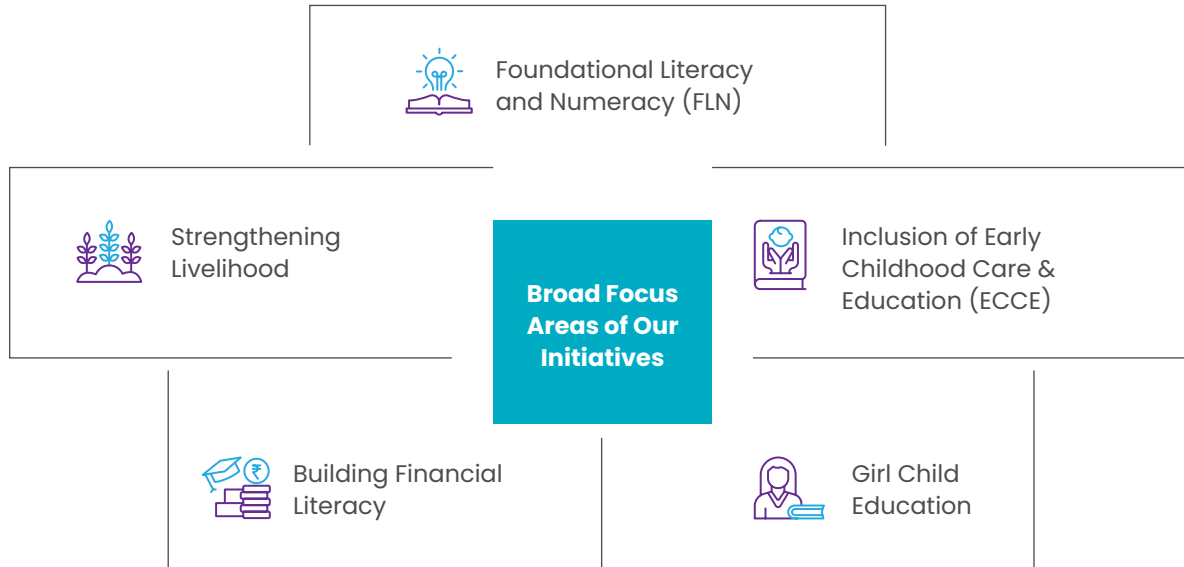
Access to quality education is the foundation for a better life, yet countless children in India are unable to complete their schooling due to financial hardships. This often leads to limited career paths, perpetuating the cycle of poverty. The challenges of poor infrastructure, outdated learning tools, and teacher shortages further widen the gap in educational equity.

Our initiatives in education, financial literacy, skill development, and livelihood enhancement are designed to bridge these gaps, enabling more equitable and informed participation. They are grounded in a simple yet powerful goal: to unlock opportunities that lead to more secure and fulfilling lives.

While as a financial services company our operations do not pose material physical or environmental impacts, in terms of social impact we recognise that limited financial awareness and access can unintentionally widen exclusion – where financial services tend to benefit only those with prior knowledge or resources.



Free-Play at Anganwadi Centre, Indapur, Maharashtra



Aligning with National Priorities

Our education initiatives support the Government of India's National Education Policy. These initiatives focus on Early Childhood Education and Care, Inclusive Education, Foundational Literacy and Numeracy (FLN), use of technology in teaching-learning and higher emphasis on socially and economically disadvantaged population. Through partnerships with on-ground organisations, we expand access to quality education in underserved regions, support school retention, and equip youth with practical skills.

In FY 2024-25, we partnered with on-ground organisations to roll out targeted programmes in underserved regions across the country. These initiatives not only help children stay in school but also equip young adults with the skills they need to pursue gainful employment and lead independent, fulfilling lives.

Key Initiatives and Programmes



Education Enrichment Initiative

Intervention

HDFC Life strengthened foundational infrastructure in four schools serving children from economically weaker sections by supporting classroom upgrades, teacher training, nutritious mid-day meals, uniforms, stationery, and scholarships. The initiative included targeted support for children of migrant labourers in Himachal Pradesh, girls from low-income households in Uttarakhand, and children with special needs in Maharashtra – ensuring inclusive, equitable access to quality education through local partnerships.

Impact

The result was encouraging – dropout rates declined, engagement increased, and learning outcomes improved. Over 4,000 children benefited through these initiatives, gaining continuity in education, improved classroom experiences, and greater school participation.



Foundational Literacy and Numeracy (FLN)

Intervention

A tech-enabled capacity building initiative was launched across eight aspirational districts in Jharkhand, training over 7,000 teachers in English and Mathematics for Grades 1 to 5 across government schools. Delivered in collaboration with the State Education Department, the programme leveraged offline technology – including audio boxes, a mascot-led interface, and mobile apps – paired with intensive teacher training and implementation monitoring to support low-resource classrooms.

Impact

This led to improved learning outcomes for 5,40,000 children across 7,000 schools in the participating districts. The initiative addressed foundational gaps, made learning more engaging, and strengthened teacher delivery for early grades in underserved regions.



Model Anganwadi Centres

Intervention

In partnership with Integrated Child Development Scheme (ICDS) and implementation partners, HDFC Life supported the transformation of anganwadi centres in Palghar, Pune, and urban Maharashtra into vibrant early learning environments. Training and mentoring were provided to anganwadi workers and helpers, supporting them adopt play-based, experiential learning methods aligned with NEP 2020.

Impact

These efforts benefited over 1,860 children in rural and semi-urban areas, along with 66 anganwadi workers, 54 helpers, and 4 Child Development Project Officers and Supervisors – enabling them to move closer to their developmental goals.



Awareness on Financial Literacy

Intervention

HDFC Life conducted financial literacy sessions across 17 districts in six states through our implementation partners. The programme used digital tools and community engagement to build awareness on budgeting, banking, digital safety, insurance, and government schemes, aligning with RBI's National Strategy for Financial Education.

Impact

Over 1,21,340 individuals benefited from these sessions, with more than 14,000 linkages established to various government welfare schemes.



Strengthening Agricultural Practices

Intervention

HDFC Life launched a project in aspirational district Parvathipuram, Andhra Pradesh, promoting sustainable farming practices, enhancing supplementary income opportunities, and improving water availability for farmers to strengthen the local ecosystem. Implemented in 24 remote tribal villages, the initiative focussed on crop diversification, water harvesting structures, farmer-producer collectives, and the revival of women's SHGs. Further, it also addressed issues of mono-cropping, rain-fed dependency, and declining soil productivity.

Impact

This provided opportunities for a better livelihood to more than 1,400 households consisting of 1,730 people from 24 tribal villages. The project contributed to improved agricultural resilience, enhanced food and income security, and reduced economic vulnerability in a region marked by climate challenges and fragmented landholding.

Swabhimaan Story: “From Uncertainty to Empowerment: Aerial’s path to Financial Independence”



Aerial Karjanaj, Madan Bynther Village, Eastern Khasi Hills, Meghalaya

Aerial, a 55-year-old widow from Madan Bynther village, Meghalaya, took a loan to expand her squash farm but lacked the financial skills to manage income fluctuations. After attending a three-day financial literacy training supported by HDFC Life CSR, she learned to budget, save for emergencies, and cut non-essential expenses. She now tracks her finances confidently and has opened a recurring deposit to secure her future – transforming uncertainty into financial control and peace of mind.

Healthcare and Sanitation: Nurturing Healthier Communities

We believe that access to clean water, basic healthcare, proper nutrition, and sanitation is a fundamental right. However, many communities across India continue to face significant gaps in accessing these essential services. In FY 2024-25, we focussed our healthcare and sanitation initiatives on four key areas:



Malnutrition Reduction

Improved Healthcare Access



Broad Focus Areas of Our Initiatives



Paediatric Health

Better Sanitation



E-Clinic, Village Dawa, District Bhojpur, Bihar



Aligning with National Priorities

Our health initiatives align with key national priorities, addressing malnutrition in children, awareness for adolescent girls, pregnant women and lactating mothers through a shift in nutritional intakes to develop and promote practices that nurture health, wellness and immunity.

We support government programmes such as the Child Health Mission and Janani Suraksha Yojana, Rashtriya Bal Swasthya Karyakram, Mission Saksham, and sanitation through the Swachh Bharat Abhiyan. Our efforts directly contribute to improving healthcare access, early intervention, and hygiene standards in underserved communities.

Key Initiatives and Programmes



Paediatric Health

Intervention

Our health initiatives focus on early identification and intervention for children from birth to 18 years, addressing the four '**Ds**' — **Defects at birth, Deficiencies, Diseases, and Developmental delays** — across 11 states. Through partnerships with specialised organisations, we supported the screening, diagnosis, and treatment of childhood cancer, congenital heart defects, clubfoot, and spina bifida.

Impact

These programmes positively impacted 2,030 children, enabling timely medical and surgical interventions that improved survival, mobility, and quality of life for children from low-income households.



Healthy Baby Wealthy Nation

Intervention

HDFC Life partnered with local organisation to deliver essential health and nutrition guidance to expectant mothers and their families, supporting them through both pre- and postnatal stages. The initiative also focussed on addressing child malnutrition through health forums, nutrition assessments, referrals to hospitals, adolescent education, and kitchen gardens for nutritional security in West Bengal.

Impact

This programme reached 1,08,960 households, positively impacting 18,810 children under five, 5,050 pregnant women, and 8,480 school-going children in Purba, Medinipur and Jhargram districts in West Bengal.



Promoting Sanitation

Intervention

Through our implementation partner, we facilitated the construction of 190 toilets in Navi Mumbai and conducted awareness sessions on hygiene and menstrual health to promote better sanitation practices.

Impact

This initiative impacted 800 lives. Additionally, over 610 individuals benefited from healthcare awareness sessions.



Access to Quality Healthcare

Intervention

In collaboration with our implementation partners, HDFC Life strengthened primary healthcare access across rural and underserved districts in Bihar, Jharkhand, Uttar Pradesh, Madhya Pradesh, Odisha, Meghalaya, and Uttarakhand. The initiative included mass awareness sessions on preventive health, digital health education, and direct service delivery through e-clinics, polyclinics, and special health camps. It focussed on bridging gaps in early-stage diagnosis and timely treatment.

Impact

The initiative positively impacted 1,78,540 individuals through preventive screenings, medical referrals, free medicines, and health consultations. It also improved community-level health awareness, increased referrals to public hospitals, and reduced dependency on unqualified care providers.

Swabhimaan Story: "More Than Medicine: Yuvan's Journey with Care, Education & Hope"



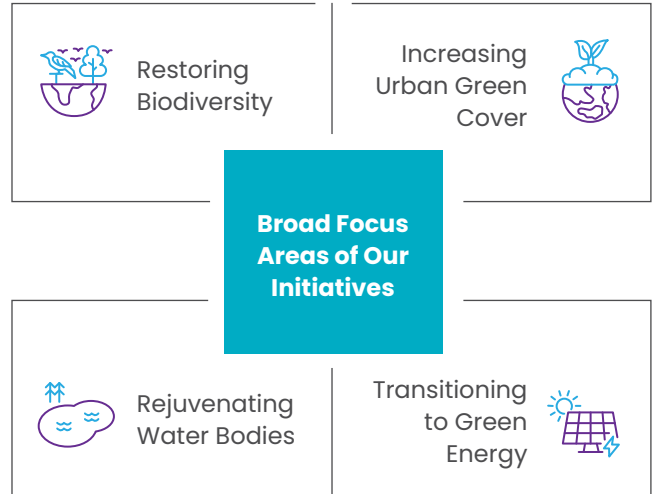
Yuvan Devajith, Uthamapalayam, Theni, Tamil Nadu

At 13, Yuvan was diagnosed with Chronic Myeloid Leukaemia. Raised by his elderly widowed mother who was working and living in an orphanage due to family hardships, he faced a daunting path to recovery. With the support of our partner and backing from HDFC Life, his family accessed safe accommodation at Snehalaya a 'Home Away from Home (HAH)' facility, daily essentials, transport to hospital, psychosocial counselling, and continued education. Guided by medical teams and supported emotionally and financially, Yuvan is now completing his third chemotherapy cycle and preparing for a bone marrow transplant "all the help has been our pillar of support," says his mother. "Your kindness and compassion have made a profound difference in our lives."



Environmental Sustainability: Caring for Tomorrow, Today

We are committed to reducing our operational carbon footprint and supporting environmental preservation in the communities we serve. We aim to build a greener future through strategic partnerships and by focussing on four key areas:



Waterbody Rejuvenation, Indore, Madhya Pradesh

Aligning with National Priorities

In support of India's environmental priorities, our programmes align with key national initiatives such as the Repair, Renovation and Restoration (RRR) of Water Bodies, the National Afforestation Programme, and the Green India

Mission. These efforts focus on revitalising water resources, enhancing green cover, and contributing to climate and ecological resilience in vulnerable regions.

Key Initiatives and Programmes



Creating City Forests

Intervention

We planted over 9,500 saplings across three city forest sites in Maharashtra, covering 28,500 sq. ft. using the Akira Miyawaki method with the help of our implementation partners. This scientifically proven afforestation technique involves planting dense clusters of native Indian species in small urban spaces to revive green cover, restore soil health, and enable natural co-existence among plant species.

Impact

The initiative enhanced urban biodiversity in Pune, Nashik, and Mumbai – lowering local temperatures, improving air quality, and attracting birds and pollinators. These self-sustaining micro-forests now serve as community green spaces that contribute to long-term environmental resilience and climate adaptation in dense urban zones.



Switch to Solar

Intervention

Rooftop solar systems were installed in 3 schools and 10 healthcare centres across Maharashtra, Assam, Meghalaya, and Nagaland, with a combined capacity of 105.41 kWp (35.41 kWp in schools and 70 kWp in health centres). The initiative aimed to reduce grid dependency and enable energy continuity in critical public facilities. In Nagaland and Meghalaya – where remote terrain and limited infrastructure hinder consistent healthcare delivery – decentralised solar solutions strengthened the capacity of Primary Health Centres to offer uninterrupted, quality care.

Impact

This intervention positively impacted 17,520 lives. In the Northeast, solarising Primary Health Centres (PHCs) in remote and hilly areas ensured consistent power for lighting, refrigeration of vaccines, and running essential medical equipment. The initiative strengthened the resilience of public healthcare services, improved working conditions for frontline health staff, and introduced school students to real-time models of climate-friendly technology.



Rejuvenation of Waterbodies and Water Harvesting

Intervention

We supported the rejuvenation of a 9.3-acre waterbody – Kanadiya Lake in Indore, Madhya Pradesh – through de-silting, fencing, and eco-restorative landscaping. In parallel, we funded water harvesting infrastructure in the tribal villages of Parvathipuram, Andhra Pradesh, to improve water availability for rain-fed agriculture. These efforts were implemented in collaboration with local rural development partners.

Impact

In Andhra Pradesh, water harvesting structures increased storage capacity by 43,450 cubic metres, enhancing groundwater recharge and supporting agriculture across multiple hamlets. The restored lake in Indore now holds water year-round, prevents flooding, and supports local biodiversity through nesting islands and native vegetation.

Swabhimaan Story: "Building Pathways to Prosperity: Irrigation for Thriving Livelihoods"



Water Harvesting Structure, Village Burjivalasa, Parvathipuram, Andhra Pradesh

Burjivalasa, a rain-fed village in Andhra Pradesh once constrained by water scarcity, saw a turning point with the construction of a water harvesting structure under HDFC Life's Swabhimaan initiative. The structure, with a capacity of 31,050 cubic metres, brought 95 acres under irrigation and enabled 80 households to cultivate diverse crops year-round – doubling their average income. Previously unused land now yields millets, maize and vegetables. The community formed a Water User Committee to manage the resource and even initiated pisciculture, generating ₹ 38,000 as additional income. Beyond improved nutrition and farm productivity, the project has strengthened climate resilience, reduced dependence on moneylenders, and fostered self-reliance. For Burjivalasa, this is a shift from survival to dignity through shared ownership and sustainable livelihoods.

Swabhimaan Agent of Good: A Culture of Compassion in Action

We are proud of our colleagues who continue to champion the spirit of social responsibility, a value that is deeply ingrained in HDFC Life's culture. As an organisation committed to contributing meaningfully to society, we view responsible action as an extension of our purpose.

Our **Swabhimaan Agent of Good** volunteering programme enables employees to give back to communities through initiatives that promote dignity, inclusion, and well-being. From participating in clean-up drives and blood donation camps to offering emotional support to children undergoing long-term medical treatment, our volunteers have contributed their time and compassion across a range of causes.



Joy of Giving, Ahmedabad

In Ahmedabad, a week-long donation drive was organised for supporting visually impaired children with food supplies, personal care items, and stationery. Volunteers also visited the centre, interacting with the children and staff and gaining a deeper understanding of their daily lives and needs.

Visit to School for Special Needs, Vasai

Our team visited the School in Vasai, which supports children with special needs. The visit included sensitisation sessions, school tour, and interactive activities with the students. It offered valuable perspective on inclusive education and strengthened our connection with the communities we serve.



Blood Donation Drive, New Delhi

Employees in New Delhi organised and managed a blood donation drive in collaboration with a local blood bank, resulting in the collection of 65 units. The initiative addressed critical shortages and reinforced our commitment to community health support.

Seed Ball Making Activity, Mumbai

At our head office in Mumbai, Swabhimaan volunteers participated in a seed ball-making activity to promote environmental sustainability. This simple yet impactful initiative involved crafting biodegradable seed balls using clay, soil, and native seeds, later dispersed in open spaces to encourage natural afforestation and biodiversity regeneration.





Visit to Old Age Home, Chandigarh

In Chandigarh, employees spent the day with residents at old age home. Along with heartfelt conversations and interactive games, saplings were planted within the premises. The initiative created a meaningful space for care and connection across generations.

Diwali at Cancer Support Home Chennai

The Chennai team celebrated Diwali with children undergoing cancer treatment at a residential support facility for families in need. Employees organised a festive event in collaboration with implementation partner with gift distribution, sweets, and refreshments for children, their families, and the staff. The initiative created a joyful moment for young patients during a difficult phase of life.



Beach Clean-Up Drive, Mumbai & Chennai

As part of HDFC Life's commitment to environmental stewardship, employees in Mumbai and Chennai participated in shoreline clean-up drives at Prabhadevi Beach and Ashtalakshmi Beach, respectively. Volunteers cleared plastic waste and debris to help restore coastal ecosystems, and in Chennai, the effort was followed by an educational session on urban water bodies.

Career Mentorship for Graduates, Mumbai

In our Mumbai office, graduate students from underprivileged communities participated in a career mentorship session led by senior leaders from HDFC Life. The programme covered workplace readiness, interview skills, and customer service, followed by group interactions for personalised guidance. The session offered valuable direction and boosted student confidence in preparing for future careers.



With growing participation across locations, these efforts reflect our belief that positive social impact stems not only from large-scale programmes but also from everyday acts of kindness. Together, they form part of HDFC Life's holistic approach to corporate social responsibility — that is people-led, purpose-driven, and aligned with our values.

Advancing Environmental Stewardship



At HDFC Life, we recognise that our long-term success is closely tied to the health of our natural environment. Our commitment to natural capital reflects a deep responsibility to manage environmental resources wisely, reduce our ecological footprint, and contribute to a more sustainable future.

Our approach is anchored in resilient policies, structured governance, and a focus on continuous improvement. We have built our natural capital strategy around three core pillars — **climate action, environmental stewardship and responsible investment** — which shape our efforts to reduce environmental impact, manage climate-related risks, and invest sustainably.

Capitals Impacted

We are protecting Natural Capital through climate-aligned initiatives and by embedding sustainability into governance and risk frameworks. Financial Capital supports operational execution, while ESG considerations are applied to select investment decisions to foster long-term resilience and responsible growth.





This section outlines the measures we are taking to safeguard natural capital and strengthen climate resilience across our operations, supply chain, and investment practices.

ESG Framework

We have established a multi-tiered governance framework to manage natural capital, with oversight spanning the Board, management, and operational levels. This ensures strategic direction, effective execution, and strong alignment with our environmental objectives.

Our efforts are guided by two core policies:

The **Environment & Climate Change Policy**, which outlines our commitment to environmental stewardship, climate risk management, and responsible investment.

Read more [→](#)

The **Responsible Investment Policy**, which sets the foundation for integrating sustainability into investment decisions, including governance protocols and exclusion criteria.

Read more [→](#)

Climate-related disclosures

The growing frequency and intensity of extreme weather events continue to highlight climate change as a critical risk for businesses worldwide. Acknowledging the threat of climate change, the Reserve Bank of India drafted a framework on climate-related financial risks, drawn from the TCFD and Basel Committee principles.

At HDFC Life, we are proactively strengthening our risk management strategies to identify, assess, and mitigate climate-related risks. This year, we undertook our first comprehensive **Climate Risk Assessment (CRA)** to evaluate both physical and transition risks posed by climate change to our business, particularly in vulnerable regions such as Mumbai, Delhi and Bengaluru. The assessment aligns with evolving regulatory expectations, including the draft RBI Disclosure Framework and IRDAI's Corporate Governance Regulations on climate risk.

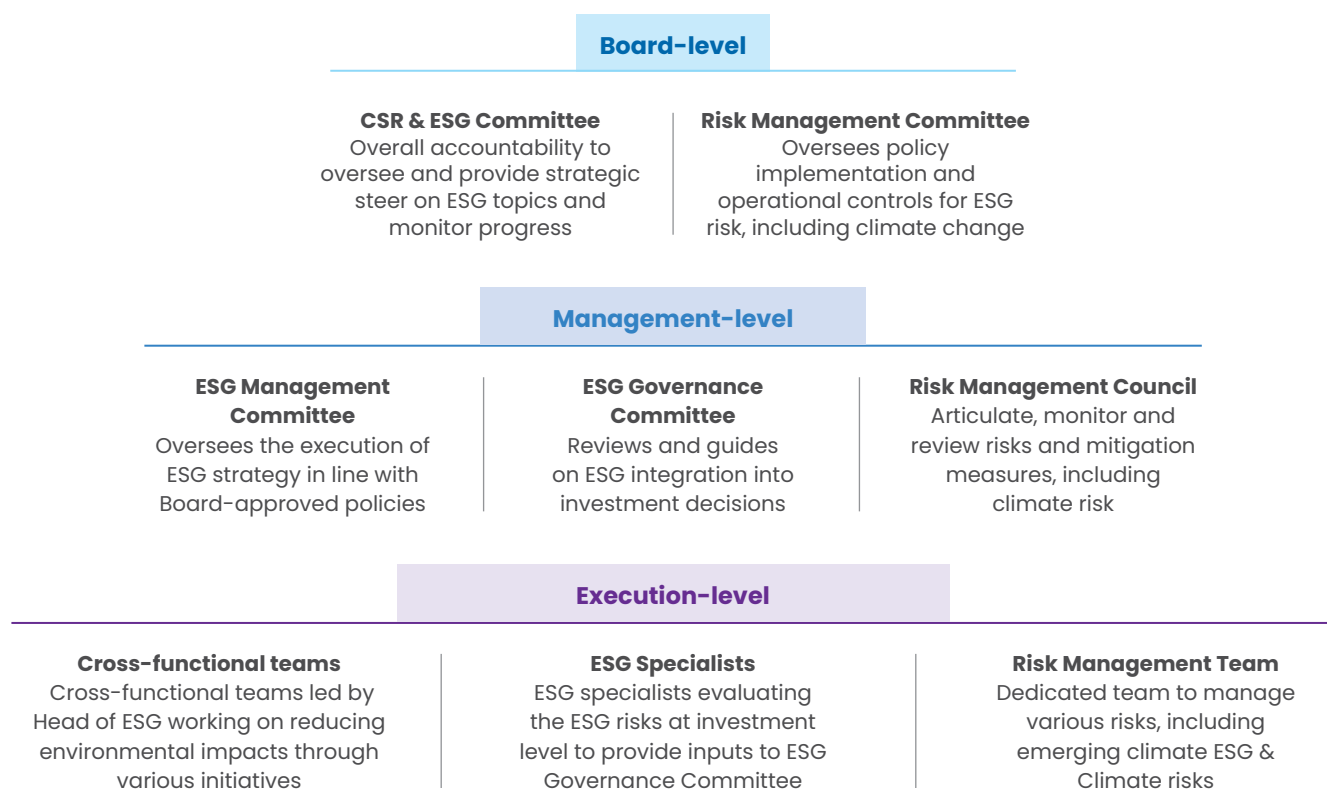
Governance

Climate-related issues are embedded within our broader ESG governance framework, with climate change recognised as one of our material priorities. The **Board of Directors** hold overall responsibility for setting the organisation's **strategic direction and risk appetite**, including on matters related to ESG and climate.

At the Board level, climate risk oversight is carried forward through both risk and sustainability governance channels. The **Risk Management Committee** plays a central role in integrating climate-related risks into our enterprise risk framework, supported by the **Risk Management Council**, which monitors exposures across financial and operational domains. These include sectoral and geographic sensitivities to climate risk, which have been formally identified as a significant emerging concern.

In parallel, the **Board CSR and ESG Committee** provides strategic oversight on the Company's broader ESG agenda, including climate-related initiatives and disclosures, ensuring they align with long-term organisational objectives.

Operationally, the **ESG Management Committee** led by the Executive Director and CFO monitors performance on climate-linked priorities such as emissions management. The committee meets at regular intervals, typically quarterly, to assess evolving risks and consider appropriate mitigation responses. Within the Investment function, the ESG Governance Committee oversees the integration of ESG and climate considerations into investment decision-making processes.



At HDFC Life, we believe that integrating ESG into the everyday culture of the organisation is essential for driving lasting impact. To align our workforce with this agenda, we run awareness campaigns that encourage employees to adopt practical, meaningful actions that support broader environmental and social goals.

These campaigns promote conscious daily choices – such as unplugging unused devices to reduce phantom energy, avoiding single-use plastics, carrying reusable alternatives, and opting for low-waste packaging. Employees are also encouraged to connect with nature through tree-planting drives and visits to forests developed under our Swabhimaan: Agent of Good initiative. Additionally, we motivate employees to track their personal carbon footprints and commit to measurable reductions.

By fostering awareness and ownership at an individual level, we are building a workplace culture that is not only informed, but also actively engaged in advancing our ESG commitments.

Strategy

As part of our first **Climate Risk Assessment (CRA)**, we have begun evaluating the potential long-term impacts of climate change on mortality and morbidity trends. Based on this initial assessment,

we aim to integrate climate-related considerations into our underwriting models and leverage scenario-based analysis to better anticipate and manage potential shifts in claims frequency.

Time Horizons & Scenario Analysis

- **Short-Term (to 2030):** Focus on regulatory transition risks, early signs of morbidity and underwriting shifts.
- **Medium-Term (to 2040):** Technology adaptation, ESG integration, policy-driven market changes.
- **Long-Term (to 2050):** Physical risk intensification due to heatwaves, sea-level rise, and chronic health impacts.

As part of our CRA exercise, we conducted scenario analysis using:

- **RCP 4.5** (Moderate Emissions Scenario – 1.6°C–2.0°C)
- **RCP 8.5** (High Emissions Scenario – 3.1°C–4.0°C)
- **NGFS Scenarios:** Below 2°C (orderly transition) and Delayed Transition (disorderly transition)

In FY 2024-25, we conducted a risk assessment without quantifying the financial implications or estimating the cost of potential impacts. In future assessments, we aim to disclose the financial impacts of identified risks and opportunities, along with any resulting changes to our business strategy and planning.



The various climate-related physical and transition risks for us which could manifest over different time horizons include:

Physical Risks

Risk Type 1:

River flooding

Description & impact: Increased precipitation and climate-driven overflow of riverbanks pose medium-to-high risks, especially in Mumbai across future time horizons and scenarios.

Risk Type 2:

Coastal flooding

Description & impact: Mumbai shows consistently high exposure under both RCP 4.5 and 8.5 scenarios due to rising sea levels and storm surges, highlighting coastal vulnerability.

Risk Type 3:

Tropical Cyclones

Description & impact: Mumbai is at high operational and underwriting risk due to intensified storm systems (fuelled by rising ocean temperatures) and wind speeds, with risk escalating toward 2050.

Risk Type 4:

Rise in Temperature

Description & impact: All three cities – Delhi, Bengaluru, and Mumbai – face increasing heat stress exposure, with rising frequency of extreme temperatures above 35°C by 2050.

Risk Type 5:

Rise in Sea Level

Description & impact: While not directly affecting underwriting or operations in Delhi and Bengaluru, Mumbai faces increasing risk of permanent coastal inundation across scenarios, resulting from ice melting and thermal expansion of oceans.

Risk Type 6:

Increase in Precipitation

Description & impact: Erratic rainfall patterns and rising intensity, leading to flash floods, soil degradation and greater stress on drainage and water management systems pose moderate-to-high flood risk, especially for Mumbai, impacting both underwriting models and operational infrastructure.

Transition Risks

Risk Type 1:

Policy and Regulatory risk

Description & impact: Tightening climate regulations and disclosure norms could increase compliance costs and operational complexity for insurers.

Risk Type 2:

Market risk

Description & impact: Climate change may lead to higher health-related claims (due to increase in morbidity and mortality) and a shift in consumer demand towards ESG-aligned insurance products, impacting traditional offerings.

Risk Type 3:

Technology risk

Description & impact: Evolving climate risk modeling tools and emerging low-emission technologies may require high capital investment and pose obsolescence risks.

Risk Type 4:

Reputation risk

Description & impact: Inadequate climate initiatives or non-compliant partners may harm brand credibility and invite scrutiny from stakeholders and rating agencies.

Time Horizon

& Exposure

Most risks are expected to manifest in the **short to medium term**, with varying degrees of exposure – reputation risk being the highest.

Read more about Climate Risk Assessment [→](#)

Climate-related opportunities

At HDFC Life, we recognise that climate change not only presents risks but also creates strategic opportunities for business growth, operational efficiency, and market differentiation.

As this is the first year of conducting our Climate Risk Assessment (CRA), we have identified initial opportunities to strengthen our climate strategy. These include aligning with evolving customer preferences through sustainability-linked offerings, enhancing preparedness for emerging climate-related regulations, improving resource efficiency through low-emission technologies, and exploring climate-resilient investment approaches. Going forward, we aim to build on these insights to further refine our understanding and integration of climate-related opportunities into our business strategy.

Risk Management

We employ a structured, forward-looking approach to identify and assess climate risks across our operations, underwriting, and investments. As part of the CRA exercise, we leveraged analytical tools

and research papers to conduct localised physical risk mapping, focussing on regions with heightened exposure to climate-related hazards.

Transition risks are assessed through regulatory monitoring, peer benchmarking, and application of NGFS climate pathways.

Metrics, Targets and Performance

We are strengthening our approach to managing climate-related risks by refining our strategies and aligning accordingly. In response to evolving regulatory requirements and stakeholder expectations, we continuously identify and monitor material environmental key performance indicators (KPIs) and report on metrics related to greenhouse gas emissions (GHG), energy consumption, and waste and water management. These KPIs are integral to assessing our climate-related risks and opportunities and are aligned with our broader sustainability agenda.

Our focus is on reducing our greenhouse gas emissions and waste, improving energy and water efficiency, and increasing the use of renewable energy.

Emission Scope	Operational boundary	Emission source	Emission (tCO ₂ e)	Total emissions (tCO ₂ e)
Scope 1	Direct emissions	Fuel consumption in company-owned vehicle	4.8	226.9
		Diesel consumption in DG sets (owned & rental DG with operational control)	222.1	
		Fire extinguishers	0	
Scope 2	Indirect emissions	Purchased electricity for offices and electricity consumption by data centres	11,845.8	11,870.3
		Diesel consumption in DG sets (owned by landlord and no operational control)	24.5	
Category 1: Purchased goods & services (Office supplies, paper, legal & IT services, etc.)		14,159.5	21,996	
Category 3: Fuel and Energy-related Activities		4,121.5		
Category 5: Waste generated in operations		0.8		
Category 6: Business travel (Air travel & Cab hire)		1,814.4		
Category 7: Employee Commuting (Employee car lease scheme)		1,899.7		

GHG Emissions calculation methodology

Our GHG inventory calculations are based on the **GHG Corporate Accounting and Reporting Standard**. The boundary conditions are similar to those considered in the previous year.

Key updates to the methodology

Scope 1

No change in methodology from last year. Fugitive emissions are zero for this year as all fire extinguishers are nitrogen-based.

Scope 2

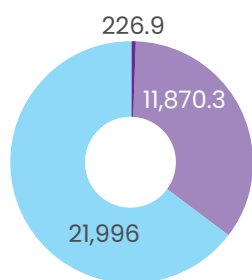
No change in methodology from last year.

Scope 3

A new category – C1: Purchased Goods & Services added to this year's inventory. Spend-based method has been utilised to account for emissions from this category.

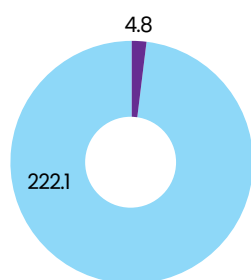


GHG Emissions in FY 2024-25 (tCO₂e)



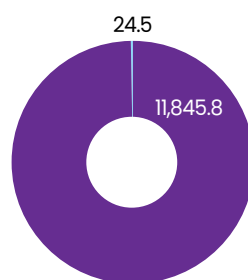
- Scope 1
- Scope 2
- Scope 3

GHG Scope 1 Emissions in FY 2024-25 (tCO₂e)



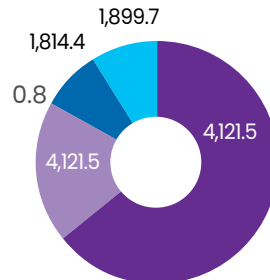
- Company-owned vehicle
- Diesel generators
- Fire extinguishers

GHG Scope 2 Emissions in FY 2024-25 (tCO₂e)



- GHG Emission for consumed electricity at offices and data centres
- DG Set Emissions (No operational Control)

GHG Scope 3 Emissions in FY 2024-25 (tCO₂e)



- Purchased goods & services
- Fuel and Energy
- Waste generated
- Business travel
- Employee Commuting
- Business travel

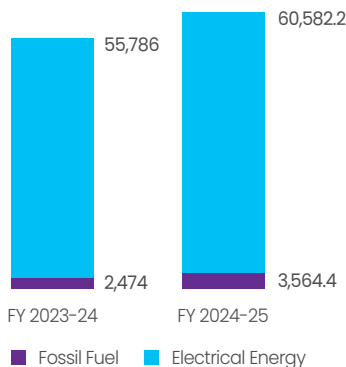
Environmental Stewardship

Energy management

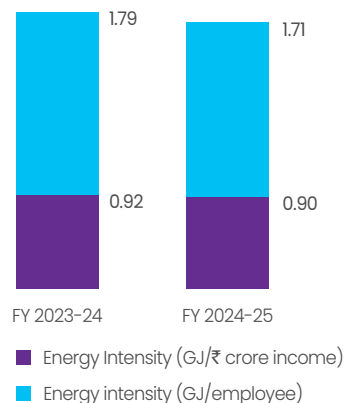
Consumption

During the fiscal year, over **94.4%** of our energy came from grid electricity, with offices and data centres consuming **16,828.3 MWh** (60,582.2 GJ). Diesel generators and company-owned vehicle consumed around **82 kilolitres** (3,564.4 GJ) of fossil fuels, mainly diesel.

Energy consumption (GJ)



Energy Intensity



Savings and Optimisation

We continue to optimise our energy use through targeted measures on both the demand and supply sides. On the demand side, we have adopted high-efficiency appliances, LED lighting, 4 and 5-star rated UPS systems, and energy-efficient air conditioning. On the supply side, we are increasing our green energy mix – using **534.2 MWh** of wind energy across select branches in FY 2024-25 and actively exploring rooftop solar options for new locations.

Waste Management

We are embedding circularity principles into our operations by focussing on waste reduction at source and ensuring safe, responsible disposal through certified agencies, in compliance with applicable regulations. In FY 2024-25, we responsibly recycled or disposed-off **6 tonnes** of e-waste, **10 tonnes** of paper waste, and **0.1 tonne** of plastic waste.

To curb single-use plastics, we introduced biodegradable garbage bags, reusable plates and cutlery, and wooden stirrers. We are phasing out plastic water bottles at key locations by installing

water purifiers and encouraging reusable bottles. In line with our sustainable procurement efforts, we now use FSC-certified eco-friendly paper made from wheat straw, which emits less CO₂ compared to traditional virgin pulp. Further, default double-sided printing, digital Board meeting applications, and the shift to e-forms and online documentation have significantly reduced paper consumption and enhanced operational efficiency.

Water Management

Water at our offices is primarily used for domestic purposes. In light of growing concerns around urban water scarcity, especially during peak summer months, we have implemented proactive water conservation measures. These include sensor-based taps and replacement of bottled water with purifiers across offices and branches.

As of FY 2024-25, two of our operational sites are equipped with rainwater harvesting systems and sewage treatment plants (STPs), enabling better conservation and reuse. We also promote employee awareness around responsible water use.

Biodiversity and Ecosystems

We are committed to supporting biodiversity through targeted CSR efforts. In FY 2024-25, we planted over **9,500** saplings across three city forest sites in Maharashtra, covering **28,500 sq. ft.**, using the Akira Miyawaki afforestation technique. These efforts contribute to urban greening, enhance local biodiversity, and support ecological restoration.

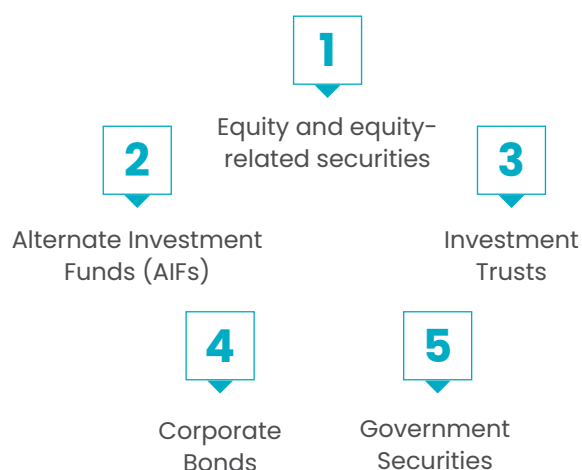
Sustainable Supply Chains

We are committed to embedding sustainability across our value chain, with a particular emphasis on responsible practices by our supply chain partners. All vendors are required to adhere to our Partner Code of Conduct, which mandates environmentally responsible operations and a proactive approach to minimising environmental impact. These expectations are integral to our sourcing decisions and form the foundation of a sustainable procurement framework.

Responsible Investment

Our Responsible Investment Policy is designed to systematically address ESG risks within our investment portfolio. It guides how the investment team engages with investee companies – through performance monitoring, voting on shareholder resolutions, and advocating for improved governance and sustainability practices – always aligned with the long-term interests of our policyholders.

The policy applies to the following asset classes:



In FY 2023-24, we also submitted our mandatory report under the United Nations-supported Principles for Responsible Investment (UN-PRI), reinforcing our global commitment to responsible capital allocation.

Governance

The **ESG Governance Committee** at HDFC Life provides strategic oversight for the integration of Environmental, Social, and Governance (ESG) factors – particularly climate-related risks and opportunities – within the fund management process. The committee includes the Chief Investment Officer, Head of Fixed Income, Head of Research, ESG Fund Manager, and a dedicated ESG research analyst.

The committee meets quarterly (or more frequently, if required) to review emerging ESG risks, regulatory developments, and alignment with international frameworks like the UN PRI. It also tracks engagement efforts with investee companies and monitors ESG scores and rating changes across the portfolio, enabling well-informed, responsible investment decision.

ESG Integration Approach

At HDFC Life, our Responsible Investment (RI) approach is guided by core stewardship principles and considers Environmental (E), Social (S), and Governance (G) factors along with financial parameters and outlook. We assess material factors under each ESG pillar as part of our investment decision-making process, including but not limited to the following:

Environmental factors

Energy consumption, renewable energy as % of total energy consumption, water consumption and recycling, absolute emissions and intensity, waste recycled, environment related incidents

Social factors

Workforce diversity, employee attrition, health and safety incidents, sexual harassment cases, data security

Governance factors

Board composition, audit reporting, related party transactions



Equity Investments

To integrate ESG considerations into our investment decisions for active listed equities, REITs, INVITs, and corporate bonds, HDFC Life follows a two-pronged approach:

1. **External ESG Scores:** We subscribe to an external ESG rating provider that offers comprehensive ESG scores for the top 250 companies within our active listed equity universe.
2. **Internal ESG Assessment:** Our investment team also applies an in-house ESG scoring methodology based on publicly available data such as annual reports, sustainability disclosures, and regulatory filings.

Both external and internal ESG scores are factored into the valuation process, with ESG risks treated as long-term factors that could impact base case assumptions. At present, we do not hold investments in listed equities from emerging markets outside India.

Real Estate Investments

ESG principles are applied to investments in listed equities of companies operating in the real estate sector, including REITs. HDFC Life does not make direct investments in physical real estate assets.

Our internal scoring methodology identified material governance, environmental and social factors and assessed the investee company on the same. Material ESG factors varied based on the industry the investee company operates in.

Asset class-wise AUM % integrated with ESG Factors

- Active listed equity AUM with ESG scores – 96.27%
- Corporate fixed income AUM with ESG scores – 69%
- Total fixed income AUM with ESG ratings – over 15%

Engagement with Investee Companies

At HDFC Life, we actively fulfil our responsibilities under the IRDAI's *Guidelines on Stewardship Code for Insurers in India*, ensuring that our investment practices align with the long-term interests of policyholders. Our engagement with investee companies goes beyond proxy voting to include dialogue on business strategy, sustainability performance, risk management, financial and operational outcomes, capital structure, regulatory developments, and corporate governance – including board culture and executive compensation.

Proxy voting is a key instrument in our stewardship toolkit. While we draw on proxy advisory services to assist with resolution analysis, each voting decision is made independently by our analysts in consultation with the fund management team, with a clear focus on ensuring fairness, accountability, and long-term value creation.

Looking ahead, HDFC Life will deepen its commitment to responsible investing by focussing on two strategic areas:

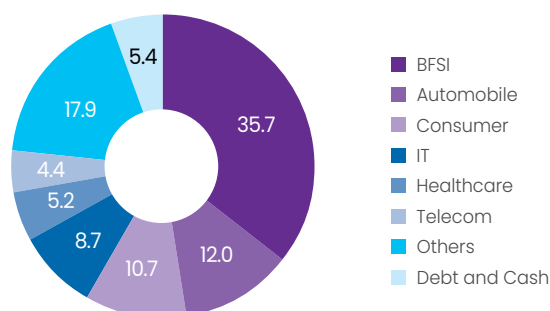
Enhanced ESG Engagement: We will increase active engagement with companies in climate-sensitive sectors such as metals, power, cement, and chemicals. These dialogues will aim to improve ESG disclosures, evaluate progress on sustainability initiatives, and constructively address material risks and red flags.

Evolving ESG Framework: We will continue to refine our ESG integration approach, aligning with emerging environmental trends and market developments to ensure our investments remain resilient, responsible, and future-ready.

Responsible Investing Products

Our **Sustainable Equity Fund** allows investors to support companies demonstrating strong ESG practices, in alignment with our long-term investment objectives. In addition to positive ESG screening, the fund follows an **Exclusion Policy** that restricts investments in select high-impact sectors, including companies involved in tobacco, alcohol, gambling, and controversial weapons – such as chemical and biological weapons, anti-personnel mines, and cluster munitions. This policy is aligned with the exclusion criteria defined under the Nifty 100 ESG Index. As of March 31, 2025, the **Sustainable Equity Fund** had assets under management (AUM) of ₹ **34.4 crore**.

Sustainability Equity Fund – Sectoral Constitution (%)



Creating a Thriving Workplace



Our people are the driving force behind our business achievements, and we leave no stone unturned in empowering them to reach their highest potential. We strive to be an employer that our employees trust, where they feel valued not just for their work but as individuals, with all their uniqueness and diversity embraced. Every day, we aim to be the "most obvious choice" for our team.

Capitals Impacted

We are nurturing Human Capital through DE&I programmes, wellbeing initiatives, and fair performance practices rooted in care and transparency. These are enabled by our Intellectual Capital – including digital learning tools, inclusive policies, and structured communication platforms.



Central to our workplace ethos are our three core commitments: Trust, Care, and Inclusion (TCI), which define us and makes HDFC Life a Great Place to Work.

This year, we introduced a fourth commitment – creating a fun and camaraderie-driven workplace. While these were always inherent to our culture, this year we placed a special emphasis on them. At HDFC Life, we believe in celebrating these facets of our culture in everything we do:

T

An Environment of Trust & Mutual Respect

C

Employee Care and Holistic Wellbeing

I

Inclusion and Belonging for Everyone

F

Fun and Camaraderie – Happiness at Work



Employees by Category						
As on March 31	2024-25 (In Nos.)			2023-24 (In Nos.)		
	Male	Female	Total	Male	Female	Total
Top Management	37	6	43	37	6	43
Senior Management	233	45	278	204	38	242
Middle Management	2,371	493	2,864	2,113	450	2,563
Junior Management	24,310	10,031	34,341	21,244	8,394	29,638
Total	26,951	10,575	37,526	23,598	8,888	32,486

Employees by Age						
As on March 31	2024-25 (In Nos.)			2023-24 (In Nos.)		
	Male	Female	Total	Male	Female	Total
<30	9,214	5,457	14,671	7,126	4,235	11,361
30-50	17,099	5,022	22,121	16,017	4,567	20,584
>50	638	96	734	455	86	541
Total	26,951	10,575	37,526	23,598	8,888	32,486

Employees by Zone						
As on March 31	2024-25 (In Nos.)			2023-24 (In Nos.)		
	Male	Female	Total	Male	Female	Total
East	3,908	1,251	5,159	3,494	1,027	4,521
North	7,878	2,819	10,697	6,947	2,346	9,293
West	8,198	3,626	11,824	6,821	3,050	9,871
South	6,959	2,869	9,828	6,327	2,455	8,782
Dubai	8	10	18	9	10	19
Total	26,951	10,575	37,526	23,598	8,888	32,486

Employees by Function (Sales & Non-Sales)						
As on March 31	2024-25 (In Nos.)			2023-24 (In Nos.)		
	Male	Female	Total	Male	Female	Total
Sales	24,177	8,962	33,139	21,105	7,450	28,555
Non-Sales	2,774	1,613	4,387	2,493	1,438	3,931
Total	26,951	10,575	37,526	23,598	8,888	32,486



HDFC Life was honoured as a Laureate at the 'Great Place to Work' awards, marking a decade of consistent recognition. In FY 2024-25, the Company secured the 11th position among India's 'Best Companies to Work For' and earned additional accolades across multiple categories:



Amongst India's 'Top 25 Best Workplaces in BFSI'



'Best in Industry for Life Insurance'



37th among the 'Best workplaces in Asia'



Among the Top 50 'India's Best Workplaces: Building a Culture of Innovation by All 2025'

An Environment of Trust & Mutual Respect

At HDFC Life, we believe trust and mutual respect form the foundation of a strong workplace culture. We foster this by maintaining open communication, ensuring transparency in processes, recognising achievements, and prioritising employee growth. We actively listen to our employees through multiple channels, keep them informed about company updates, and create platforms for meaningful two-way dialogue.

Our New Joiner Open House helps new hires integrate seamlessly by addressing their concerns and familiarising them with our culture. To ensure their early success, we also provide a Buddy & Coach

Programme, where experienced colleagues guide them for the first 180 days.

Employee feedback plays a crucial role in shaping our policies, with tools like Pulse Surveys, SENTImeter, and the Employee Engagement Survey (ESAT) helping us gauge workplace sentiment and make informed improvements, with a current ESAT score of 84%. Additionally, our HR Chatbot and eSparsh portal provide instant resolutions to employee queries, while our CX Voice Box captures insights to refine internal processes. This culture of transparency and collaboration sets us apart, resulting in a unique, free-flowing environment that has contributed to maintaining a lower absentee rate of 2.35%.

Strengthening Trust Through Two-Way Communication

Trust grows when employees feel heard. At HDFC Life, multiple platforms ensure open dialogue between leadership and employees.

CEO Speaks



HoD/EC Connect sessions

Allow Department Heads and the Executive Committee to share strategic updates and address employee concerns. While these town halls are virtual, most head office-based leaders visit branches to build direct connections.



Our quarterly organisation-wide town hall, enables employees to engage with the CEO, ask questions, and gain insights into business priorities.



Celebrate Life

Each edition of the magazine is a warm tribute to the HDFC Lifer spirit – celebrating our people and their families, sharing key updates, and strengthening the bond across our pan-India family.

Meets & Discussion

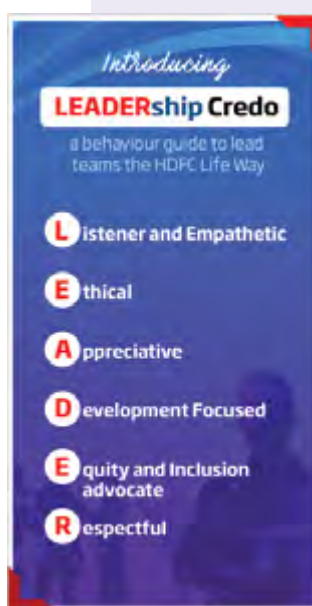
Regional & Zonal Business Meets and Annual Strategy Meets help cascade organisational strategy to leaders and frontline teams. We also conduct Focussed Group Discussions (FGDs) called 'HDFC Life Roundtables' for idea-sharing in a trusting environment.

At HDFC Life, respect is integral to our culture, reinforced through structured initiatives.



Culture Chronicles

A leadership talk series where top management reinforces HDFC Life's culture of care, trust, and transparency underpinned by EPICC values, fostering open dialogue on ethics and acceptable conduct. The MD & CEO and Key Management Persons regularly engage in strengthening the Company's culture and ethos.



Our Cultural Pledge: Leadership Credo

How do we ensure everyone contributes to a culture of Trust, Care, and Inclusion? Our Leadership Credo defines the expected behaviours for managers and is integrated into learning programmes. Every manager takes an annual pledge to uphold HDFC Life's leadership qualities.

Best People Manager

Recognising Leadership that Inspires

We believe recognition drives culture. The Best People Manager Award was introduced to celebrate leaders who foster trust, inclusion, and strong team engagement. Winners are chosen based on employee retention, satisfaction, performance, and values alignment.

Living Our Ethics & EPICC Values

Ethics define who we are. To reinforce our EPICC values, we take a multi-pronged approach:

- **ECs** as Chief Value Officers
- **Senior leaders** as Chief Value Ambassadors and
- **Branch Heads** as Chief Value Guardians

Creative formats like comic strips, storytelling, and interactive content make these values tangible and relatable in daily decision-making.

Addressing What Matters

Respect is non-negotiable. We reinforced our zero-tolerance policy for inappropriate behaviour through clear communication, real-life scenarios, and bite-sized learning – shared via WhatsApp, app modules, and structured training.



Scan to see how we bring our values to life – celebrating the right behaviours and addressing the wrong ones through our Value Videos.

Transparent Career Growth Processes

Career growth at HDFC Life is built on the foundation of performance, fairness, and equal opportunity for all. We have embedded Balanced Scorecard principles within our performance management system, enabling fair and holistic evaluations across financial, market, customer, people, sustainability, and operational metrics.

Key performance management procedures include:

- Biannual performance feedback for frontline sales teams and senior management, supporting timely development
- STAR (Sales Team Appraisal and Recognition) framework for front line sales (FLS) teams – objective, scorecard-linked, and free from subjective manager assessments
- Balanced Scorecard-linked bonus payouts for senior leadership, aligned to both individual and organisational goals



Our Fair & Competitive Compensation Philosophy

HDFC Life is committed to creating and sustaining a high-performance culture through a competitive compensation strategy. Our compensation philosophy is based on the following principles:



Pay for Performance

Annual increments are tied to KPIs and short-term incentives are linked to individual and business performance. Cash long-term incentives are awarded based on both performance and potential.



Competitive and Market-Related Pay

Benchmarked against market medians for experienced employees who 'meets' expectations.



Integrity & Fairness

All employees are treated fairly, consistently and equitably concerning compensation and benefits, based only on their performance and potential.



Transparency

Detailed compensation information, queries and grievance support are available on e-Sparsh, our online grievance portal or through the HR Business Partner.

Career advancement is governed by clear and bias-free processes. Internal talent is prioritised through our scientific Internal Job Posting (IJP) App, which alerts employees of openings based on eligibility. Promotions are driven by merit and assessed through structured panel interviews and external assessment centres. Recognising the extraordinary contributions of high performers, we also fast-track their career growth based on recommendations from the Head of Department and supporting evaluations.

Percentage of total employees who received a regular performance & career development review

Employee Classification	FY 2024-25		FY 2023-24	
	No. of employees for whom performance review was conducted	% of total employees for whom performance review was conducted	No. of employees for whom performance review was conducted	% of total employees for whom performance review was conducted
Male	21,750	80.7%	19,960	84.6%
Female	8,365	79.1%	7,247	81.5%
Total	30,115	80.2%	27,207	83.8%

Note: Employees who are not confirmed, probation is extended, have received warning or caution letter or have left the organisation before the appraisal cycle commences are not eligible

We also reward sustained performance and long-term contribution through differentiated incentives:

Long-Term Incentive Pay (Cash LTIP)

Targeted at top talent and senior contributors, these multi-year rewards recognise consistent outperformance. All grants are based on clear performance criteria and are subject to vesting schedules.

and consider employee performance, conduct, and future potential. In addition to senior leadership, exceptional middle and junior-level performers, including 'Employee of the Year' awardees are also eligible. ESOPs are subject to forfeiture in cases of policy breach or misconduct.

Employee Stock Options (ESOP)

Granted based on merit, ESOPs are approved by the Nomination and Remuneration Committee (NRC)

There are no mandatory stock ownership requirements for the CEO and other members of the Key Management Persons.

Median Remuneration / Wages (FY 2024-25)				
	Male		Female	
	Nos.	Median Remuneration / Wages	Nos.	Median Remuneration / Wages
Key Managerial Personnel	2	₹ 3,78,18,182	1	₹ 9,69,09,477
Employees other than BoD & KMP	27,025	₹ 8,84,045	10,711	₹ 6,04,478

Further, we provide transparent reporting on gender pay indicators and are actively working to improve equity across the organisation through targeted hiring and development efforts. Gross wages paid to females as a percentage of total wages paid for FY 2024-25 stood at 22.5%.

Ratio of the basic salary and remuneration of women to men for each employee category:

Management Level	Female to Male Average salary ratio
Senior Management	108%
Middle Management	89%
Junior Management	83%
Total	73%

Since we are a service-based company based in India and there is no material variation in remuneration basis location of operations.

Diverse Hiring Initiatives

Hiring at HDFC Life is designed to build a diverse, future-ready workforce while creating opportunities for individuals from all walks of life. Our approach, rooted in inclusion, merit, and meaningful engagement, continues to balance quality talent acquisition with cost efficiency. This year, our average hiring cost for a full-time employee stood at ₹ 17,201.



Our Hiring Programmes

- Jigyasa, our flagship programme for management graduates from leading business schools
- Graduate Trainee Programme, which brings engineering graduates into our Technology, Data, and Analytics teams
- Executive Trainee Programme, focussed on grooming talent for sales leadership
- University Alliance, a strong feeder into our frontline sales workforce

Especially for Women

- To enable flexible career paths, **#MyJobMyTerms** offers gig-based roles, especially for women seeking non-traditional work models
- Punaragaman** supports women returning to work after maternity or career breaks, offering part-time or project-based roles that ease their transition



PUT YOUR CAREER ON HOLD TO ATTEND TO AILING PARENTS?

Restart your career with **HDFC Life**

Inviting women on a career break to join us in our second careers program.

Punarāgaman

Share HR resume on W@shdfclife.com

#BreakTheCareerBreak

- Flexible work timings
- Full-time/part-time opportunities
- Women friendly policies
- Fair and inclusive work practices



Referral Programme

Our Referral Programme encourages employees to bring in trusted talent from their networks, strengthening the culture of ownership and advocacy.



Shaurya

We actively recruit veterans of the Indian Armed Forces, valuing their discipline and leadership.



Programme Shakti

Through Programme Shakti, we provide meaningful employment to acid attack survivors, creating roles aligned to their strengths and enabling them to lead lives of dignity and confidence.

New Hires

New Hires by Category						
	2024-25 (in Nos.)			2023-24 (in Nos.)		
	Male	Female	Total	Male	Female	Total
Top Management	1	-	1	2	-	2
Senior Management	30	4	34	22	5	27
Middle Management	376	89	465	308	67	375
Junior Management	14,572	6,540	21,112	10,676	4,627	15,303
Total	14,979	6,633	21,612	11,008	4,699	15,707

New Hires by Age						
	2024-25 (in Nos.)			2023-24 (in Nos.)		
	Male	Female	Total	Male	Female	Total
<30	7,412	4,279	11,691	5,322	3,029	8,351
30-50	7,475	2,345	9,820	5,665	1,668	7,333
>50	92	9	101	21	2	23
Total	14,979	6,633	21,612	11,008	4,699	15,707

New Hires by Zone						
	2024-25 (in Nos.)			2023-24 (in Nos.)		
	Male	Female	Total	Male	Female	Total
East	2,037	729	2,766	1,516	459	1,975
North	4,137	1,729	5,866	3,186	1,305	4,491
West	4,690	2,165	6,855	2,931	1,416	4,347
South	4,115	2,010	6,125	3,372	1,516	4,888
Dubai	-	-	-	3	3	6
Total	14,979	6,633	21,612	11,008	4,699	15,707

New Hires by Function						
	2024-25 (in Nos.)			2023-24 (in Nos.)		
	Male	Female	Total	Male	Female	Total
Sales	14,060	5,970	20,030	10,450	4,298	14,748
Non Sales	919	663	1,582	558	401	959
Total	14,979	6,633	21,612	11,008	4,699	15,707

New Hires by type of Hiring						
	2024-25 (in Nos.)			2023-24 (in Nos.)		
	Male	Female	Total	Male	Female	Total
Internal Hiring	8,551	4,597	13,148	5,579	2,912	8,491
External Hiring	6,428	2,036	8,464	5,429	1,787	7,216
Total	14,979	6,633	21,612	11,008	4,699	15,707

New Hires by Zone				
Year	2024-25 (in Nos.)			
Branch Category "C"	Male	Female	Total	% of Total Hire
Jobs created in small towns	4,005	1,361	5,366	25%

Employee Turnover Rate:

Further, the total employee turnover rate for FY 2024-25 remained at 45.1% while, the voluntary employee turnover rate was 33.4%.

This year, we were able to arrest attrition significantly with structured initiatives focussed on employee onboarding, career growth and engagement. We took a four-pronged approach that encompassed:

Improve Quality of Hire

- Leverage AI and predictive analysis
- Promote referrals

Improve On-Boarding Experience

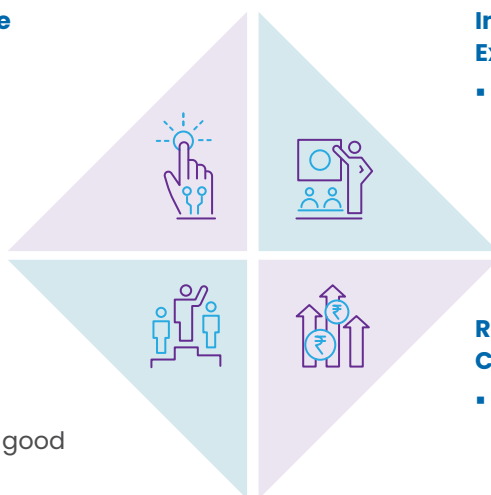
- Make FLS successful early

Develop Managerial Capabilities

- Managerial skilling
- R&R programme for good managers

Review & Correct Compensation

- Compensation correction



We also leverage data analytics to define the Success Profile for FLS roles and enhance our selection process. Our model evaluates candidates across 17 distinct parameters to assess their overall fit for the role.

Attrition by Category						
	2024-25 (in %)			2023-24 (in %)		
	Male	Female	Total	Male	Female	Total
Top Management	8.1%	0.0%	7.0%	0.0%	18.2%	2.6%
Senior Management	8.7%	14.5%	9.6%	11.3%	2.9%	10.0%
Middle Management	12.5%	17.4%	13.4%	16.9%	20%	17.4%
Junior Management	47.6%	49.5%	48.2%	50.8%	52.2%	51.2%
Total	44.1%	47.8%	45.1%	47.5%	50.4%	48.3%



Attrition by Age						
	2024-25 (in %)			2023-24 (in %)		
	Male	Female	Total	Male	Female	Total
<30	58.9%	56.7%	58.1%	64.7%	59.6%	62.8%
30-50	37.0%	38.5%	37.3%	40.4%	42.4%	40.8%
>50	15.2%	18.3%	15.7%	18.5%	15.5%	18.0%
Total	44.1%	47.8%	45.1%	47.5%	50.4%	48.3%

Attrition by Zone						
	2024-25 (in %)			2023-24 (in %)		
	Male	Female	Total	Male	Female	Total
East	43.0%	41.2%	42.6%	41.6%	43.5%	42.1%
North	39.7%	44.3%	40.9%	44.5%	50.6%	46.0%
West	42.5%	44.8%	43.2%	45.5%	45.8%	45.6%
South	51.5%	57.9%	53.3%	55.9%	59.0%	56.7%
Dubai	11.8%	10.0%	10.8%	42.1%	0.0%	21.6%
Total	44.1%	47.8%	45.1%	47.5%	50.4%	48.3%

Attrition by Type						
	2024-25 (in %)			2023-24 (in %)		
	Male	Female	Total	Male	Female	Total
Voluntary	31.8%	37.6%	33.4%	34.8%	38.8%	35.8%
Involuntary	12.3%	10.2%	11.7%	12.7%	11.6%	12.4%

Learning & Growth Opportunities

We foster an inclusive learning culture with diverse learning opportunities. Investing in people is integral to how we grow – as individuals and as an organisation. Learning at HDFC Life is inclusive, purpose-led, and designed to support employees across every stage of their career journey. Our programmes are structured

to strengthen capabilities that matter most: leading teams effectively, delivering exceptional customer experiences, adapting to a dynamic workplace, and building domain expertise. Through digital platforms, blended formats, and self-paced learning models, we continue to foster a culture of continuous growth and future readiness. Key highlights include:



Democratisation of Learning

Pull-based learning model with programmes like Step Up Certifications rewarding self-driven learning.



M-Learn: Expanding learning access

With 700+ courses, M-Learn provides employees with flexible, on-the-go learning opportunities, ensuring continuous skill development anytime, anywhere.



Inclusive Learning Infrastructure

Beyond ILT and online training, we offer WhatsApp nuggets, leadership talks (HDFC Life's TED Talks), quizzes, and game-based learning like HR Premier League and Operations Champion League.



Experiential Learning

Business simulations provided a hands-on environment to strengthen real-time decision-making and leadership capabilities



Diverse Content

Comics, cue cards, videos, and handbooks to ensure accessible, engaging learning for all.



Support for Self Learning

We encouraged continuous learning by curating external courses for our employees and would reimburse for the ones they take up.

In FY 2024-25, we recorded an average of 78.24 learning hours per employee, with ₹ 3,534 spent on L&D per full-time employee.

Impact of our L&D Initiatives

Let's Skill Up

A gamified learning programme that drives self-paced upskilling through curated tracks, a structured rewards system, and career-linked growth. It builds leadership, customer excellence, professional effectiveness, and functional expertise, empowering employees to own their development journeys.

Benefits

Learning outcomes are tied to career progression through promotion assessment waivers, MDP sponsorships at ISB and IIM Indore, and reimbursements for external certifications.

Impact in FY 2024-25

- 206 employees received promotion assessment waivers
- 206 employees nominated for MDPs
- 907 employees reimbursed for external online courses

41% Eligible FTEs participated

Be a Retirement Planning Specialist

With India's elderly population projected to grow 2.5x by 2050 and pension coverage remaining low, HDFC Life introduced a dedicated Retirement Planning programme for frontline sales teams. Delivered through a blended model of workshops, quizzes, and assessments, it builds customer-centric expertise across the accumulation, consumption, and legacy stages of retirement.

Benefits

The programme equips sales professionals to engage confidently in retirement conversations, embedding retirement readiness into everyday customer interactions and advancing our goal of driving pension penetration.

Impact in FY 2024-25

- 21% of trained sales professionals sourced at least one pension plan vs. 5% among non-trained
- Average pension plans sold rose to 0.80 (trained) vs. 0.21 (non-trained)

86% Eligible FTEs participated





During the year, we introduced several innovative learning platforms to help employees upskill and grow.

New-Age Learning Platforms

I-Learn

A gateway to over 600+ expert-led courses, I-Learn enables employees to build niche functional skills through self-paced modules. With personalised learning paths and a points-based progress system, it supports development in customer experience, managerial capability, and technical excellence.

SmartWinnr

An AI-powered app that refines frontline sales communication. Real-time feedback on pitch accuracy, tone, and delivery helps employees improve performance and engage customers more confidently.

System Simulation Training

A hands-on learning tool that mirrors live systems. Employees practice processes like proposal form login in a risk-free environment, reducing errors and increasing efficiency.

Rising Star

A gamified onboarding experience for new Frontline Sales employees. This 'learn, perform, earn' model motivates early engagement and rewards top performers from day one.

Strengthening the Leadership Pipeline

New Manager Boot Camps

Tailored to help individual contributors transition smoothly into leadership roles, these camps focus on people management, coaching, and decision-making.

HiPo Programmes – STRIDE, STRIDE Pro & Apex Accelerator

Revamped this year, our High-Potential development tracks provide mid-management with strategic business exposure through partnerships with institutions like ISB and IIM Indore, and build agility through simulation-based learning and DataTechVerse digital upskilling.

Senior and Top Management Learning

Leadership teams engaged in curated experiences – from business school immersions to sessions with global experts on technology, macroeconomics, and emerging trends – enabling them to lead with foresight and confidence.

Step Up++

This year, we've introduced Sales Specialisations under the Step Up++ programme, including NRI Wealth Specialist, Wealth Specialist, Business Insurance Solutions Specialist, and Retirement Specialist. Over 1,300 employees have been enrolled in these specialisation tracks, enabling them to effectively cater to these focussed customer segments.

These initiatives are transforming the way we learn, making it more engaging, effective, and rewarding!

KnOWLEDGE

Broadening Mindsets



Through these focussed initiatives, we are building a leadership bench that is ready to drive the future.

Average hours of L&D per Full Time Employee (FTE) by Category

	2024-25 (In hrs.)			2023-24 (In hrs.)		
	Male	Female	Total	Male	Female	Total
Top Management	5.41	4.54	5.28	6.28	6.88	6.36
Senior Management	8.65	6.85	8.36	8.67	6.38	8.31
Middle Management	26.71	17.36	25.10	25.43	15.08	23.61
Junior Management	82.37	85.64	83.33	75.95	77.93	76.51

Average hours of L&D per FTE by Age

	2024-25 (In hrs.)			2023-24 (In hrs.)		
	Male	Female	Total	Male	Female	Total
<30	89.82	89.24	89.60	83.88	83.93	83.90
30-50	71.81	76.12	72.80	65.74	66.36	65.88
>50	39.35	34.92	38.73	40.78	31.57	39.32



For our innovative Learning and Development programmes, we won the Brandon Hall Gold Award for the 4th consecutive year



Employee Care & Holistic Wellbeing

Care at HDFC Life is not a perk – it is a promise. A promise to support our employees in every aspect of their lives, ensuring they thrive both professionally and personally. Our approach to care is comprehensive, addressing physical health, emotional wellbeing, and psychological safety.



Focus on mental health

Through workshops, leadership-led conversations, and a confidential helpline – we create safe spaces where employees feel heard, supported, and never alone in what they're facing.



Supportive Leave Programme

Our leave framework includes compassionate leave, emergency financial support, and a structured Gift a Leave programme – enabling employees to navigate personal crisis with dignity, gaining policy and peer support.



Flexible Work Options

Flexible work arrangements, including hybrid models, support caregivers, gig workers, and employees with disabilities in managing their responsibilities while maintaining continuity in their professional growth.



Employee Resource Groups

The Wellness & Wellbeing Employee Resource Group (ERG) – a volunteer-led collective – drives initiatives like yoga sessions, nutrition talks, and mental health awareness, making holistic wellbeing an active part of our workplace culture.

In our commitment to employee wellbeing, we have put in place strong policies that promote safety, inclusiveness, and protection against harassment.

Emotional & Mental Wellbeing Policy

A new framework that promotes psychological safety, encourages resilience, and supports employees and their families with a 24x7 Employee Assistance Programme.

This year, we extended our efforts on employee wellness through initiatives that reflect the evolving needs of our workforce. We encourage employees to join the 21-day Stepathlon, a team-based fitness challenge that rewards daily movement and healthy habits. Further, from subsidised gym memberships that encourage a healthy lifestyle to round-the-clock doctor consultations that provide peace of mind and special OPD benefits, we have created a safety net that employees and their families can rely on.

POSH

We maintain a zero-tolerance policy against sexual harassment, supported by four Internal Complaints Committees (ICCs) established before the POSH Act of 2013. Follow-ups are conducted 30 and 90 days after case closure. Regular POSH training, awareness campaigns, and classroom sessions promote a safe, respectful workplace.

Human Rights Due Diligence

HDFC Life is dedicated to upholding and promoting human rights throughout its business operations. The company has established policies, including the Human Rights Policy, Health & Safety Policy, Prevention and Redressal of Sexual Harassment Policy, and a Due Diligence Process, to safeguard rights across all operations. Committed to equal opportunities, ethical standards, and a discrimination-free workplace, these values are reflected in the company's Code of Conduct.

Human Rights Due Diligence Process

Identify and assess human rights

Identify and prioritise human rights risks across operations, if any



Monitor & evaluate mitigation actions

Implement and track mitigation strategies, continuously improving through feedback and assessments



Communicate & Remediate

Report on due diligence, risks, and actions, while providing accessible grievance mechanisms and engaging stakeholders to resolve issues

Human Rights Risk Assessment

HDFC Life conducts an annual Employee Satisfaction (ESAT) survey that includes an assessment of human rights risks. This survey helps gather employee feedback on various aspects of the workplace, including policies, practices, and overall work environment, ensuring that any potential human rights concerns are identified and addressed promptly. The survey plays a key role in maintaining a respectful and ethical workplace. Key risks, issues covered in the survey include discrimination and sexual harassment, fair wages and employment benefits, and occupational health and safety.

In addition, the Company has robust policies and procedures to uphold critical human rights principles,

including the prohibition of forced labour, child labour, human trafficking, and support for freedom of association. All employment contracts are compliant with applicable labour laws and require individuals to be 18 years or older. No instances of child or forced labour were reported during the year. Besides, the Company has policies and procedures in place which ensure compliance in critical human rights areas including forced labour, freedom of association, child labour and human trafficking. Our formal hiring contracts adhere to labour standards and preventing child and forced labour. Terms of employment are clearly communicated and also require an individual to be aged 18 and above. No instances of child or forced labour were reported during the year.

Anti-discrimination and sexual harassment

Mitigation measures in action

HDFC Life is committed to fostering an inclusive, respectful workplace through strong anti-discrimination policies and diversity initiatives. We promote equal opportunities across gender, background, and identity, with targeted support for LGBTQIA+ inclusion, flexible work options, and career transition programmes. Our efforts focus on creating opportunities for women, underrepresented groups, and survivors of adversity, alongside leadership development initiatives to strengthen diversity across all levels.

A zero-tolerance approach to sexual harassment is enforced through a comprehensive PRSH Policy, supported by Internal Complaints Committees (ICCs) and an Apex Committee, with regular oversight by the Risk Management Committee.

- During the year, there were no reported cases of discrimination and 65 reported cases of sexual harassment

Key risks

- Discrimination basis race, community and sexual preferences
- Workplace harassment

Health and safety

Mitigation measures in action

HDFC Life prioritises employee well-being through a comprehensive approach to physical, mental, and emotional health. Initiatives include wellness sessions, CPR training, and engagement activities such as Click2Wellness, FitbyBit Challenge, Walkathons, and Mindful Morning Movement. Employees receive health insurance with options to extend coverage to family members, along with unlimited tele-medical consultations, psychological counselling, mindfulness sessions, annual health check-ups, and discounts on medicines and health services. Health-related insights are gathered through annual surveys and absenteeism tracking.

The Company also maintains a strong safety framework. HDFC Life is committed to ensuring a healthy and safe environment for all employees, outsourced personnel, contractors, suppliers, customers, and visitors across its operations. The Occupational Health and Safety (OHS) management system and Health and Safety Policy is applicable organisation-wide and is internally reviewed. Further, it extends to third-party stakeholders through the Partner Code of Conduct, promoting adherence to health and safety standards. Fire safety and emergency preparedness training, including mock drills, are conducted across locations. Employees can raise concerns through an internal grievance mechanism, and regular discussions and consultations are held to strengthen health and safety practices.

In FY 2024-25, there were no cases of high-consequence work-related injuries and fatalities resulting from such work-related injuries. Further, there were zero fatalities reported as a result of work-related ill health.

Key risks

- Unsafe working conditions
- Mental health risks
- Lack of safety protocols



Fair wages and employment benefits

Mitigation measures in action

Fair and competitive compensation is ensured through regular benchmarking, equal pay practices, and comprehensive benefits. Besides wellbeing initiatives, as part of driving retention we also provide upskilling initiatives such as Skill Up and WINNR. Compensation practices are governed by a Board-approved policy, aligned with IRDAI (Expenses of Management) Regulations, 2024.

Key risks

- Limited health, retirement, & leave options
- Difficult to attract / retain talent
- Pay discrepancies

Inclusion and belonging for everyone



Inclusion at HDFC Life is embedded in our DNA. For us, it is about creating a workplace where diversity is celebrated, and every individual feels they truly belong. Our Celebrate YOU DEI brand reflects this commitment, encouraging every employee to bring their authentic selves to work while fostering a culture of allyship and respect.

DEI agenda here is led by not just HR but equally supported by our business leaders who drive four strong Employee Resource Groups (ERGs):



Women in Insurance (WIN)

Empowering women to grow, network, and thrive



Life of Pride

Embracing all forms of diversity, from gender and abilities to age and generations



Happiness at Work

Fostering a joyful, connected, and energised work environment



Wellness and Wellbeing

Normalising conversations around health, happiness, mental health and well-being



These ERGs stand as a powerful reminder that HDFC Life celebrates all.

This year, we strengthened our inclusion agenda with initiatives driving real change. Microaggression training helped employees recognise unconscious biases, reinforcing that awareness is the first step toward inclusion. During Pride Month, our Life of Pride ERG led impactful campaigns, including Pride parade participation and conversations with LGBTQIA+ activists, underlining our stand for equality.

We relaunched Punaragaman to support women re-entering the workforce with flexible roles, while WIN ERG accelerated leadership development through networking forums, confidence-building workshops, and leadership talks with HDFC Group women leaders. To ensure motherhood does not hinder

career growth, maternity transition support includes guaranteed performance ratings during leave. We offer 26 weeks of paid parental leave to female employees as primary caregivers, and 5 days of paid paternity leave to male employees designated as non-primary caregivers.

During the reporting period, 100% employees returned to work after their leave ended, and 72.7% employees remained employed 12 months after returning.

Over the last decade, our gender ratio has improved by ~10%, reflecting our sustained commitment to inclusion. In FY 2024-25, women represented 28.2% of our workforce, with 29.2% in junior management and 14% in top management. In revenue-generating functions, women hold 10.4% of sales leadership positions and 32.8% of STEM roles, demonstrating progress across key areas.



Our inclusion efforts extend to employees' families through initiatives like Bring Your Parents to Work and the Little Strokes art competition. And while we do this because we believe in it, we're proud to have been recognised with several awards, including:

■ **India's Top 50 Best Workplaces for Women by Great Place to Work**

■ **Best Companies for Women in 2024 by Avtar & Seramount**

■ **India's Most Inclusive Companies 2024 by Avtar & Seramount**

Fun & Camaraderie: Happiness at Work

Genuine connections among colleagues form the foundation of a thriving workplace. Aligned with our strategic theme, 'Win as One,' we curated initiatives that strengthen collaboration while fostering fun and camaraderie.



Our signature CoLab Workshop series brought cross-functional teams together to solve real business challenges creatively, using tools like anonymous digital feedback for deeper understanding. Annual traditions like Sparsh, our hybrid flagship event, and the Fun Calendar continued to create joyful shared experiences. New initiatives like the Interdepartmental Cricket Premier League and MasterChef Leadership Edition added energy and team spirit across locations.



Inter-Departmental Premier League



3 Winners 3 Runners Ups

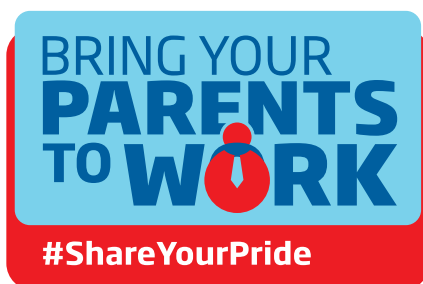


Daily connections flourished through initiatives such as carpool partnerships and Strategic Collaboration Projects, combining purposeful work with relationship-building. The Privilege Club enhanced employee experiences, while Collaboration Awards celebrated outstanding cross-functional teamwork. We also reimagined our workspaces with more collaborative zones to spark spontaneous interactions and idea-sharing.

We created meaningful touchpoints for employees and their families through thoughtfully designed initiatives. Children expressed their creativity in Little Strokes, talents sparkled across generations in HDFC Life Got Talent, and academic milestones were recognised through Academic Champions. Bring Your Parents to Work offered families a glimpse into our world, strengthening the personal connections that support our culture.



32 Academic
Excellence
Champions



What makes our approach truly special is how organically these initiatives reinforce each other. The relationships formed during cricket matches naturally evolve into more effective work collaborations. The trust built through cooking competitions translates to smoother problem-solving in meetings. And the laughter shared during workshops becomes the invisible glue that strengthens our entire organisational culture.



AWARDS

Company-Level & Excellence Awards

- ★ Recognised amongst India's 'Top 25 Best Workplaces in BFSI' by Great Place To Work
- ★ Declared winner for its **Zero Touch Payout Process** (for regular income policies) at the 6th Digital Customer Experience Confex & Awards 2024 organised by Gain Skills
- ★ Won three awards at ACEF's 13th Global Customer Engagement Summit & Awards:
 - Gold Award**
 - Product Recommendation Analytical Model campaign
 - Journey of Growth campaign
 - Bronze Award**
 - Personalised Customer Welcome Journey campaign
- ★ Won the Gold award at the e4m PrimeTime Awards for its Protection Campaign featuring Rishabh Pant, in the category 'Best Use of Celebrity on TV'.
- ★ Won the 'Customer Service Excellence' award in the Life Insurance category at the 12th Golden Globe Tigers Awards, for Excellence and Leadership in BFSI.
- ★ Won the 'Best Innovation in CX' award at the 4th Smart CX Summit & Awards 2024, organised by The Brainalytics.
- ★ Adjudged winner in the 'Organisational Awards' category at the 6th Digital Customer Experience Awards case study on 'Zero Touch Customer Payout Process for Regular Income Policies'.



- ★ Felicitated with the **'Best Customer Experience'** award at the 17th Customer Fest Leadership Awards 2024, organised by Kamikaze B2B Media.
- ★ Awarded winner in the **'AI Category'** at the Express Computer BFSI Technology Conclave.
- ★ Received recognition in Asia ex-Japan by the Institutional Investor Research Survey for
 - Best IR Programme
 - Best IR Team
 - Best ESG Programme
 - Best Company Board
- ★ Recognised as one of the India's Most Respected Companies by **BW Businessworld**.
- ★ Received the Best Use of Martech in Personalisation – Life Insurance award at **Quantic India's Martech Excellence Awards 2024** for its Product Recommendation Analytical Model Cross-sell campaigns.
- ★ Adjudged winner in the AI Trailblazers category at the **Indian Express AI CXO Awards** for implementing AI-based bots across WhatsApp, websites, and call centres for handling customer feedback.
- ★ Certified as one of India's **Best Companies to Work For 2024** and **Best in Industry for Life Insurance**.
- ★ Recognised with two awards at the **Insurance Conclave and Awards 2024**, organised by Empiric Business Media Pvt. Ltd.:
 - Best Customer Service Initiative of the Year for 'Proactive Unclaimed Clearance'
 - Best Technology Initiative of the Year for 'OTC Retail Death Claims'
- ★ Adjudged winner at the Banking Frontiers FINNOVITI Awards 2024, for the case study **'InstaPRL – Digital Platform for New Age Onboarding Journey of Financial Consultants'**.
- ★ Recognised as the Best Organisation in Customer Experience at **The Economic Times CX Summit**.
- ★ Awarded Bronze at the **ET Brand Equity Shark Awards** for its Protection Campaign featuring Rishabh Pant.
- ★ Recognised in the Innovation and Emerging Technologies category at the **11th National Awards for Excellence**.
- ★ Recognised for:
 - Best Customer Centric Culture
 - Best Use of Innovation to Enhance Customer Experience
 - Best Use of Technology to Enhance Customer Experience
 - Best Digital Experience Life Insurance Award at the 3rd Future of Insurance Summit & Awards 2024 by UBS Forums
- ★ HDFC Life's Learning and Development team won the **Brandon Hall Gold Award** for the fourth consecutive year.
- ★ Ranked 37th among the 'Best Workplaces in Asia' by Great Place to Work.
- ★ Won Gold in the **'Best New Product Launch Campaign'** category (for HDFC Life Click 2 Achieve) at the PR & Communication Aces (PRCA) Awards 2024, organised by Indiantelevision.com.
- ★ Honoured with Gold at the 38th Chapter Convention on Quality Concepts by the Quality Circle Forum of India.
- ★ Recognised among the **'Masters of CX'** at Marksmen Daily's CX Transformation Conclave 2024.
- ★ Awarded for **'Excellence in Exceptional IT Support'** under the Insurance category by FreshWorks.

- ★ BRSR Report for FY 2023-24 was recognised among the Top 5 performers in the Financial Services and Insurance sector at **India's Most Sustainable Companies** by BW Businessworld.
- ★ Recognised among **India's Top 50 Best Workplaces for Women** by Great Place to Work.
- ★ Recognised among the **Best Companies for Women in 2024** by Avtar & Seramount.
- ★ Honoured as one of **India's Most Inclusive Companies 2024** by Avtar & Seramount.
- ★ Announced winner at the Transformance Forums' Great Indian Corporate Communication Leaders Summit and Awards
Great Indian Thought Leadership Campaign of the Year:
 - NPS Awareness Campaign
 - Financial Freedom with Life Insurance Campaign**Great Indian Public Relations Campaign of the Year:**
 - National Insurance Awareness Day Campaign
- ★ Won the **CX Technology of the Year** award for its ServEasy Project at the 17th CX Strategy Summit & Awards by UBS Forums.
- ★ Recognised as one of the **World's Most Trustworthy Companies in 2024** by Newsweek and Statista.
- ★ Ranked **#47** among the **Top 75 Most Valuable Indian Brands** by Kantar.
- ★ Honoured with a special mention for Excellence in Talent Acquisition at the SHRM HR Excellence Awards 2024.
- ★ Received two awards at the 16th ASSOCHAM Global Insurance Summit & Awards:
 - Best Customer Oriented Insurance Company
 - Moment of Truth – Life Insurance
- ★ Featured in **Business Today's BT500** list of India's Most Valuable Companies.
- ★ HDFC Life's Integrated Report also won the Silver Shield at the ICAI Awards for Excellence in Financial Reporting 2023-24.
- ★ Declared runner-up in the '**Best Innovations Led by Technology and InsurTech**' category at the 5th Emerging Asia Insurance Awards, organised by the Indian Chamber of Commerce.
- ★ Recognised in the Emerging Tech-Led Innovation category at the IBEX BFSI Technology Awards.
- ★ The Integrated Annual Report won multiple accolades at the LACP 2023/24 Vision Awards:
 - Platinum Award – Integrated Report category
 - Ranked 37th among the Top 100 Reports Worldwide
 - Gold Award – Annual Report category
 - Technical Achievement Award
- ★ Recognised among the **Best BFSI Brands** at the ET Now Best BFSI Brands 2025.
- ★ Recognised for Innovation in Insurance at the Aegis Graham Bell Awards 2024.
- ★ Certified as a **Great Place to Work**.
- ★ Recognised among the Top 50 – India's Best Workplaces: **Building a Culture of Innovation by All 2025** by Great Place to Work.



Sar utha ke jiyo!

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