

Price Waterhouse Chartered Accountants LLP

Independent practitioner's limited assurance report

To the Managing Director & Chief Executive Officer of HDFC Life Insurance Company Limited

We have undertaken to perform limited assurance engagement for HDFC Life Insurance Company Limited (the 'Company') vide Engagement Letter dated June 3, 2022 in respect of the agreed indicators/parameters listed below (the "Identified Sustainability Indicators"). These indicators/parameters are as included in the Integrated Annual Report of the Company for the year ended March 31, 2022 ('the Integrated Report').

Identified Sustainability Indicators

The Identified Sustainability Indicators are summarised in Annexure 1 to this report.

Our limited assurance engagement was with respect to the financial year ended March 31, 2022 information only and we have not performed any procedures with respect to earlier periods or any other elements included in the Integrated Annual Report and, therefore, do not express any conclusion thereon.

Criteria

The criteria used by the Company to prepare Identified Sustainability Indicators has been internally defined by the management (hereinafter referred to as the 'Reporting Criteria') and has been set out in Annexure 1 to this report.(the 'Criteria').

Management's Responsibility

The Company's Management is responsible for identification of key aspects, engagement with stakeholders, content, preparation and presentation of the Integrated Annual Report in accordance with International Integrated Reporting Council (IIRC) Framework and the Criteria mentioned above. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the integrated annual report and measurement of Identified Sustainability Indicators, which is free from material misstatement, whether due to fraud or error.

Inherent limitations

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial indicators allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.



Price Waterhouse Chartered Accountants LLP, Building No. 8, 8th Floor, Tower - B, DLF Cyber City, Gurugram - 122 002
T: +91 (124) 4620000, F: +91 (124) 4620620

Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Identified Sustainability Indicators based on the procedures we have performed and evidence we have obtained. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) 'Assurance Engagements other than Audits or Reviews of Historical Financial Information', issued by the International Auditing and Assurance Standards Board. These standards require that we plan and perform this engagement to obtain limited assurance about whether the Identified Sustainability Indicators are free from material misstatement.

A limited assurance engagement involves assessing the suitability in the circumstances of the Company's use of the Criteria as the basis for the preparation of the Identified Sustainability Indicators, assessing the risks of material misstatement of the Identified Sustainability Indicators whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Identified Sustainability Indicators.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above, we:

- Obtained understanding of the identified sustainability indicators and related disclosures
- Obtained an understanding of the assessment criteria and their suitability for the evaluation and /or measurements of the identified sustainability indicators
- Made enquiries of Company's management, including the various teams such as Sustainability team, Corporate Social Responsibility (CSR) Team, etc., and those with responsibility for managing Company's Integrated Annual Reporting
- Obtained an understanding and evaluated the design of the key structures, systems, processes and controls for managing, recording and reporting on the agreed Indicators/ parameters.
- Performed limited substantive testing on a selective basis of the agreed Indicators/ parameters at corporate head office to check that data had been appropriately measured, recorded, collated and reported;
- Reviewed the level of adherence to reporting criteria followed by the Company in preparing the Integrated Annual Report
- Reviewed the Integrated Annual Reporting for detecting, on a test basis, any major anomalies between the information reported in the Annual Integrated Report on performance with respect to agreed Indicators/ parameters and relevant source data/information
- Obtained representations from Company's Management

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the Identified Sustainability Indicators have been prepared, in all material respects, in accordance with the Criteria.



Exclusions

Our limited assurance scope excludes the following and therefore we do not express a conclusion on the same:

- Testing the operating effectiveness of management systems and controls
- Performing any procedures over aspects of the data/information (qualitative or quantitative) included in the Integrated Annual Report, other than the identified Sustainability Indicators
- Operations of the Company other than those mentioned in the "Scope of Examination"
- The statements that describe expression of opinion, belief, aspiration, expectation, aim or future intentions provided by the Company

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Company's Identified Sustainability Indicators contained in the Integrated Annual Report for the financial year ended March 31, 2022 are not prepared, in all material respects, in accordance with the Criteria.

Restriction on Use

Our limited assurance report has been prepared and addressed to the Managing Director & Chief Executive Officer of the Company at the request of the company solely to assist the company in reporting on the Company's Sustainability performance and activities. Accordingly, we accept no liability to anyone, other than the Company. Our deliverables should not be used for any other purpose or by any person other than the addressees of our deliverables. The Firm neither accepts nor assumes any duty of care or liability for any other purpose or to any other party to whom our Deliverables are shown or into whose hands it may come without our prior consent in writing.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No: 012754N/500016
Chartered Accountants



Heman Sabharwal
Partner
Membership Number: 093263
UDIN: 22093263AKJSLH6944

Place: Gurgaon
Date: June 6, 2022

Annexure 1

List of Identified Sustainability Indicators to be assured

S. No.	Name of indicator	Criteria for reporting
1	Average age of employees (years)	Simple average age of employees as on 31 March 2022
2	Number of employees	Total number of employees on roll as on 31 March 2022
3	Percentage of women within employees	N = Number of women employees D = Total number of employees Both numerator & denominator are as on 31 March 2022
4	Percentage of women within Board of Directors (BoD)	N = Number of women directors in the BoD D = Total number of directors in the BoD Both numerator & denominator are as on 31 March 2022
5	Number of financial consultants	Total number of financial consultants (not on payroll) as on 31 March 2022. Financial consultants are the insurance agents who are the part of sales of the company.
6	Average hours of trainings per year per employee	Simple average of hours of training that the organisation's employees have undertaken during the reporting period
7	Percentage of individual policy applications submitted online or converted into digital format	N = Individual Policy applications that are submitted online or converted into digital format D = Total number of policy applications received
8	Number of insurance products	Total number of active insurance products as on 31 March 2022.
9	Policy conversion average Turn Around Time (TAT)	N - Total time taken in hours D - Total number of insurance policies issued
10	Claim settlement average Turn Around Time (TAT)	Time taken to release the claim post the required documents submission. This includes both individual and group policies.
11	% Claim Settlement Ratio	N=Total number of claims settled D=Total number of claim demands received Numerator & denominator includes claims from individuals & group policy holders
12	Number of CSR Beneficiaries	Number of beneficiaries (reported by NGOs) reached through CSR program during F.Y. 2021-22 covering areas - medical treatment, skill volunteering, Livelihood training, meal distribution and development of hygiene infrastructure. This includes only the project completed during the reporting period.



S. No.	Name of indicator	Criteria for reporting
13	e-waste disposed and recycled in an environmentally controlled manner	Tonnes of e-waste disposed in an environmentally controlled manner by recyclers.
14	City forests created using Miyawaki method	Number of city forests created using Miyawaki method.
15	Branches with LED lighting	Branches which have installed 100% LED lights as on Mar 31, 2022.
16	Total purchase of energy from renewable sources	Electricity units purchased through renewable source.
17	Paper cups & paper disposed for recycling	Kgs of paper cups & paper (except electronic waste) at corporate office sold to recyclers.
18	Percentage of insurance policies issued in Demat form	N= Insurance policies issued in Demat form D= Number of policies eligible for conversion in Demat form
19	Number of Physical Branches	Number of physical branches of HDFC life in India.
20	Number of Digital Branches	Number of branches without any physical existence of office.
21	No of lives covered	Total number of lives covered through life insurance policies as on 31 March 2022. This includes individuals covered through individual policies as well group policies.
22	Number of insurance policies issued	Total number of insurance policies issued during the reporting period. This includes individual policies only.
23	Number of new insurance products launched	Total number of insurance products launched during the reporting period.
24	Number of saplings planted as part of CSR programs	Number of saplings planted as part of CSR programs (reported by NGOs) during the reporting period.
25	Number of members registered on Life99 portal	Number of members registered on Life 99 portal since the inception of the portal. Life99 is a digital platform which provides customers with multiple options and resources, which helps them plan early for a hassle-free post retirement life. The platform consolidates retirement-focused offerings into a single platform.
26	a. No. of applications received for financial consultant through InstaPRL platform b. No. of financial consultant onboarded through InstaPRL platform	a. No. of applications received for financial consultant through InstaPRL platform b. No. of financial consultant onboarded through InstaPRL platform InstaPRL is a platform to onboard new financial consultants. InstaPRL offers a range of services, including processing new applications, scrutinising, training and examination.
27	Number of Regional Languages (including English) in NLP based BOT	Number of Regional Languages (including English) in NLP based WhatsApp BOT.



S. No.	Name of indicator	Criteria for reporting
28	Number of inbuilt questions supported by chat BOT	<p>Number of inbuilt questions supported by chat BOT - Etty.</p> <p>Etty is a WhatsApp service bot which is designed on NLP technology and is equipped with deep machine learning capabilities which can resolve queries and service requests of customers.</p>
29	Number of customer interactions on life certificate portal	<p>Number of hits that have been recorded on the digital life certificate platform</p> <p>This portal is equipped with the vision artificial intelligence capability that offers 24*7 service to help annuity customers submit Life Certificates from their homes digitally. The system can do a facial match of customers with KYC documents and a liveness check.</p>
30	Number of cases processed by FaceSense application	<p>Number of hits that have been recorded on the FaceSense application which is present at all physical branches.</p> <p>FaceSense helps identify customers accurately by matching facial features.</p>
31	Average number of employee interactions per month on Customer360 platform	<p>Monthly average of employee interactions on Customer 360 platform during the month.</p> <p>Customer 360 platform is a platform which helps call centre/branch/CRM to answer user queries related to policy, maturity, annuity, renewal, revival and claims.</p>
32	Shareholder base of which percentage shareholders have updated their email addresses in the record of Registrar & Share Transfer Agent (RTA)	<p>$N =$ Total number of shareholders who have updated their email ID $D =$ Total number of shareholders</p> <p>Both numerator & denominator are based on web-portal of RTA as on 31 March 2022.</p>
33	Percentage of technology and actuarial positions filled by women	<p>$N =$ Number of women employees working on technology and actuarial positions $D =$ Total number of employees working on technology and actuarial positions</p> <p>Both numerator & denominator are as on 31 March 2022</p>

