

Investor Presentation – Q1 FY26



Executive summary: Q1 FY26

Revenue & Scale



Individual APE	Rs (Bn.)	27.8
	Growth	12.5%



Renewal premium	Rs (Bn.)	76.0
	Growth	19%



AUM	Rs (Bn.)	3,559
	Growth	15%



IEV	Rs (Bn.)	584
	EVOP ¹	16.3%

Profitability & Cost



Value of New Business (VNB)	Rs (Bn.)	8.1
	Growth	12.7%



New Business Margin (NBM)	CY	25.1%
	PY	25.0%



Profit After Tax (PAT)	Rs (Bn.)	5.5
	Growth	14%



Total exp. ratio ²	CY	21.9%
	PY	21.4%

Customer & Capital



13 th month persistency	CY	86%
	PY	88%



Claim settlement ratio (FY25)	Overall	99.8%
	Individual	99.7%



Complaints per 10K policies ³	FY25	31
	FY24	29



Solvency	Jun'25	192%
	Mar'25	194%

1. EVOP is calculated on a 12 month rolling period

2. Total Expense Ratio is calculated as total expenses (including commission) divided by total premium

3. Complaints data (excluding survival and death claims)

Agenda

1 Performance Snapshot

2 Business Overview

3 Other Business Highlights

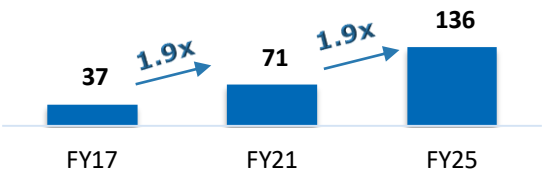
4 Life insurance in India

Consistent, predictable, sustained performance

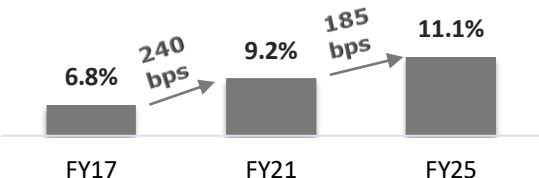
Rs bn

Holistic growth

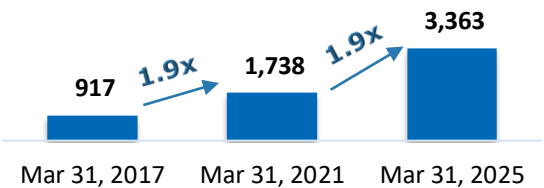
Individual APE



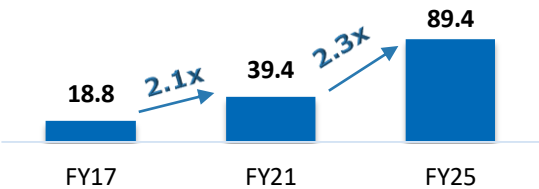
Overall market share



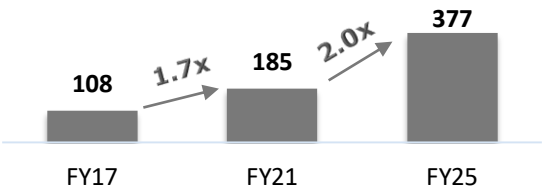
Assets under management



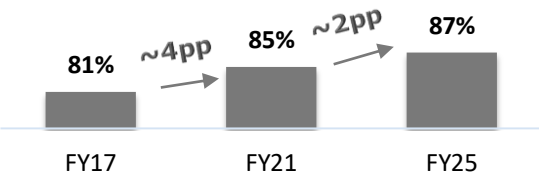
Protection new business¹



Renewal premium

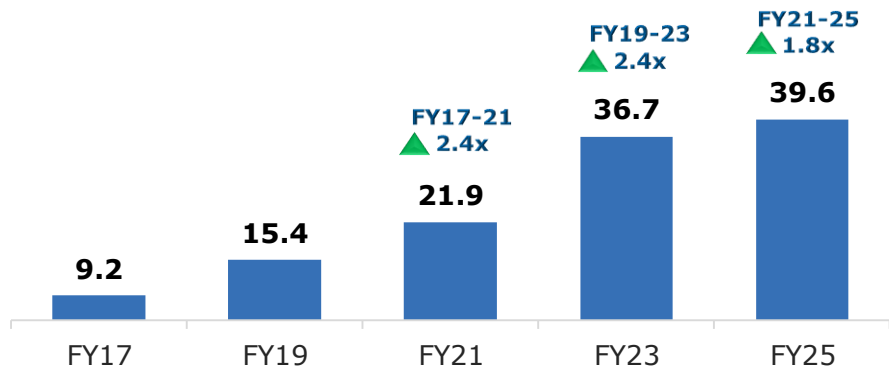


13th month persistency²

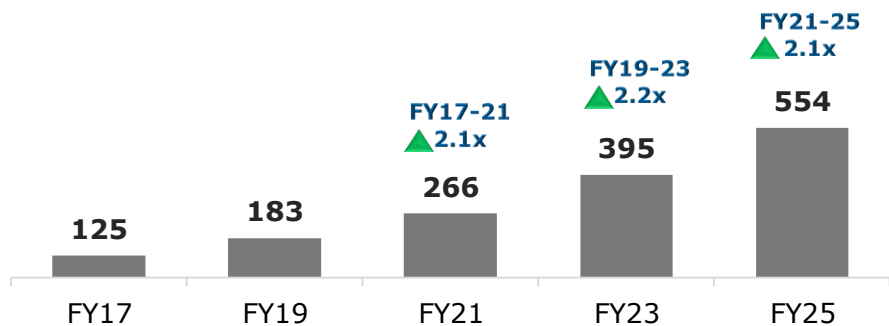


Consistent track record over multiple periods

Value of new business

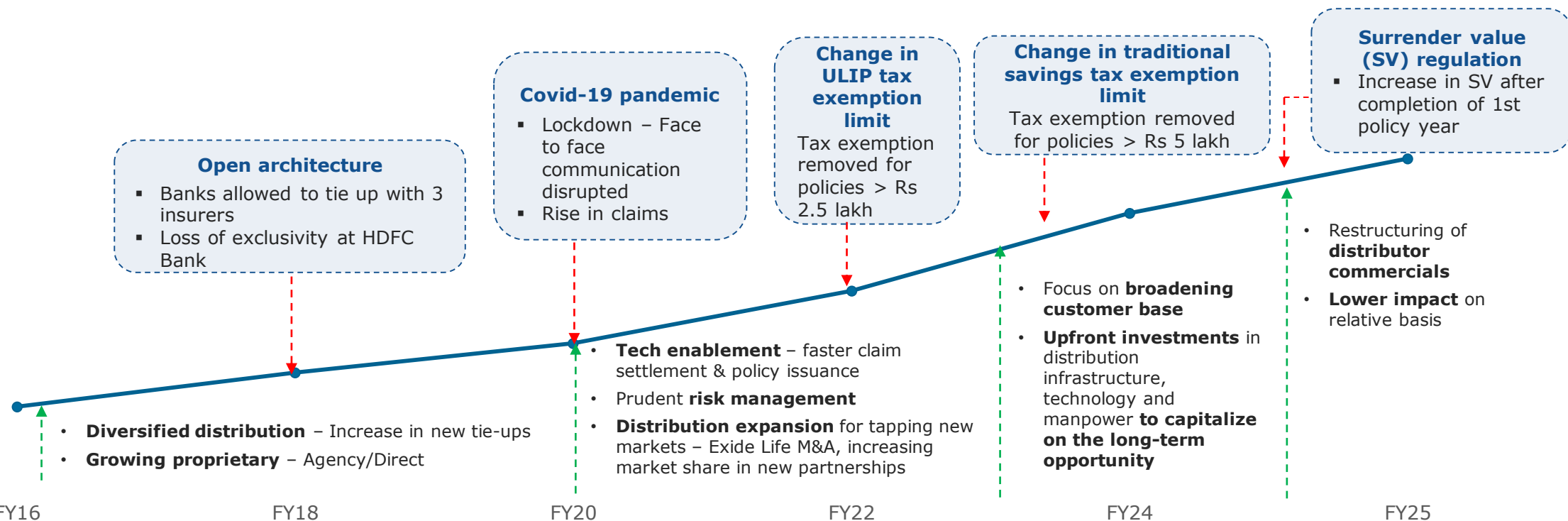


Embedded value



1. Based on Overall NBP
2. Excluding single premium

Steady performance across business cycles



Consistent product innovation

NBM¹	19.9%	23.2%	25.9%	27.4%	26.3%	25.6%
Indl WRP² growth	12%	31%	19%	16%	1% ³	17%
Overall industry growth	8%	19%	6%	16%	5%	10%

Grew ~1.5x industry during last decade while sustaining profitability

1. New Business Margin

2. WRP: Weighted Received Premium

3. Adjusting for one-off business due to budget changes in FY23, normalized growth was 11% in FY24. FY24 2-year CAGR stands at 13%

Consistent track record of maximising shareholder value

Rs bn

Metrics	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	5 year CAGR (FY20-25)	9 year CAGR (FY16-25)
Value of new business (VNB)	7.4	9.2	12.8	15.4	19.2	21.9	26.8	36.7	35.0 ¹	39.6	16%	20%
Operating variances	3.1	2.1	2.0	1.4	1.5	0.8	-4.9 ²	1.6	1.5	1.0		
Embedded Value ³	102	125	152	183	207	266	300	395	475	554	22%	21%
EVOP	18	22	27	31	33	38	51	65	69	79	19%	18%
Value in-force (VIF)	70	83	104	124	135	176	212	268	329	391	24%	21%
Operating ROEV ⁴	20.7%	21.7%	21.5%	20.1%	18.1%	18.5%	16.6% ²	19.7%	17.5%	16.7%		



Healthy VNB accretion driven by strong top-line growth and margin expansion



Predictable outcomes over longer time frames



Steady ROEV across multiple time periods, reflecting sustainable performance



Significant value creation through consistent compounding of EV and VIF across multiple time periods



Experience in-line with assumptions, resulting in negligible operating variances

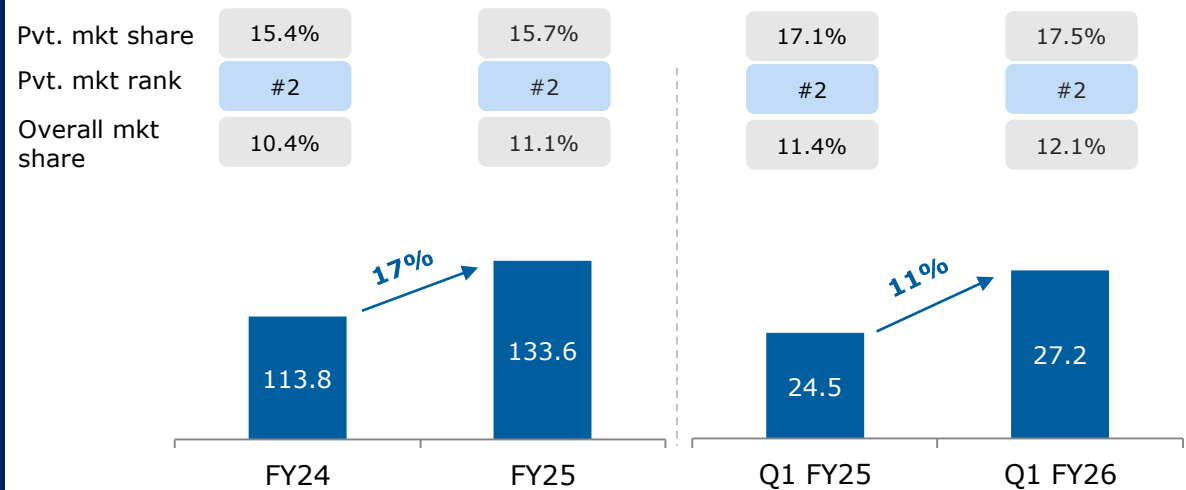


Strong focus on **balancing profitability and risk management**

1. FY23 VNB was elevated due to budget changes in FY23, 2 year CAGR for FY24 VNB stands at 13%
2. FY22 operating variance includes excess mortality impact due to Covid-19
3. Closing EV for the respective fiscal year
4. Operating ROEV is calculated as annual EVOP (Embedded Value Operating Profit) to Opening EV

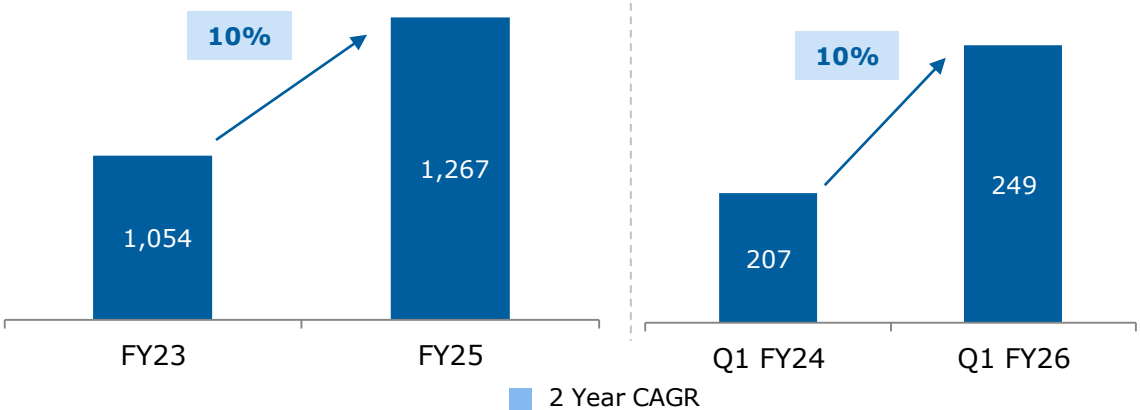
Robust delivery across key metrics (1/2)

Steady market share gains in individual WRP

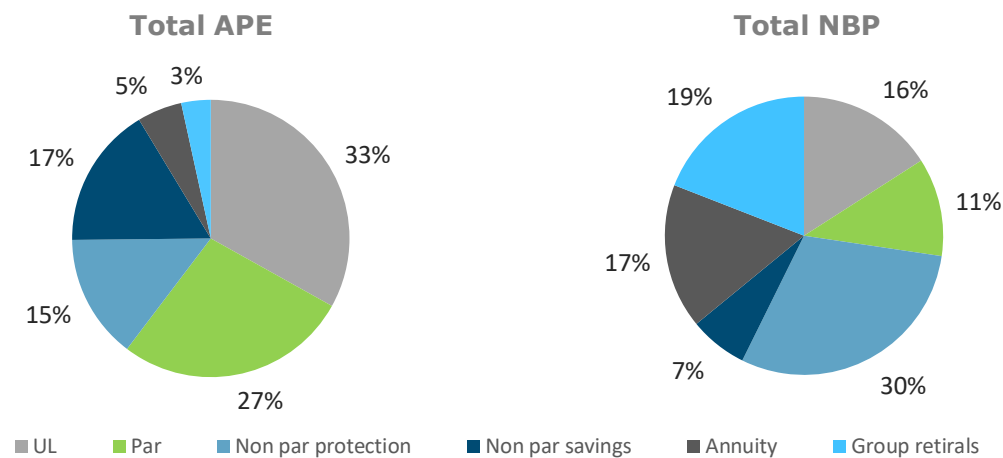


Sustained focus on expansion of customer base

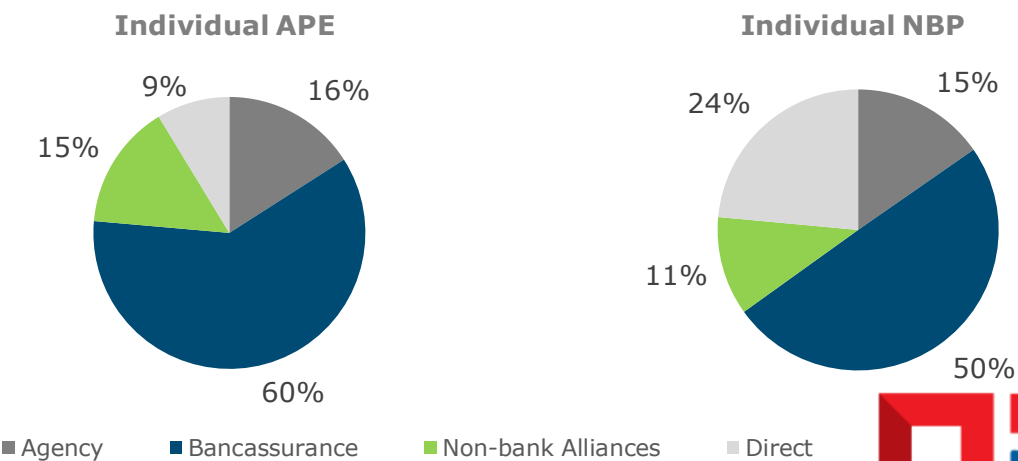
(NOPs in 000's)



Balanced product mix



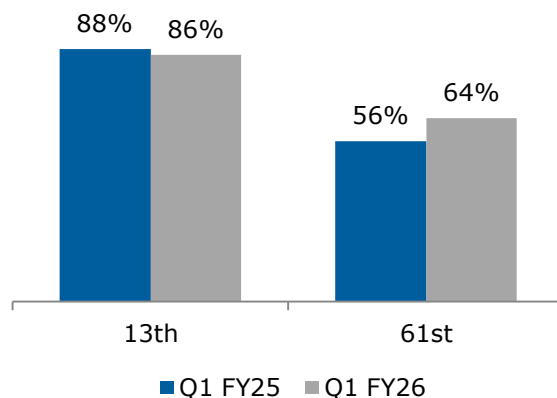
Focus on diversified channel mix



Note: Non-bank Alliances include brokers and other non-bank corporate agents
Select Online/Direct business has been reclassified under Non-bank Alliances. On a like-to-like basis, Direct business grew 11% over the comparable period

Robust delivery across key metrics (2/2)

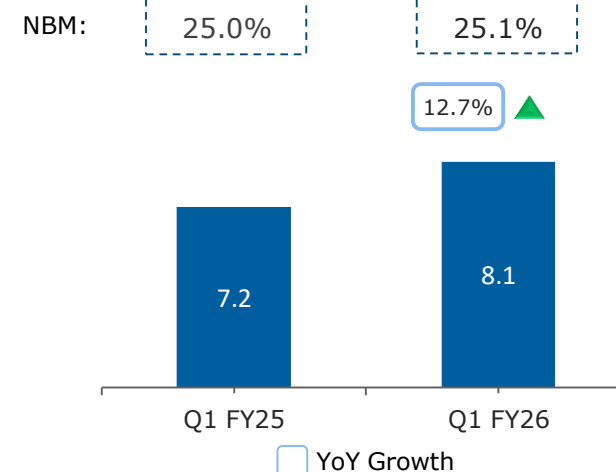
Significant improvement in 61st month persistency



- Focus on quality of business and providing superior customer experience

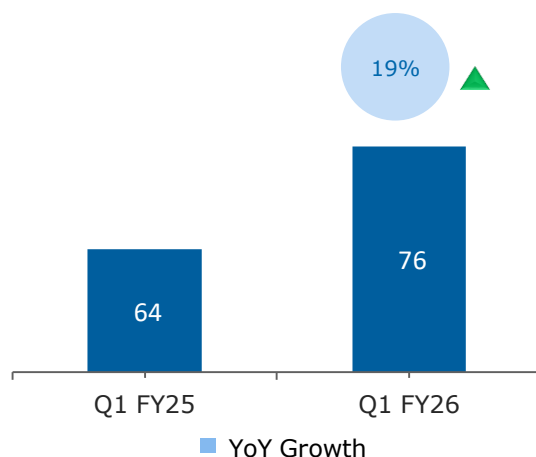
Healthy VNB growth

Rs bn



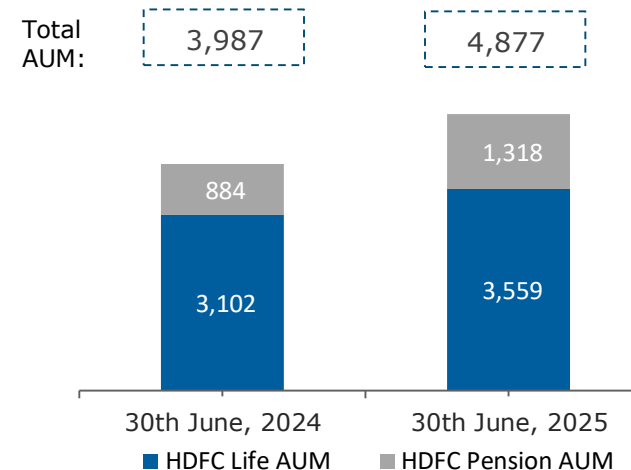
- Multiple pools of profitability contributing to VNB accretion

Strong growth in renewal premium



- Backed by strong persistency and growing backbook

Group assets under management > Rs 4.8 tn¹



- HDFC Life Debt:Equity mix (Q1 FY26): 68:32
- HDFC Pension's AUM crossed Rs 1.3 Tn

Agenda

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Key elements of our strategy



Profitable growth

Ensuring **sustainable and profitable growth** by identifying and tapping new profit pools



Diversified distribution mix

Developing **multiple channels** of growth to drive need-based selling & **deepening penetration**



Customer first

Creating superior **product** propositions and **customer journeys**, through consistent **innovation**



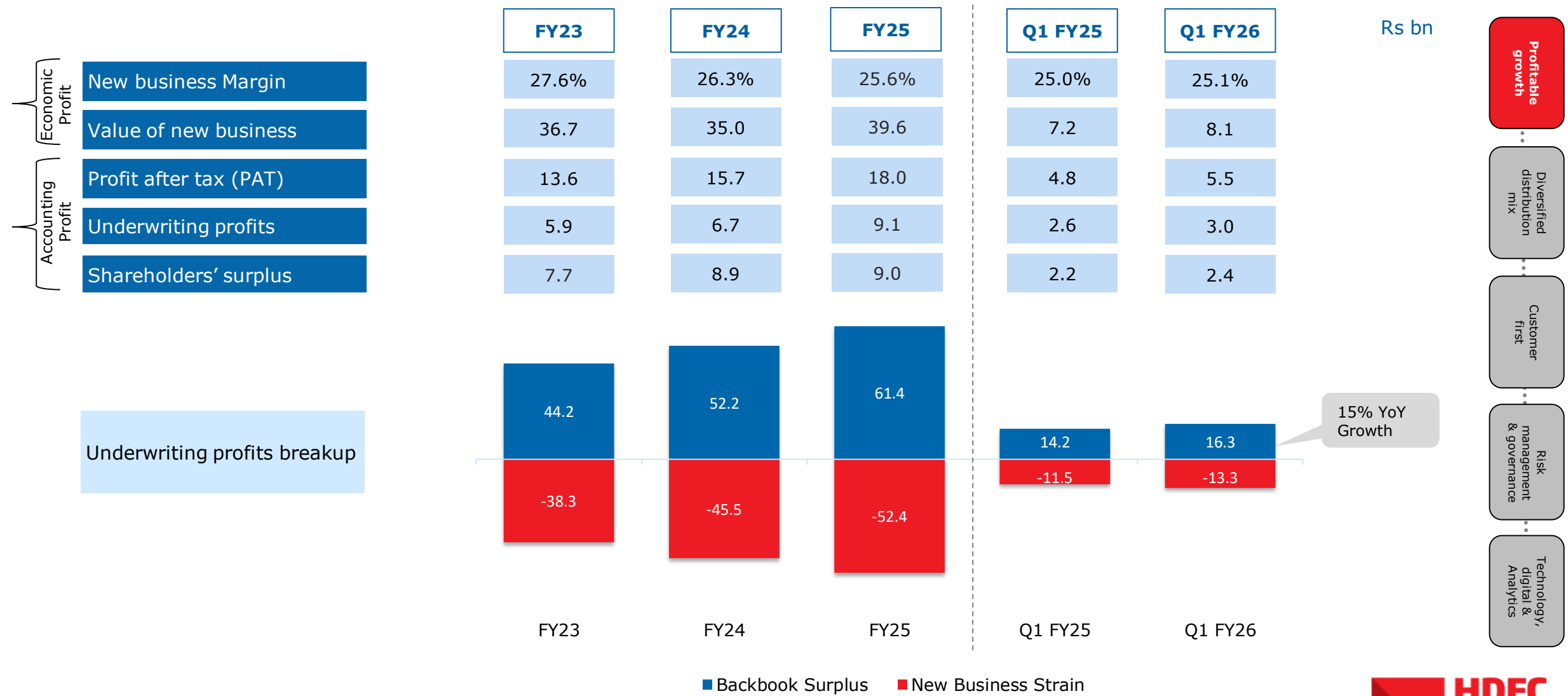
Risk management & board governance

Maintaining focus on **risk management** guided by an **independent and competent Board**



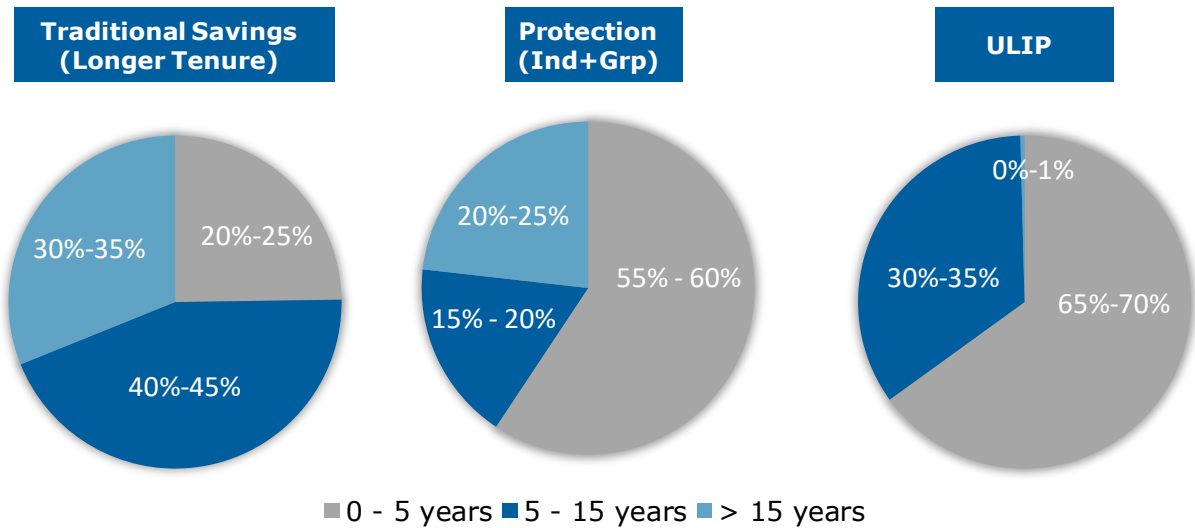
Future ready organisation: Leveraging **technology, digital** and **analytics**

Focus on profitable growth



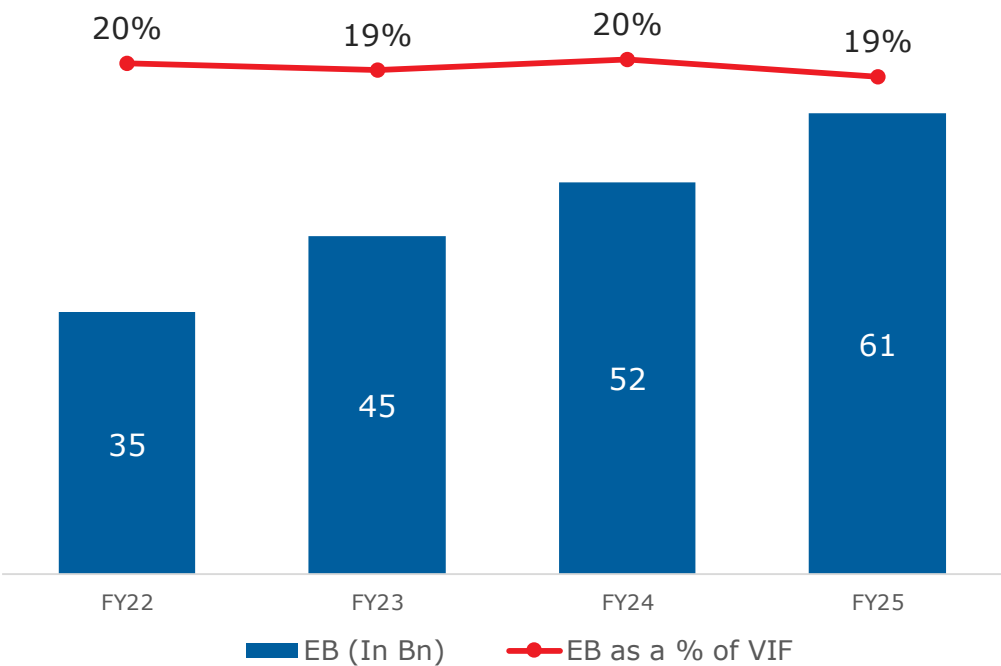
Emergence of Existing Business (EB) Surplus

Profit Emergence

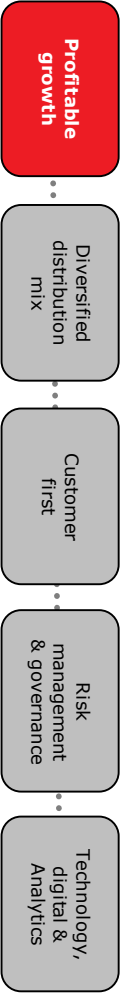


- Shift in product profile to longer term savings over last 3-4 years
- Profit emergence is higher for longer tenure products, albeit over a longer time frame
 - ~ 3/4th of profits emerge after 5 years

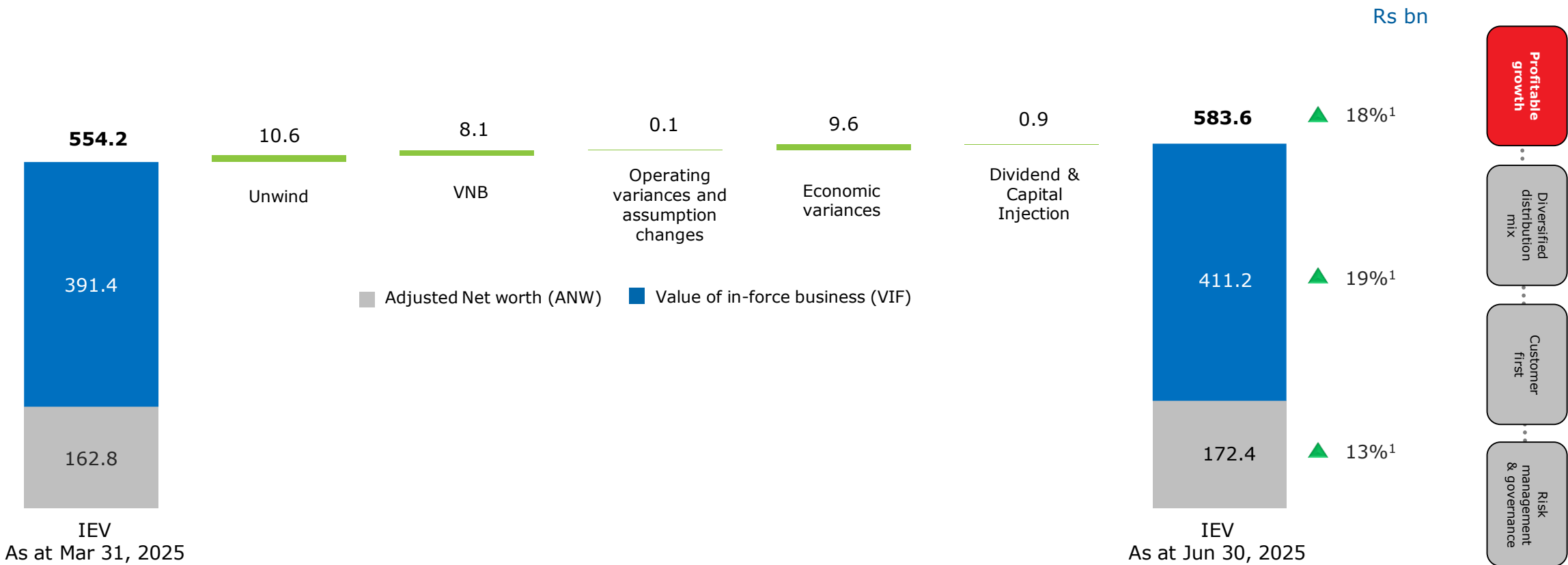
EB Surplus emergence as a % of VIF



- Higher mix of long term profitable products to result in profit emergence over longer time horizon
- Track record of positive operating variance indicates high likelihood of profit emergence as per assumptions



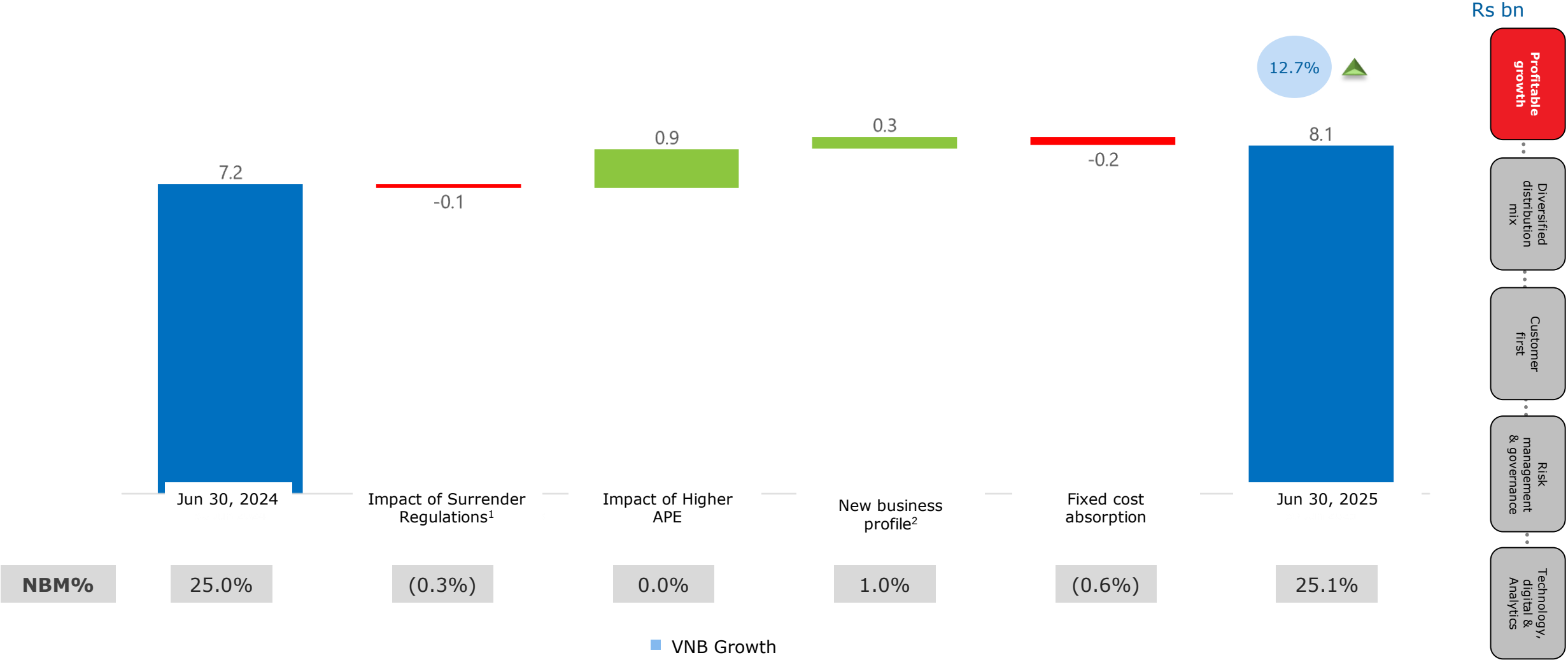
Analysis of change in IEV



- Operating variances continue to be positive and in line with our assumptions
- Healthy Op RoEV of 16.3%² on a rolling 12- month basis, a more representative view that smoothenes out quarterly seasonality

1. YoY growth over metrics as on June 30, 2024
2. Q1 FY25 rolling EVOP: 17.1%

Steady VNB trajectory



Note: Numbers may not add up due to rounding off

1. Effective October 1, 2024

2. Reflects the impact of difference in mix of segment/distribution channel/tenure/age/sum assured multiple, amongst others



Diversified distribution – Partnerships

Bancassurance



Non-bank alliances



- 500+ partners across Banks and Non-Bank alliances with ~41K partner branches
- Partnerships with Banks, NBFCs, SFBs, brokers, aggregators & digital ecosystems allow entry into new market segments
 - Focus on catering solutions addressing relevant customer segments
- Distribution architecture balances scale, diversification and differentiated customer access

Profitable growth

Diversified distribution mix

Customer first

Risk management & governance

Technology, digital & Analytics

Diversified distribution – Proprietary



Agency: segmented growth

- Gross agent addition of over 23K in Q1 FY26, reaching **~2.55 lakh**
- Underscoring strong **advisory-led sales**
- Distribution architecture built on a blend of established relationships and new-age partnerships
- AI-powered tools and data-led insights are boosting agent efficiency and enhancing customer experience



Direct/Digital: leveraging analytics

- **Leveraging AI** and business analytics for cross-sell and up-sell
- Simplifying and **personalizing journeys** to offer better customer experience to attract younger customers
- Hybrid model launched to ensure opportunity conversion via dedicated tele-sales support with 80% branch coverage

Levers for future growth



On-boarding **high performing profiles**: home-makers, retired govt servants & financial distributors



Higher proportion of **protection and retirals business**



Revamped agent Lifecycle with **segmented value propositions** for **Retail and top performers**



Deep mining in white spaces through new market expansion and penetration



Hyper-personalized customer engagement at every life stage need



Product mix across key channels¹

Banca	Segment	FY24	FY25	Q1FY25	Q1FY26
	UL	40%	43%	43%	43%
	Par	23%	19%	13%	36%
	Non par savings	30%	33%	39%	17%
	Term	2%	2%	2%	3%
	Annuity	5%	3%	3%	2%
Direct ²	Segment	FY24	FY25	Q1FY25	Q1FY26
	UL	43%	37%	30%	35%
	Par	10%	14%	14%	18%
	Non par savings	22%	19%	22%	13%
	Term	6%	8%	9%	8%
	Annuity	20%	22%	25%	26%

Agency	Segment	FY24	FY25	Q1 FY25	Q1FY26
	UL	26%	26%	28%	20%
	Par	29%	26%	23%	40%
	Non par savings	33%	33%	36%	25%
	Term	7%	10%	9%	11%
	Annuity	4%	5%	4%	4%
Non-bank alliances	Segment	FY24	FY25	Q1 FY25	Q1FY26
	UL	18%	37%	33%	42%
	Par	27%	15%	20%	15%
	Non par savings	35%	35%	29%	27%
	Term	15%	11%	16%	14%
	Annuity	3%	2%	2%	2%

Company	Segment	FY24	FY25	Q1FY25	Q1FY26
	UL	35%	39%	38%	38%
	Par	23%	19%	16%	32%
	Non par savings	30%	32%	35%	19%
	Term	5%	5%	6%	6%
	Annuity	6%	5%	5%	5%

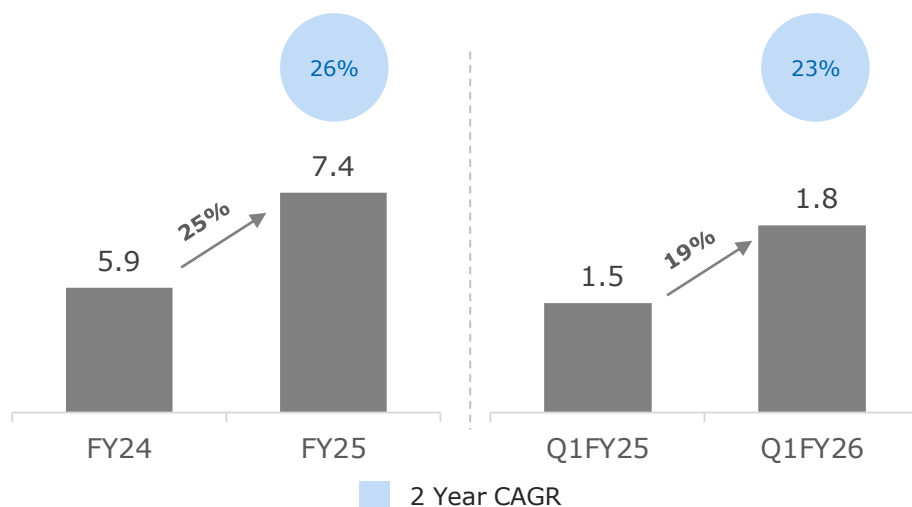
Protection		FY24	FY25	Q1FY25	Q1FY26
	Based on Total APE	13%	11%	14%	14%
	Based on NBP	32%	27%	32%	30%

Annuity		FY24	FY25	Q1FY25	Q1FY26
	Based on Total APE	6%	5%	5%	5%
	Based on NBP	16%	14%	15%	17%

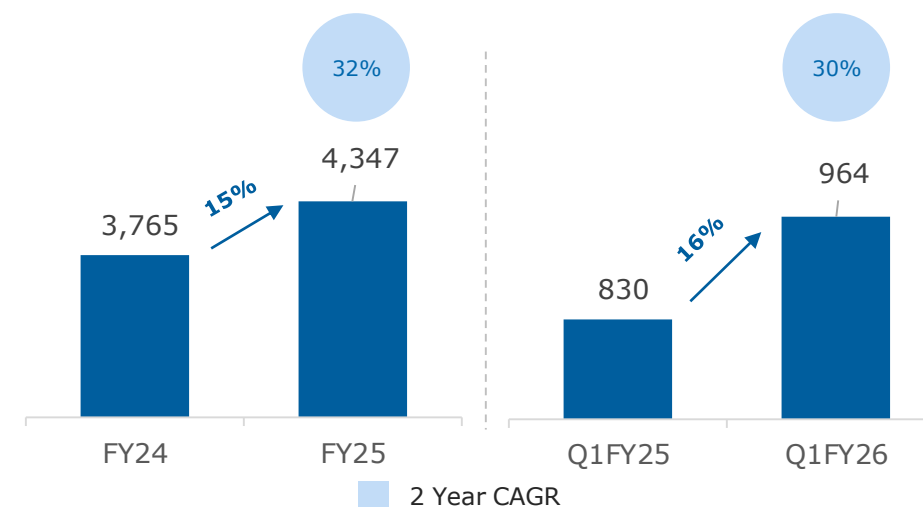


Healthy growth in protection

Retail protection APE



Retail sum assured

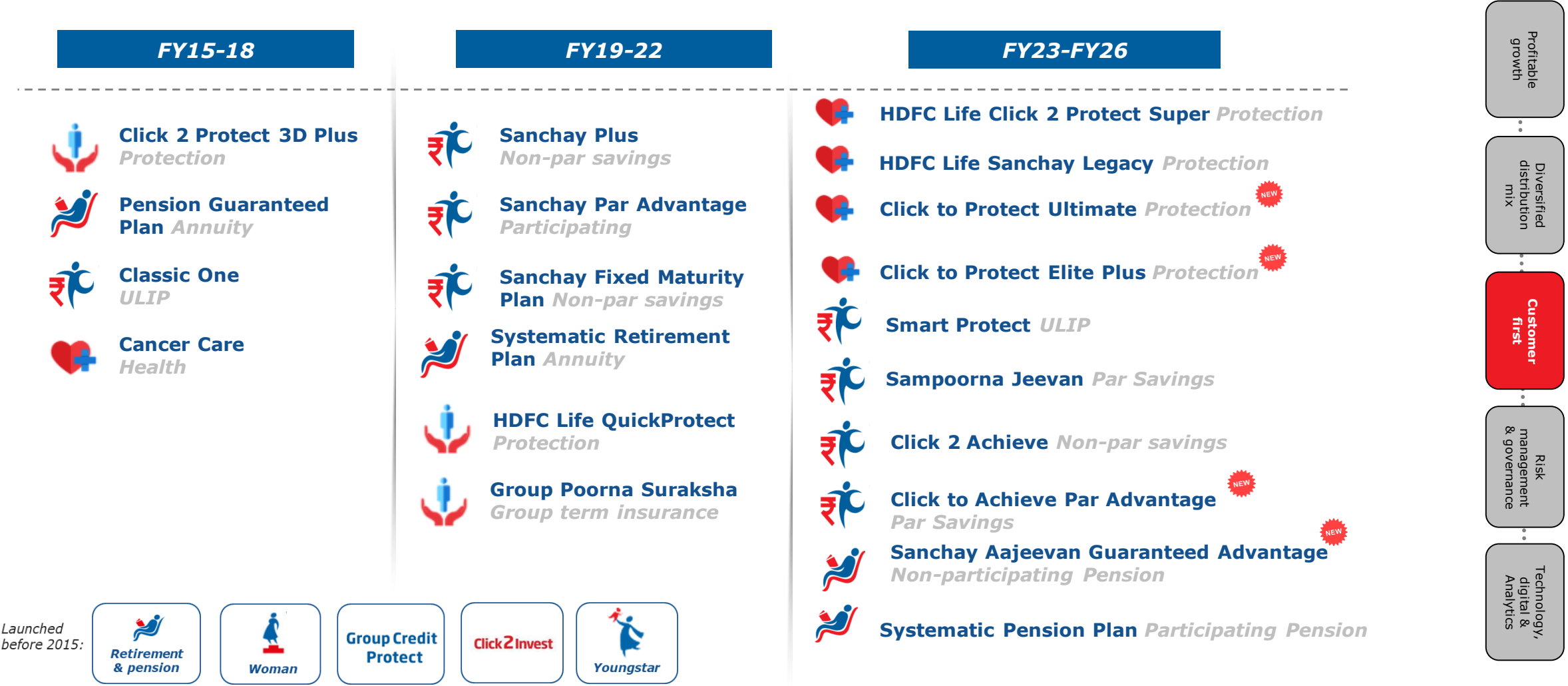


Rs Bn.



- Ranked #2 in individual sum assured and #1 in overall sum assured
- Secular growth in retail protection across Tier I, II and III geographies
- Offering embedded protection based on customer needs; focused on increasing rider attachment across segments
- We continue to innovate in product offerings, introduced three new protection products in past year:
 - Click2Protect Ultimate, Click2Protect Super, Click2Protect Elite Plus

Key product innovations over the years



Recent product innovations across categories

ULIP

Non-par savings

Non-par pension

Participating

Protection

Secure your family's future with the power of enhanced¹ protection and market-linked returns

NEW **HDFC Life Smart Protect Plan**
A Unit Linked Non-Participating Individual Life Insurance Savings Plan

NEW **HDFC Life Smart Protect Plan**
A Unit Linked Non-Participating Individual Life Insurance Savings Plan

Achieve your dreams with guaranteed returns.

HDFC Life Click 2 Achieve
An individual non-participating, non-linked savings life insurance plan

Available with Life Cover

NEW **HDFC Life Click 2 Achieve**
An individual non-participating, non-linked savings life insurance plan

Double your security with guaranteed² benefits & flexibility.

NEW **HDFC Life Sanchay Aajeevan Guaranteed Advantage**
A Non-Linked, Non-Participating Individual Savings Pension Plan

NEW **HDFC Life Sanchay Aajeevan Guaranteed Advantage**
A Non-Linked, Non-Participating Individual Savings Pension Plan

Achieve your dreams like a champion.

NEW **HDFC Life Click 2 Achieve Par Advantage**
An Individual Non Linked, Participating, Savings Life Insurance Plan

Dual Benefits of Wellness & Protection

HDFC Life LiveWell Rider - Non Linked
A Non-Linked, Non-Participating/Participating Individual Pure Risk (Risk Premium/Savings, Life/Health Insurance Rider)

- ✓ Riders with Wellness (Savings) up to 100% premium
- ✓ CDF Contributions
- ✓ Annual Preventive Health Checkup*
- ✓ New Baby Living Program*
- ✓ Tele Consultation*

Rider available with:

- HDFC Life Sanchay Aajeevan Guaranteed Advantage (Non-Linked)
- HDFC Life Click 2 Protect Super (Non-Linked)
- HDFC Life Click 2 Achieve Par Advantage (Non-Linked)
- HDFC Life Click 2 Achieve Par Advantage (Participating)

With **HDFC Life LiveWell Rider - Non Linked**
A Non-Linked, Non-Participating/Participating Individual Pure Risk Premium/Savings, Life/Health Insurance Rider

A **market linked plan** which helps secure your family's future with **enhanced protection**

A **savings plan** with **guaranteed returns** and **life cover** to meet your goals

An innovative plan that offers **Double Guarantee** allowing consumers to **lock-in a lifelong income** today

A game changing product that combines **joint life coverage** with **flexibility in lump sum**

A **wellness rider** for financial well-being, providing dual Benefits of **Wellness & Protection**



Learn more about HDFC Life products



Profitable growth

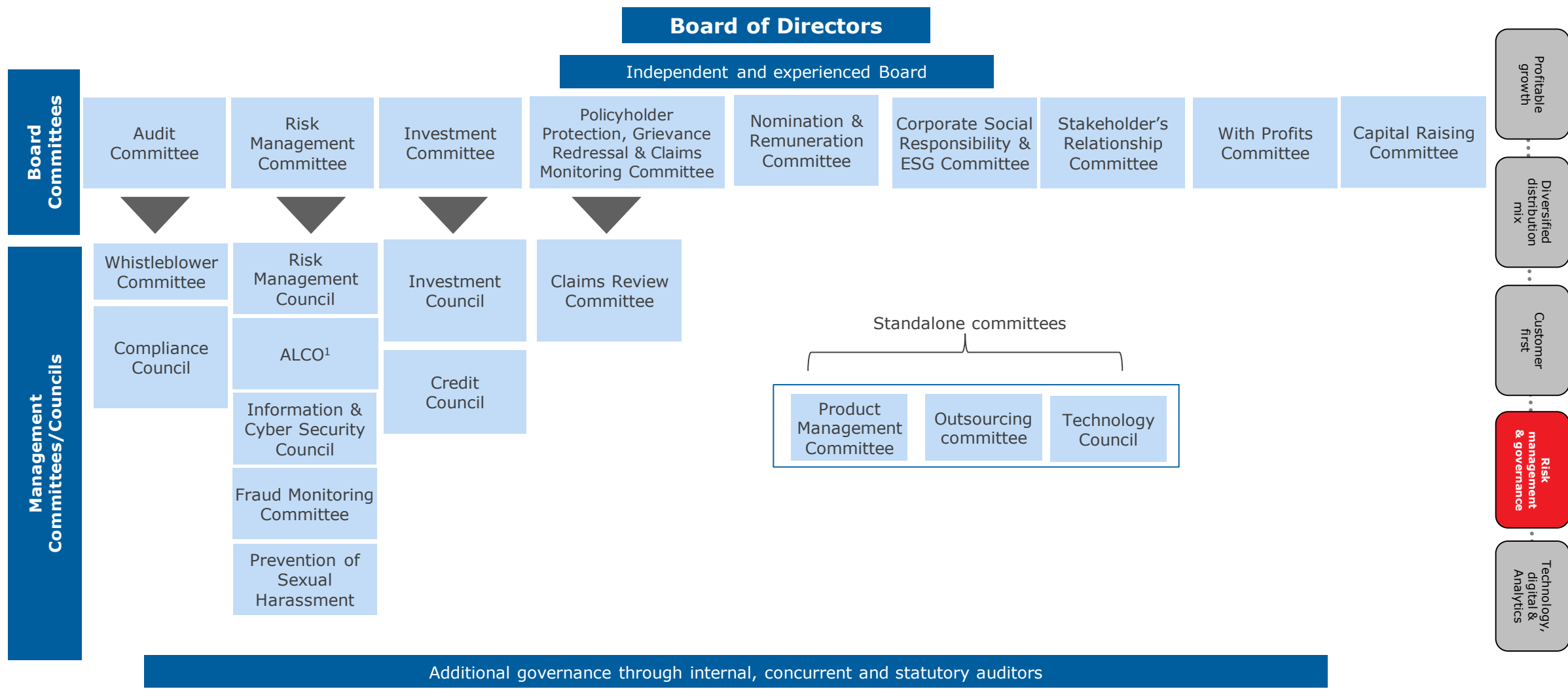
Diversified distribution mix

Customer first

Risk management & governance

Technology, digital & Analytics

Risk management & board governance



Financial risk management framework

Natural hedges

- Protection and longevity businesses
- Unit linked and non par savings products
- Broad-basing of counter-parties for FRAs

ALM approach

- Target cash flow matching for non par savings plus group protection portfolio to manage non parallel shifts and convexity
- Immunise overall portfolio to manage parallel shifts in yield curve (duration matching)

Product design & mix monitoring

- Prudent assumptions and pricing approach
- Average entry age for annuity segment is ~60 years
- Deferred as % of total annuity business < 30% with average deferment period <4 yrs
- Regular monitoring of interest rates and business mix

Partnership approach

- External hedging instruments such as FRAs, IRFs, swaps amongst others
- Reinsurance

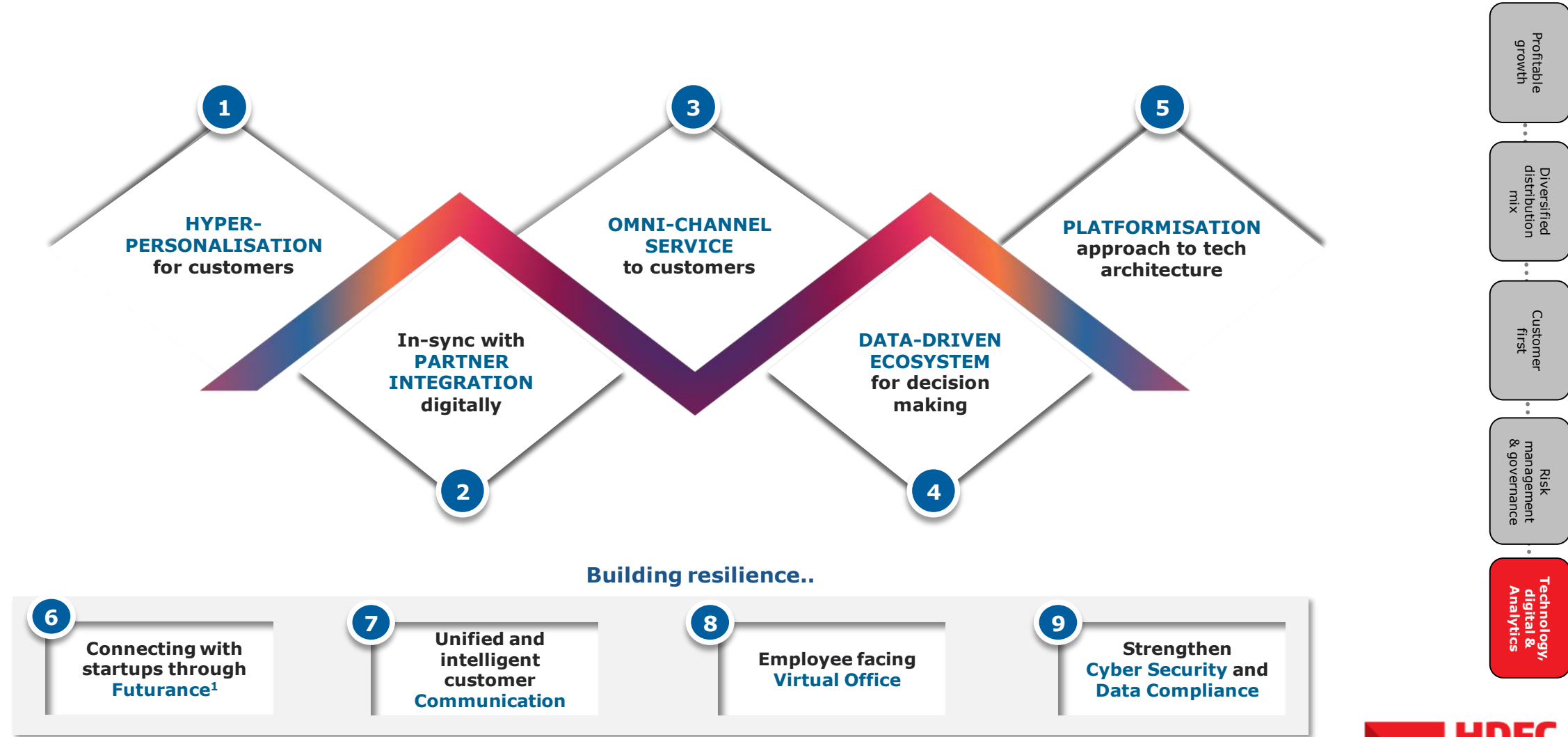
	FY25				Q1 FY26			
Sensitivity	Overall		Non par ¹		Overall		Non par ¹	
Scenario	EV	VNB Margin	EV	VNB Margin	EV	VNB Margin	EV	VNB Margin
Interest Rate +1%	(2.7%)	(1.4%)	(3.1%)	(2.2%)	(2.6%)	(1.3%)	(3.0%)	(2.0%)
Interest Rate -1%	2.6%	0.9%	2.9%	1.5%	2.5%	1.0%	2.6%	1.6%

Sensitivity remains range-bound on the back of calibrated risk management

- ~98% of debt investments in Government bonds and AAA rated securities as on June 30, 2025



Future ready organisation: Leveraging technology, digital and analytics

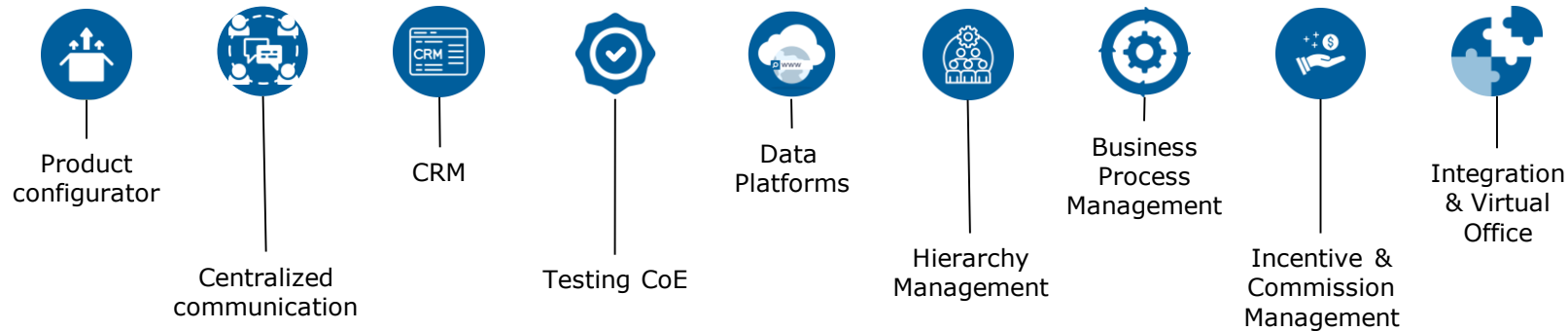


1. Futurance: A program to collaborate with startups for harnessing cutting-edge technology

Building next-gen of insurance platform: Project Inspire

Reimagining our systems and processes by investing in new technologies and capabilities

Envisioned tracks for transformation- moving towards execution



Key foundational milestones achieved

Multi-cloud architecture established



Dev ops upgraded for automated deployment



Unified data platform for Credit Protect

Credit Protect processing capabilities live in production

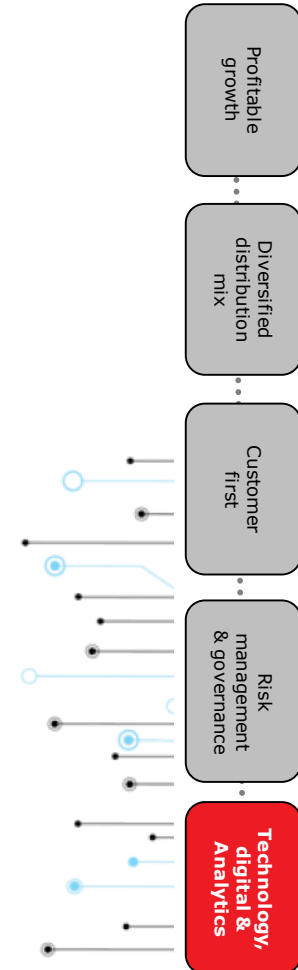


- Zero-touch straight through processing and instant issuance
- Same day claims processing and payout

Newly launched incentive and commission management system



Real-time payouts, personalized nudges, integrated reporting, improved analytics for smarter, faster and more effective sales compensation



Gen AI initiatives for Customer Engagement



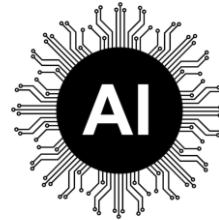
Product GPT for front-line

- **Instant, interactive** product understanding for all brochure-based customer queries
- **Deeper product exploration** leading to more informed and engaged prospects



Advanced transformer-based Chat bot

- Understanding intent, tone, and context creates **natural and engaging interactions**
- First-time resolution to **reduce repeated questions**



Marketing Content Generator

- **Higher engagement rates** by better targeted reach
- **Faster campaign execution by** personalizing content and optimizing communication channels



Digital Life Certificate for annuity holders

- Facial recognition in app **eliminates in-person visits**
- **Faster turnaround times** for payouts



Personalized Pitch Generator

- **Craft tailored, compelling pitches**, ensuring stronger engagement with prospects
- **Prepares sales representatives** with scenario-based sales pitches and objection handling

Agenda

1

Performance Snapshot

2

Business Overview

3

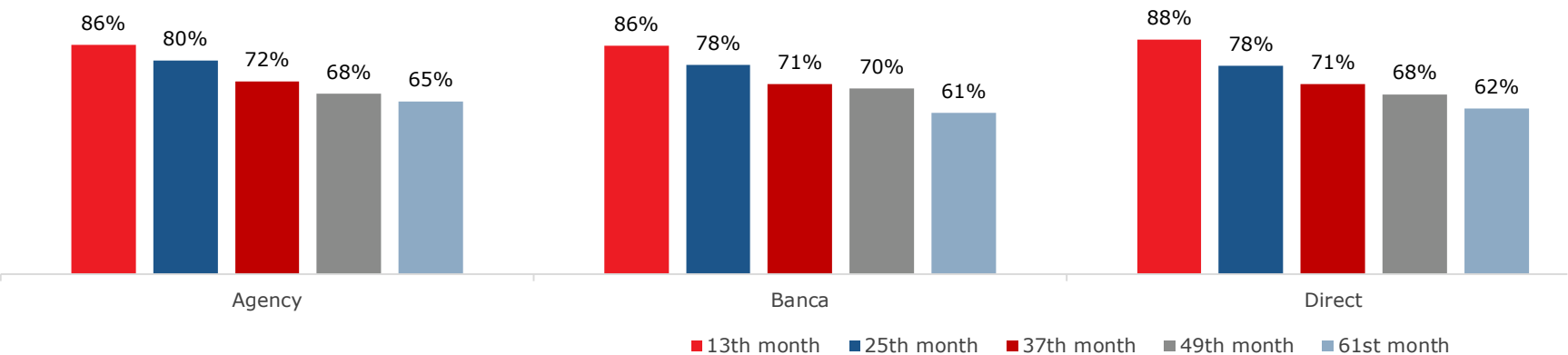
Other Business Highlights

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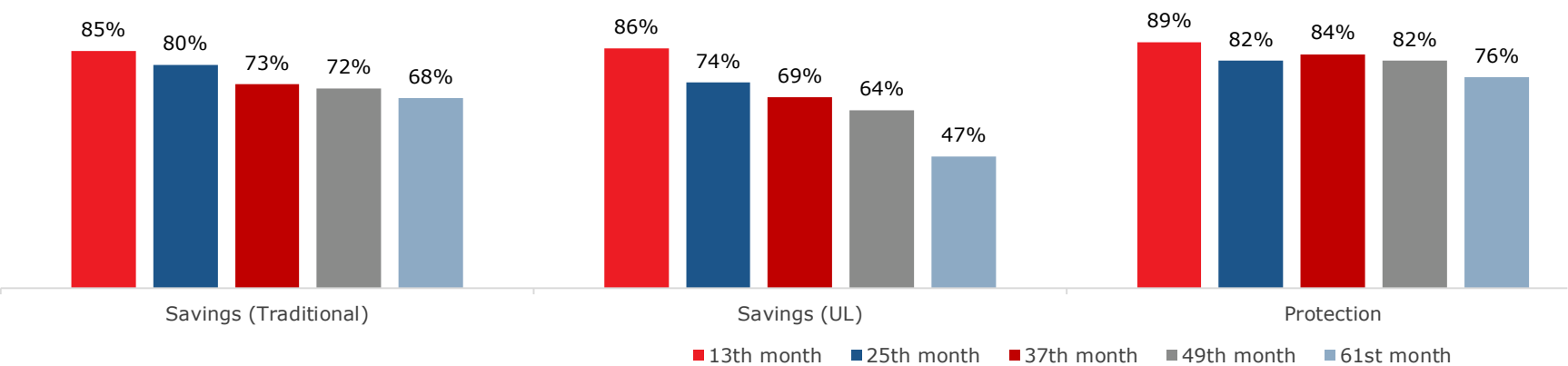
Life insurance in India

Persistency trends for HDFC Life

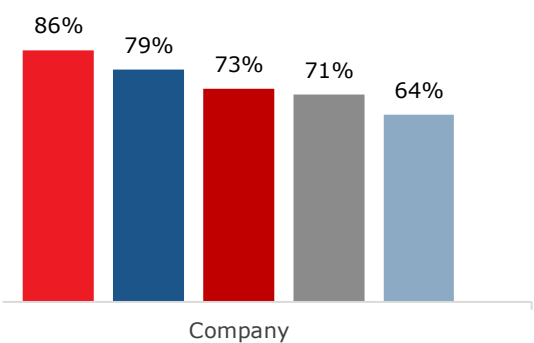
Across key channels



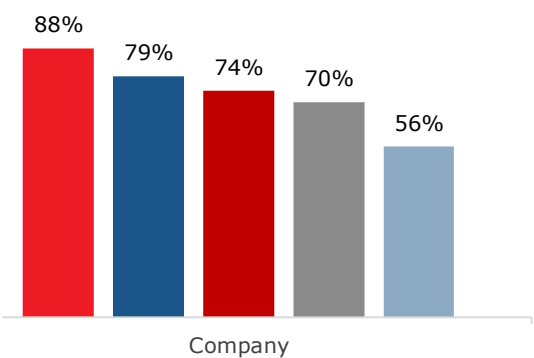
Across key segments



CY (Q1FY26)



PY (Q1FY25)



Sensitivity analysis: FY25

Analysis based on key metrics	Scenario	Change in VNB Margin ¹	% Change in EV
Change in			
Reference rate	Increase by 1%	(1.4%)	(2.7%)
	Decrease by 1%	0.9%	2.6%
Equity Market movement	Decrease by 10%	(0.2%)	(1.4%)
Persistency (Lapse rates)	Increase by 10%	(0.9%)	(0.1%)
	Decrease by 10%	0.9%	0.1%
Maintenance expenses	Increase by 10%	(0.8%)	(0.9%)
	Decrease by 10%	0.8%	0.9%
Acquisition Expenses	Increase by 10%	(2.5%)	NA
	Decrease by 10%	2.5%	NA
Mortality / Morbidity	Increase by 5%	(1.6%)	(1.2%)
	Decrease by 5%	1.6%	1.2%
Tax rate ²	Increased to 25%	(4.5%)	(9.5%)

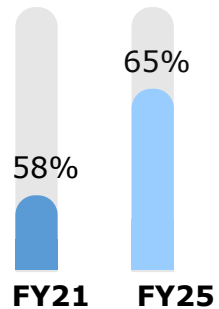
1. Post overrun total VNB for Individual and Group business

2. The tax rate is assumed to increase from 14.56% to 25% and hence all the currently taxed profits in policyholder/shareholder segments are taxed at a higher rate. It does not allow for the benefit of policyholder surplus being tax-exempt as was envisaged in the DTC Bill

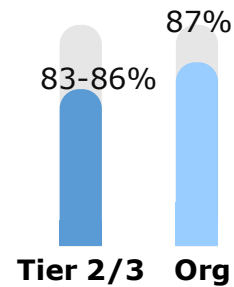
The tier 2/3 growth opportunity

Tier 2/3 markets: Grow presence, maintain quality, build future capacity

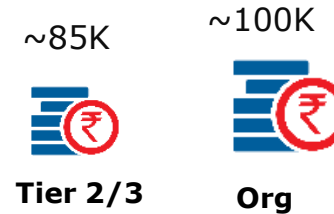
Contribution of tier 2/3 markets to APE



13M persistency closer to org



Tier 2/3 markets' ATS closer to org



Amongst top 2 brands¹ for tier 2/3 customers



Continue to innovate products, refine internal processes, localise communication to better serve this market



Higher focus on micro markets and increasing penetration in tier 2/3 markets



Expansion strategy complementary to banca partners' SURU expansion

Expanding deeper, growing stronger



Faster than company level APE growth



On NOP basis, tier 2/3 markets contributed to 3/4th of the business



Higher proportion of new to HDFC Life customers from Tier 2/3



Attracting younger customers



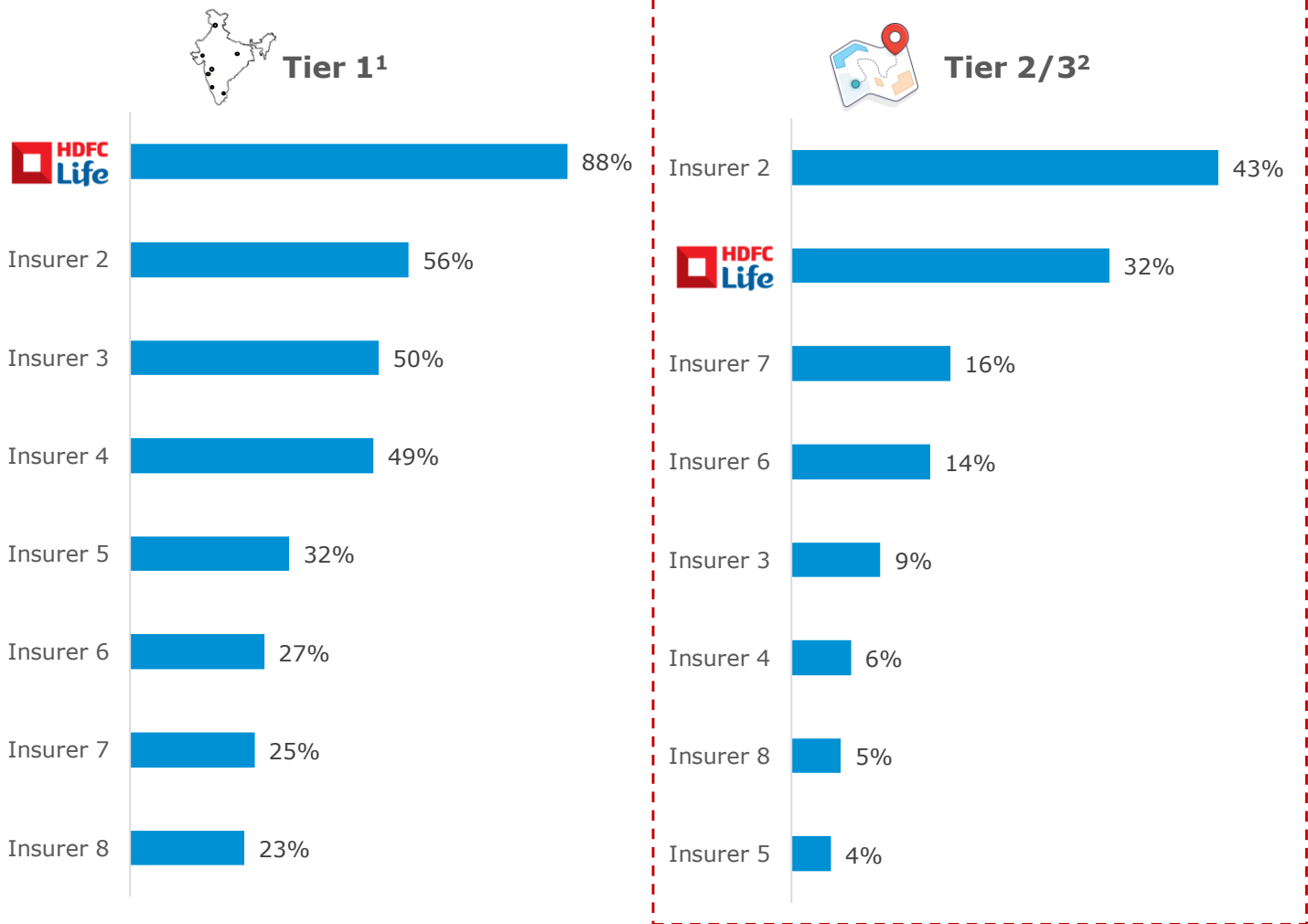
Higher branch and agent additions



Sum assured growth higher than company growth

Increased awareness across tier 2/3 markets

Spontaneous awareness (Private insurers)



Focus on category creation and deeper regional connect, supported by large campaigns:



New branch launch - Modular approach



Hyper-localization

- Announcements, hoardings, regional PR, vernacular collaterals

- Regional and local festivals, PR
- Promotion through: schools, RWAs³, traffic barricades



Educating the audience on category/product/brand



Content amplified through local influencers

- Customer/Investor connect programs through training institutes, local media

- Tapping the potential of 'social media influencers', to micro-target the audience

ESG at a Glance



MSCI has upgraded
our ESG rating
to 'AA' from 'A'

E_{nvironment}

- Board approved **Environment & Climate Change** Policy
- **Climate disclosures** aligned with TCFD
- Conducted **Climate Risk Assessment** and scenario analysis
- **Optimized energy use** with high-efficiency systems and increased green energy
- **Renewable energy** consumption rose 13.2% to 534.2 MWh
- **Sustainably managed** waste: Recycled 6 T e-waste, 10 T paper, 0.1 T plastic.

S_{ocial}

- **Women now represent 28.2%** of our workforce, a 10% increase in gender diversity over the last decade
- **Strong DE&I engagement** during Pride Month included parade participation, activist-led fireside chats, and company-wide micro-aggression training
- Our 'Swabhimaan' **CSR program delivered 24 initiatives** in 19 aspirational districts, reaching over ~9.1 L beneficiaries and advancing 14 UN SDGs
- Micro-insurance products for financial inclusion **covered over 6.7 million lives** under social sector obligations
- **Localized insurance awareness** initiatives drove engagement through culturally relevant, vernacular campaigns to expand reach and build trust.

G_{overnance}

- **Robust ESG Governance** structure led by Board CSR & ESG Committee and executive ESG Management Committee
- ESG Governance Committee ensures **integration of ESG factors** into fund management and investee engagement, guided by the Responsible Investment & Stewardship Policy
- As part of our Responsible Investing approach, overseen by the ESG Governance Committee:
 - **Sustainable Equity** Fund grew over 30% in FY 2024-25
 - Assigned **ESG ratings** to 96.27% active listed equity AUM and 69% of corporate fixed income AUM
 - Submitted second **UN-PRI Report**, building on voluntary reporting initiated in FY 2022-23.

Financial and operational snapshot (1/2)

Rs bn.

	Q1FY26	Q1FY25	FY25	FY24	FY23
<i>New Business Premium (Indl. + Group)</i>	72.7	64.0	333.7	296.3	290.9
<i>Renewal Premium (Indl. + Group)</i>	76.0	64.1	376.8	334.5	284.5
Total Premium	148.8	128.1	710.5	630.8	575.3
Individual APE	27.8	24.7	136.2	115.1	114.0
Overall APE	32.3	28.7	154.8	132.9	133.4
Profit after Tax	5.5	4.8	18.0	15.7	13.6
- <i>Policyholder Surplus</i>	3.0	2.6	9.1	6.7	5.9
- <i>Shareholder Surplus</i>	2.4	2.2	9.0	8.9	7.7
Dividend Paid	-	-	4.3	4.1	3.6
Assets Under Management	3,559	3,102	3,363	2,922	2,388
Indian Embedded Value	583.6	496.1	554.2	474.7	395.3
Net Worth ⁽¹⁾	163.2	146.8	156.8	142.0	129.7
NB (Individual and Group segment) lives insured (Mn.)	11.6	13.9	49.7	66.0	68.5
No. of Individual Policies (NB) sold (In '000s)	249	253	1,267	1,166	1,054

Financial and operational snapshot (2/2)

Rs bn.

		Q1FY26	Q1FY25	FY25	FY24	FY23
Overall New Business Margins (post overrun)		25.1%	25.0%	25.6%	26.3%	27.6%
Operating Return on EV	(1)	16.3%	17.1%	16.7%	17.5%	19.7%
Total Expenses (OpEx + Commission) / Total Premium		21.9%	21.4%	19.8%	19.4%	19.8%
Return on Equity	(2)	13.7%	13.2%	12.1%	11.5%	11.9%
Solvency Ratio		192%	186%	194%	187%	203%
Persistency (13M / 61M)		86%/64%	88%/56%	87%/63%	87%/53%	87%/52%
Individual WRP Market share		17.5%	17.1%	15.7%	15.4%	16.5%
Business Mix (%)						
- Product (UL/Non par savings/Annuity/Non par protection/Par)	(3)	38/19/5/6/32	38/35/5/6/16	39/32/5/5/19	35/30/6/5/23	19/45/5/4/27
- Indl Distribution (Banca/Agency/Non-Bank Alliances/Direct)	(3)	60/16/15/9	61/17/13/9	59/18/15/8	59/18/12/11	50/20/17/13
- Total Distribution (Banca/Agency/Non-Bank Alliances/Direct/Group)	(4)	23/7/5/11/54	24/8/5/12/51	25/9/6/11/49	24/8/5/12/51	22/9/7/13/49
- Share of protection business (Based on Indl APE)		6.3%	6.0%	5.4%	5.1%	4.1%
- Share of protection business (Based on Overall APE)		14.5%	14.4%	11.4%	13.3%	13.3%
- Share of protection business (Based on NBP)		30.0%	31.9%	26.8%	32.1%	29.0%

1. EVOP calculated on a 12 month rolling period

2. Calculated using net profit and average net worth for the period (Net worth comprises Share capital, Share premium and Accumulated profits). Opening net worth for FY23 has been adjusted in line with the scheme of merger approved by the court

3. Based on individual APE. UL: Unit Linked, Trad: Traditional, Par: Participating; Percentages are rounded off

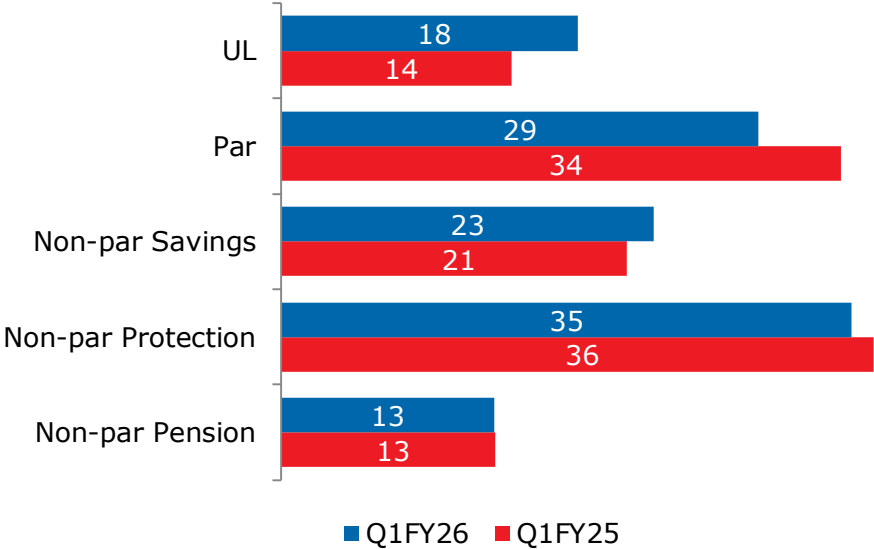
4. Based on total new business premium including group; Non-bank Alliances include brokers and other non-bank corporate agents; Select Online/Direct business has been reclassified under Non-bank Alliances. On a like-to-like basis, Direct business grew 11% over the comparable period.



Segment wise average term and age¹

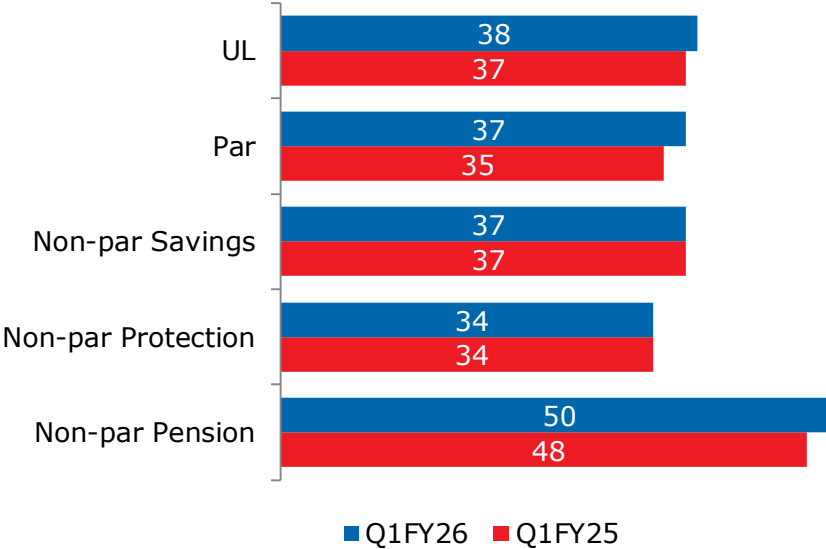
Average Policy Term (Yrs)

Q1 FY26: 25.0 (Q1 FY25: 23.5)



Average Customer Age (Yrs)

Q1 FY26: 36.7 (Q1 FY25: 36.4)



- Focus on long term insurance solutions, reflected in longer policy tenures
- Extensive product solutions catering customer needs across life cycles from young age to relatively older population

1. Based on individual new business policies (excluding annuity)

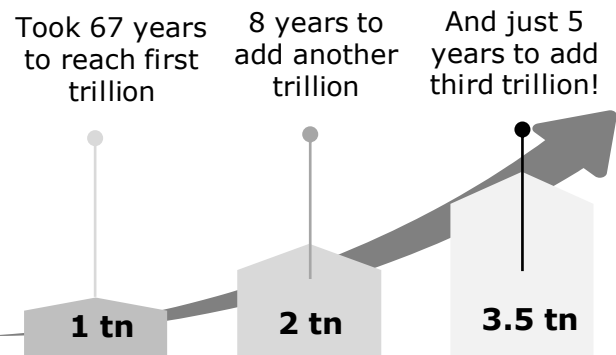
Agenda

- 1 Performance Snapshot**
- 2 Business Overview**
- 3 Other Business Highlights**
- 4 Life insurance in India**

India: poised for sustainable growth

Fifth largest and fastest growing economy

India's GDP (in USD)¹



Demographic dividend- youngest economy¹

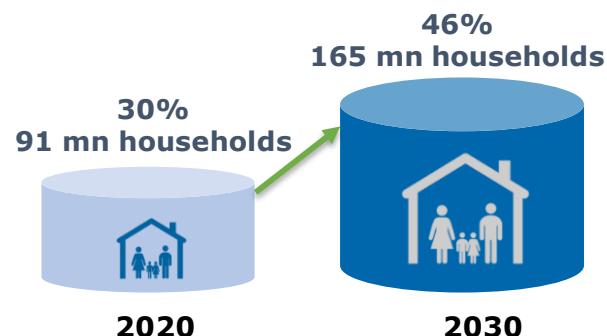


"At average age of 29 years, India to remain the youngest economy till 2070"

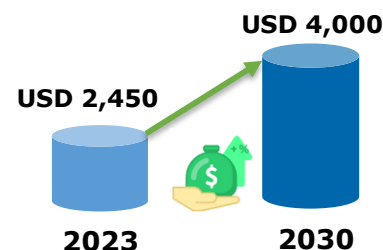
India's per capita GDP is projected to nearly double from USD 2.4K in 2022 to USD 4.3K by 2032²

Rising affluence

India's middle income segment as % of all households³



India's per capita income



India's per capita income is likely to grow by nearly 70% by 2030⁴

Investment in physical and digital building blocks to further drive growth



1.45 lakh kms

- Total length of National Highways, an increase of 59% in past 9 years⁴
- 2nd largest road network after USA



134 bn

- Transactions worth Rs ~2 trillion processed via UPI in FY24, relatively growth in tier 2 and 3



- Total PLI outlay of >\$26bn
- Capex distributed evenly across sectors and geographies⁵



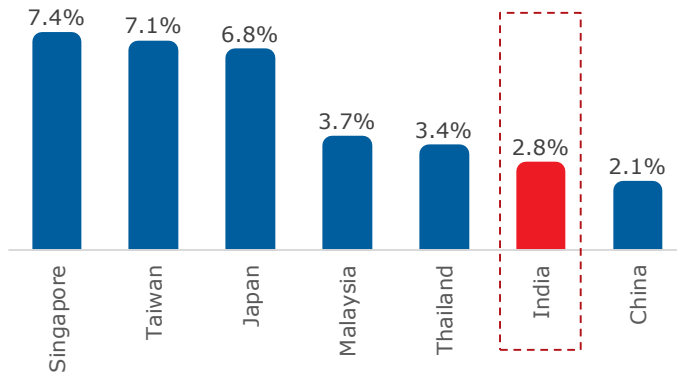
- GFCF⁶ to be >30% over the next 5 years⁵
- Bank credit to be 60% of GDP by FY30 from 50% currently⁵

Capex target up by 10% to record Rs 11.21 lakh crore in FY26 budget⁷

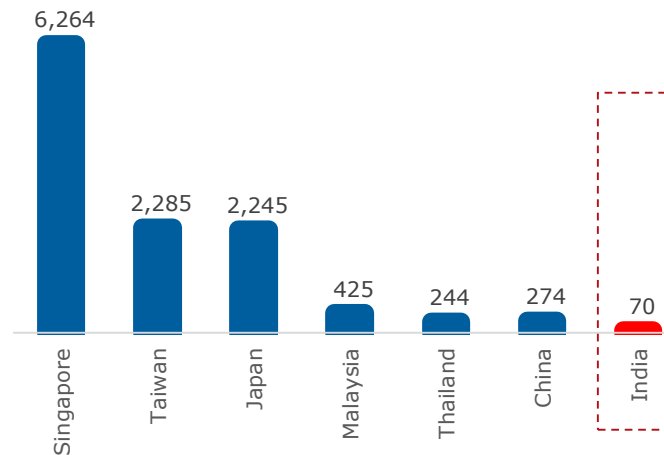
1. Invest India
 2. Swiss Re
 3. People Research on India's Consumer Economy (PRICE); average size of an household is 4.4 as in 2021
 4. Standard Chartered Bank
 5. CLSA, NDTV Profit
 6. Gross Fixed Capital Formation
 7. Economic Times

Growth opportunity: Under-penetration and favorable demographics

Life Insurance penetration¹ (FY24)

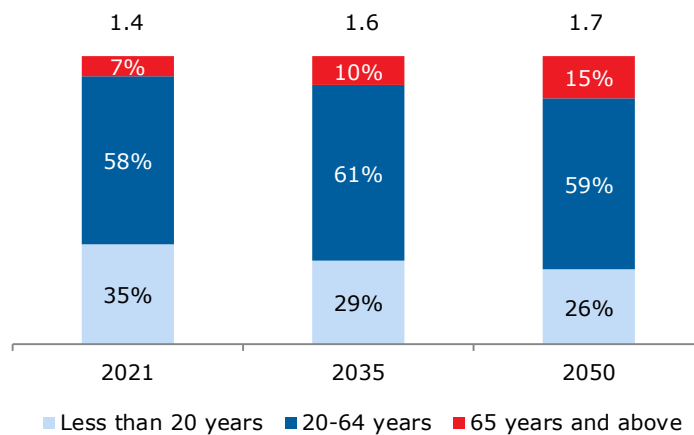


Life Insurance density US\$² (FY24)

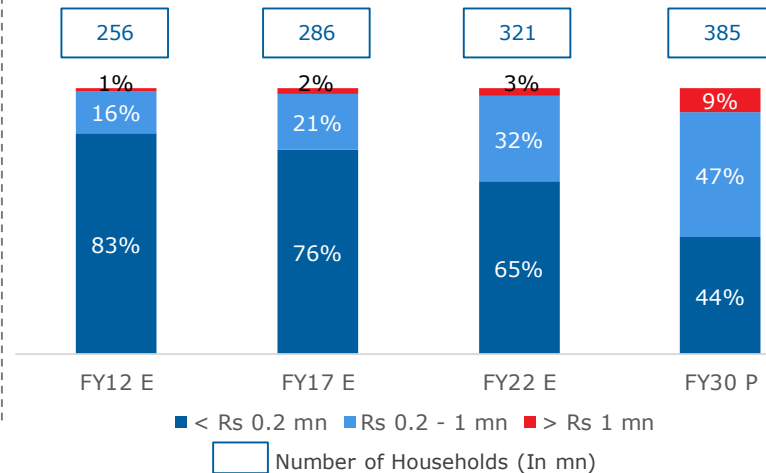


- India remains vastly under-insured, both in terms of penetration and density
- Bima Trinity initiative to catalyse growth:
 - Bima Sugam: Unified digital insurance platform
 - Bima Vistaar: Affordable bundled insurance product
 - Bima Vahak: Women led rural distribution system

Population composition (bn)



Household distribution by income



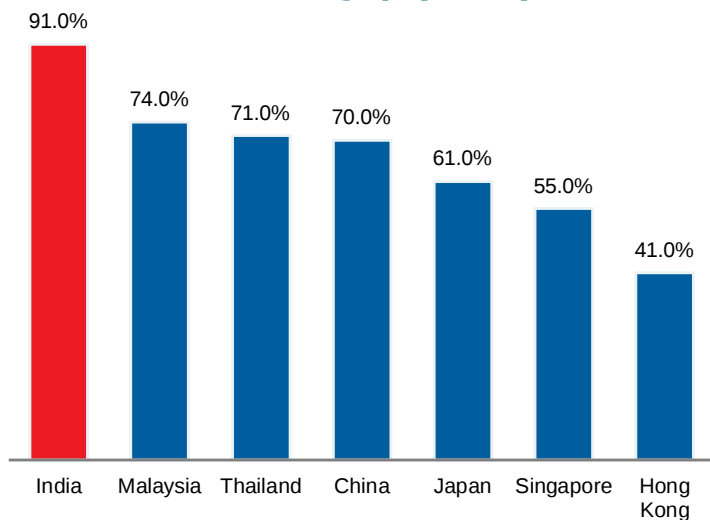
- Over the next decade, life insurance premiums are projected to grow at 9% annually (real terms), making India the 5th largest LI market globally
- India's insurable population estimated to be at ~1 bn by 2035
- Number of middle income households is expected to almost double to 181 mn between FY22 and FY30
- High proportion of this increase is expected to come from semi-urban and rural areas

1. Penetration as measured by premiums as % of GDP,

2. Density defined as the ratio of premium underwritten in a given year to the total population

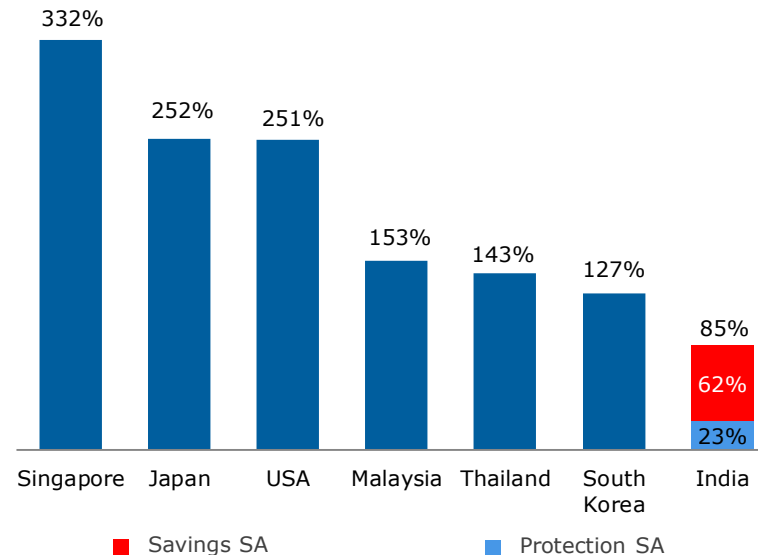
Life protection: low levels of penetration

Protection gap (2019)¹



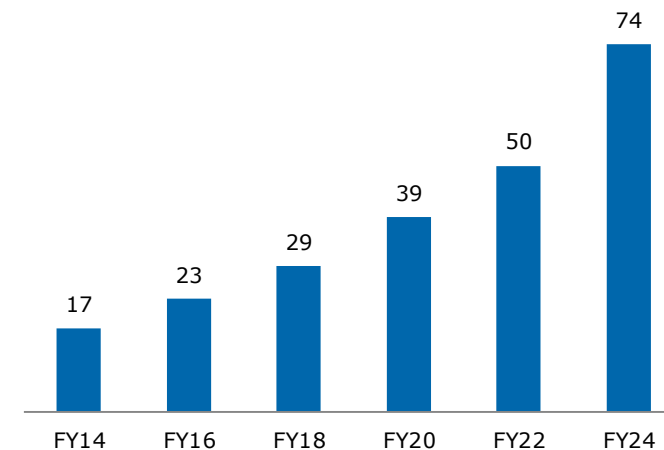
- India has the highest protection gap in the region
- Savings and life insurance coverage growth lagged economic and wage growth
- Protection gap growth rate to grow at ~4% per annum

Sum Assured as a % of GDP²



- India has the lowest sum assured (SA) as a % of GDP amongst its peers
- Opportunity for protection growth in life insurance due to:
 - Rising middle income
 - Increasing financial literacy
 - Limited life cover represents

Trend of retail loans³ (Rs Tn.)



- Retail credit has grown at a CAGR of 16% over last 10 years
- Credit life need would be spurred by:
 - Increasing retail indebtedness
 - Increasing attachment rates
 - Increasing value penetration
 - Growing lines of business

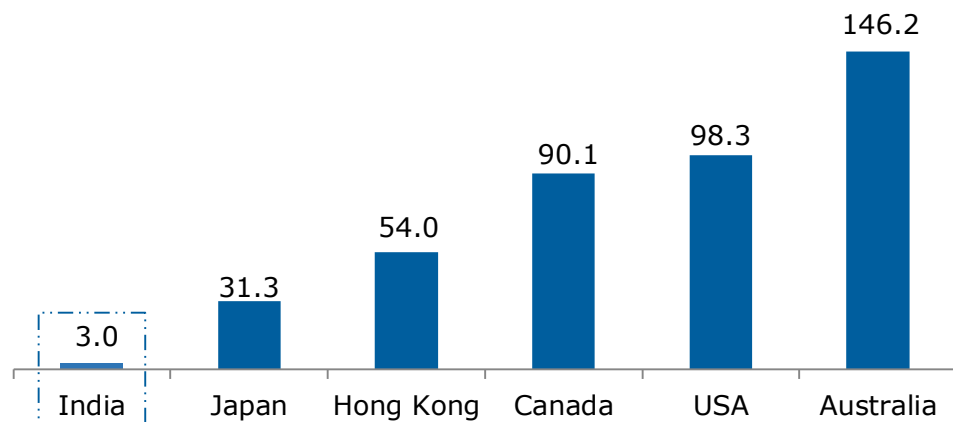
1. Swiss Re. India's protection gap is as of CY22

2. Jefferies "Composite Insurance License in India: Taking a Leaf from Global Experience" report 2022

3. Kotak Institutional Equities

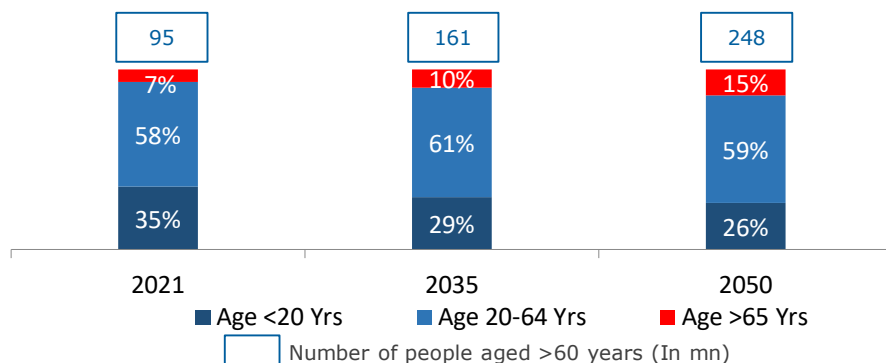
Macro opportunity: Retiral solutions

India's pension market is under-penetrated at 3%¹ of GDP



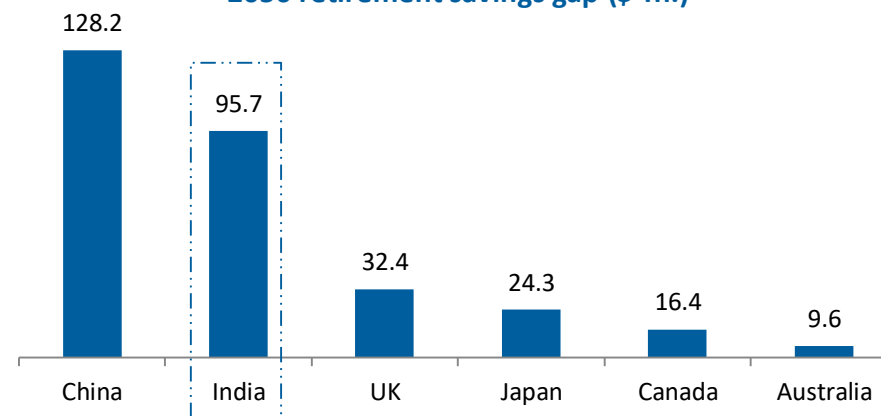
Elderly population is expected to increase 2.5x by 2050

Ageing population



India's retirement savings gap² to grow annually by 10% to reach ~\$96Tn in 2050

2050 retirement savings gap (\$ Tn.)



- Improvements in life expectancy will lead to an average post-retirement period of 20 years
- Average household size has decreased from 4.6 in 2001 to 3.9 in 2018
- Total Pension AUM is expected to grow to Rs 118 Tn by 2030 (about 1/4th accounted by NPS)
- Mandatory schemes to increase coverage for both unorganised and organised sectors

Source: Swiss Re: A Retirement lifeline (2023), OECD (2021), Milliman Asia Retirement Report 2017, Survey by NSSO, MoSPI, United Nations World Populations Prospects Report (2022)

1. Comprising pension assets / funds

2. Retirement savings gap = Desired retirement income (i.e. 70% of pre-retirement annual income) - Actual income (i.e. social security benefits + employer benefits + personal savings)

Life Insurance: Contributing to nation-building



Insuring India

- Policies issued annually (last 5 years): ~30 Mn
- Death claims settled in FY24: ₹500 Bn
- In-force sum assured (Mar 31, 2024): ₹222 Tn



Mobilising Long-Term Capital

- Life insurers channel household savings into long-term investments
- Strong exposure to infra and corporate bonds aid economic growth

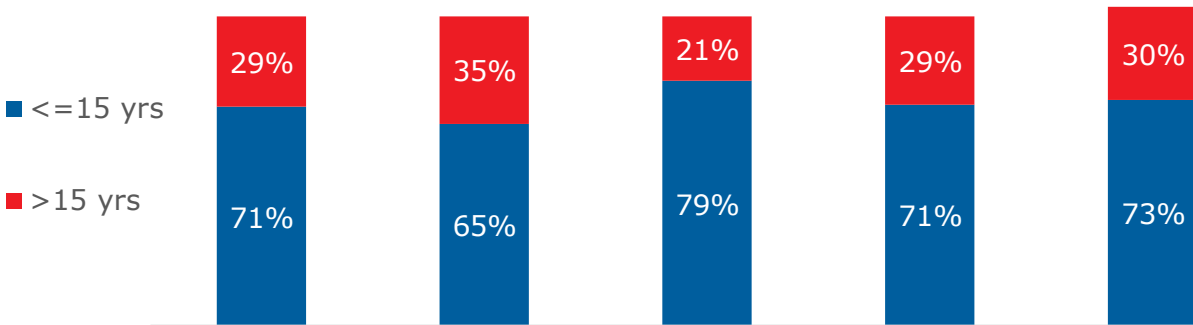


Supporting national growth

- 15%+ of traditional fund AUM invested in infra & social sectors
- Lives covered via micro-insurance: 180 Mn
- ~20% of G-Secs issued are subscribed by life insurers

Rs Bn

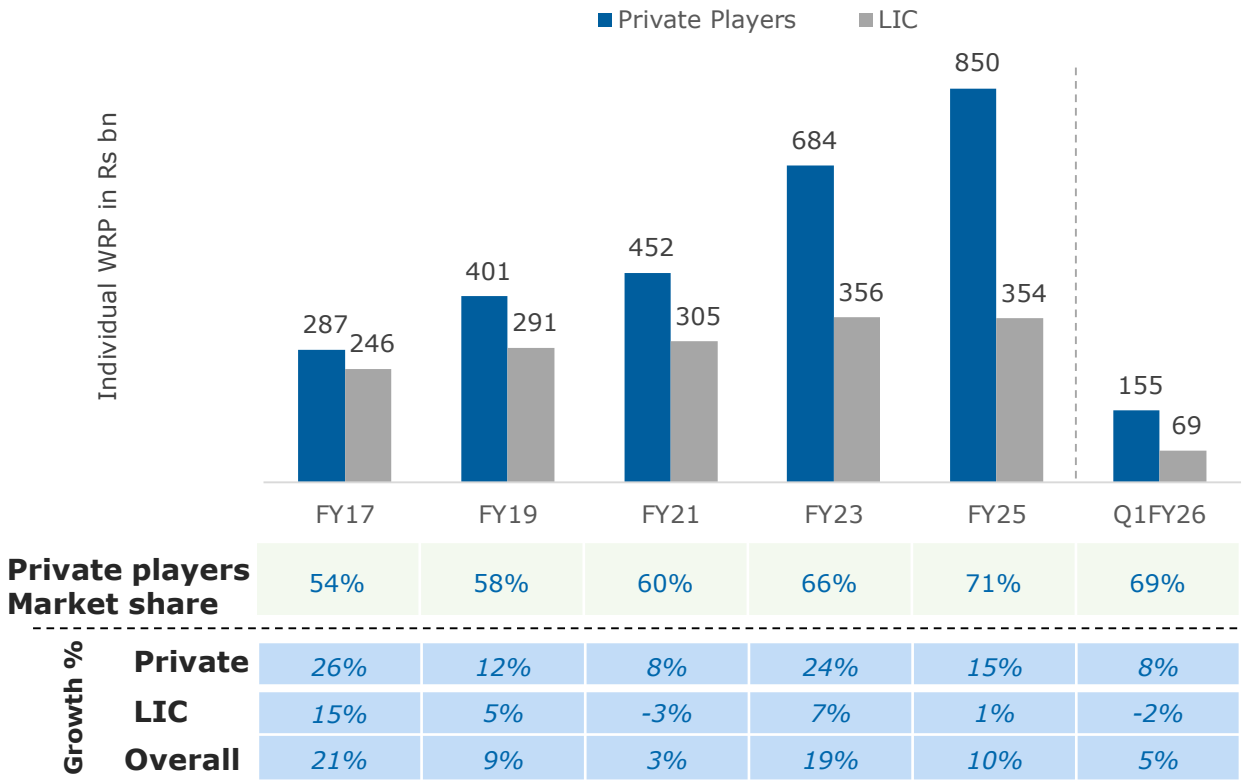
Government bonds - Tenorwise Issuance



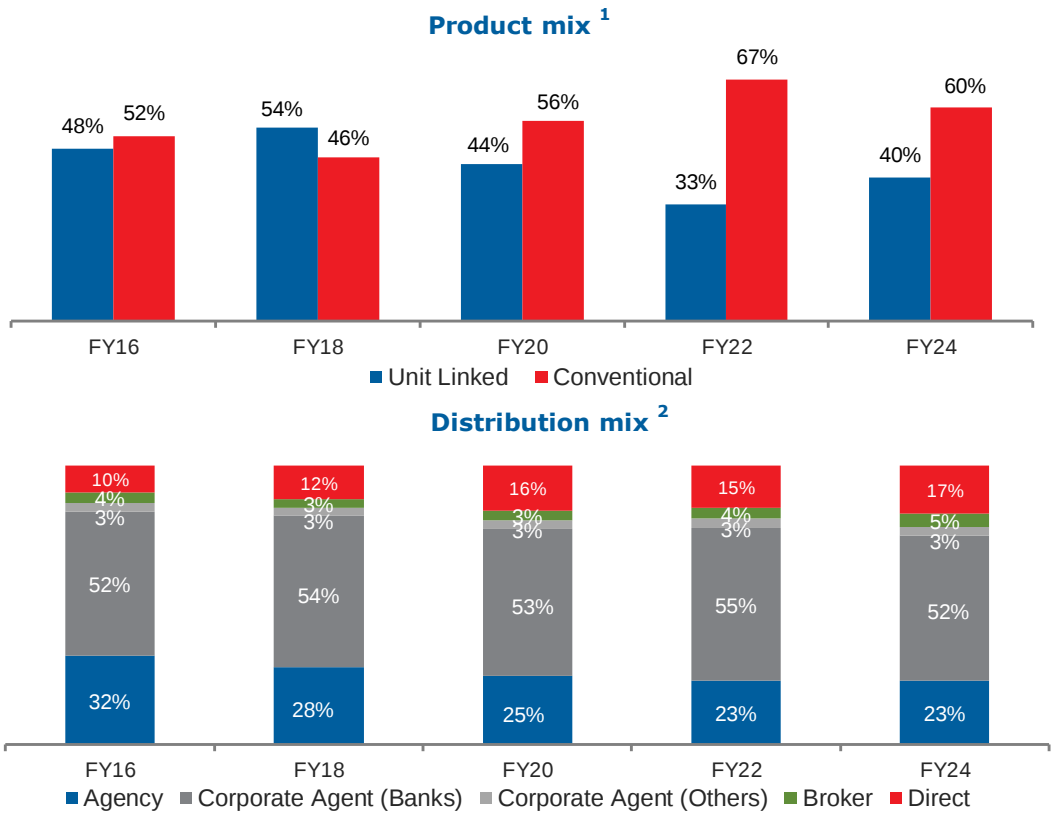
	FY17	FY19	FY21	FY23	FY25
<=15 yrs	3,735	3,829	10,018	10,040	8,760
>15 yrs	1,545	2,040	2,656	4,010	5,350
Total	5,280	5,869	12,674	14,050	14,110

- Auction of >15 year maturity bonds has been ~25-30% on an average which facilitates writing annuity business at scale
- Budget estimate of gross government borrowing for FY26 is at Rs 14.8 trillion

Industry new business trends



- Private sector remained at higher market share than LIC FY16 onwards
- Amongst private insurers, insurers with a strong bancassurance platform continue to gain market share



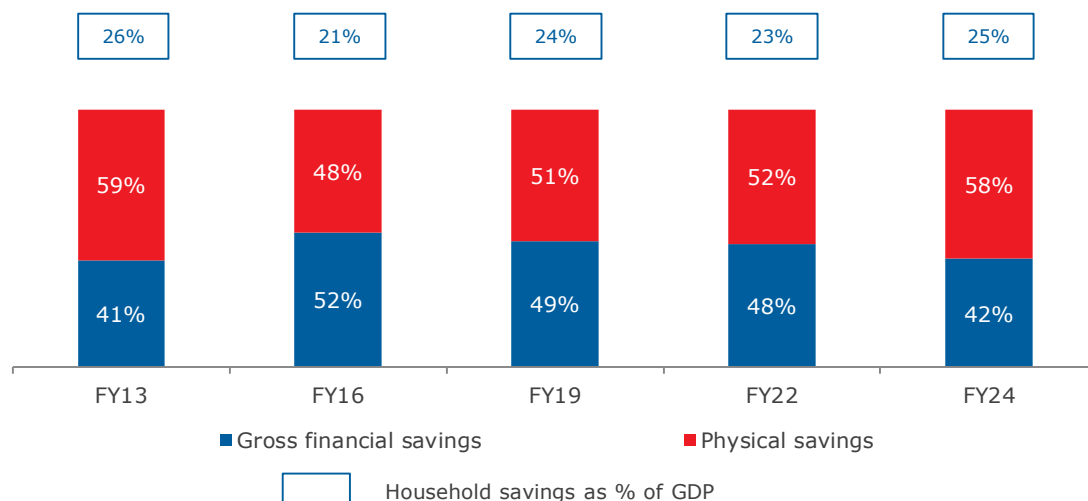
- Private players are shifting towards ULIPs with a strong focus towards protection
- Banca remains the dominant channel, supported by expanding bank reach and growing direct channel contribution

Source: IRDAI and Life Insurance Council;
1. Based on Overall WRP (Individual and Group) for all private players
2. Based on Individual New business premia for all private players

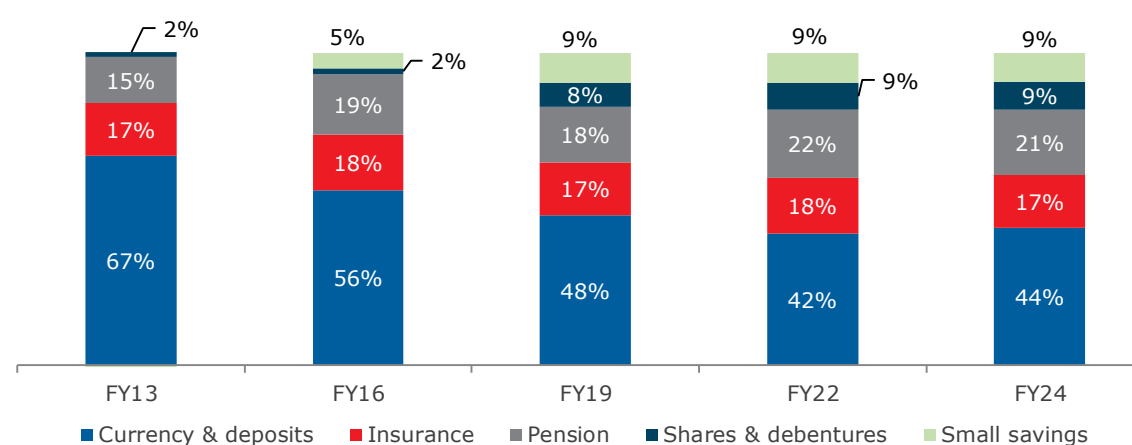


Life Insurance: A preferred savings instrument

Household savings composition



Financial savings mix



- Increasing preference towards financial savings with increasing financial literacy within the population
- Implementation of JAM trinity. Deposits in PMJDY accounts grew 14x in a decade to 2.23 Lakh Crores by March 2024
 - Nearly 90% of people in the country have a bank account, without any sharp urban-rural divide
- Launch of affordable PMJJBY and PMSBY social insurance schemes
- Atal Pension Yojana promoting pension in unorganised sector

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FY25 Annual Report



ESG Report



FY25 ESG summary



Sustainability Factsheet

