MATERIALITY ASSESSMENT

Identifying and prioritising key issues

To ensure long-term sustainability and value creation, Axis Max Life Insurance Company Limited (AMLI) proactively identifies and manages relevant Impacts, Risks, and Opportunities (IROs) in the rapidly evolving insurance sector. We recognise the importance of thoroughly assessing these factors to strategically mitigate potential downsides while unlocking new avenues for growth, contributing meaningfully to the nation's progress.

Following extensive Stakeholder Engagement and the Materiality Assessment undertaken by the Company for FY 2025-26 and subsequent stakeholder feedback, AMLI adopted a 'Double Materiality' approach to assess the material issues relevant to the Company. A total of 13 Impacts Risks and Opportunities (IROs) were identified based on our internal assessment, sector research, peer review and benchmarking, and secondary sources.

During the 'Double Materiality Assessment' for FY 2025-26, we considered how the Company's operations affect the environment and people while also assessing how the IROs affect the Company's long-term value, financial performance, and resilience. We considered both the actual and potential, positive and negative, societal and environmental footprint across short term, medium term and long term.

The Company aligned its methodology with leading global benchmarks, including the Corporate Sustainability Reporting Directive (CSRD) and European Sustainability Reporting Standards (ESRS) on double materiality. Our comprehensive assessment also resonates with the guiding principles of the BRSR and GRI frameworks.

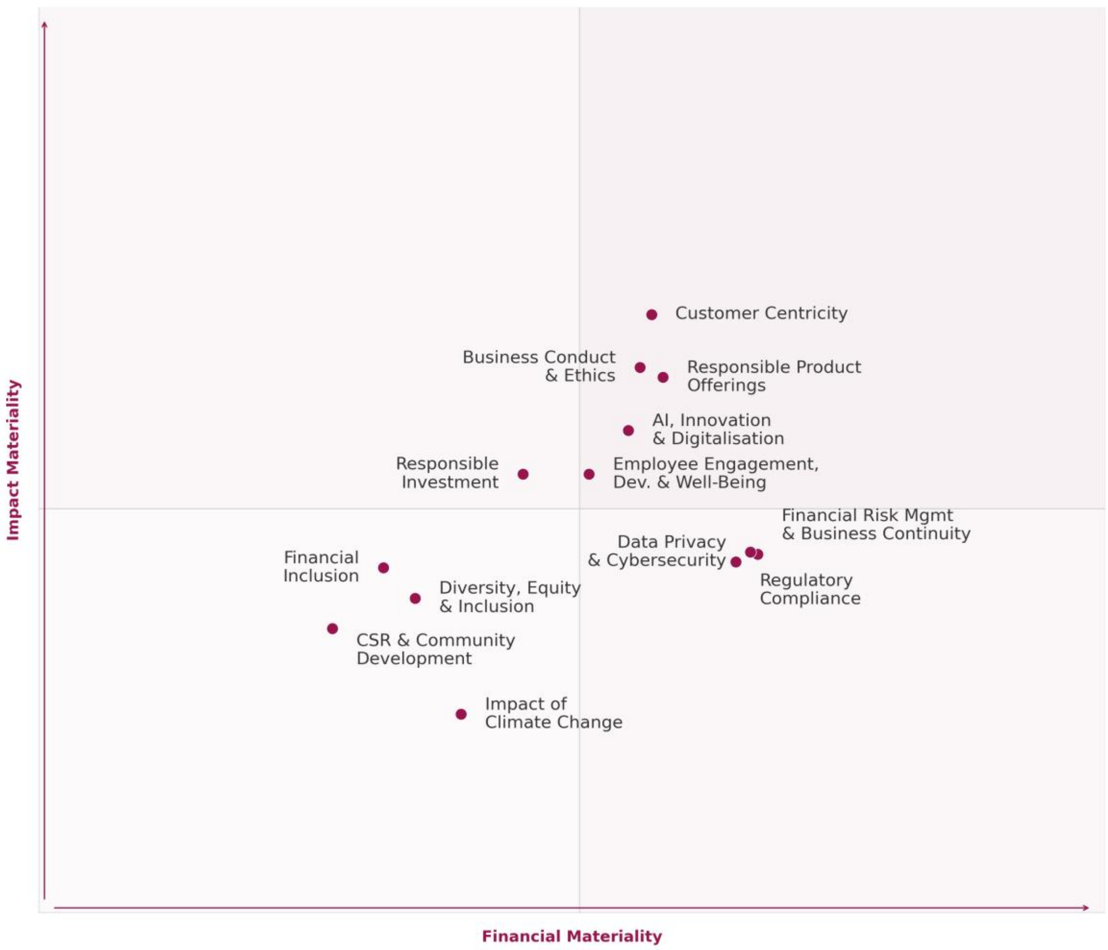
We strongly believe that continuous engagement with our stakeholders is essential to truly understand the issues that are of the greatest importance to the Company's operations. We recognise that stakeholders often have diverse and, at times, opposing perspectives on these critical matters.

Assessment Period: January – March 2026 | **Framework:** EFRAG IG-1 / ESRS / GRI / BRSR | **Respondents:** 109 across 11 stakeholder categories

Approach to Double Materiality

Identification of IROs (Impact, Risk and Opportunities)	→	Stakeholder Engagement	→	Impact Materiality	→	Financial Materiality	→	Determination and Prioritisation of Material Topics
Understanding the context of AMLI business model, and identify the relevant material topics		Engagement with stakeholders (internal and external) through online survey		Assess impacts of AMLI Business on people and environment		Evaluate financial risks and opportunities from sustainability topics		Threshold application and Double materiality matrix plotting and quadrant classification

Materiality Matrix



Material Topics

Customer Centricity

What it Means	Interlinkage with Value Creation	FY 2025-26 HIGHLIGHTS
An exceptional customer experience and satisfaction are fundamental to AMLI's success. With millions of policyholders across India relying on the Company for financial protection, savings, and retirement security, AMLI bears a profound responsibility to deliver on its promises with empathy, transparency, and efficiency. Customer centricity extends beyond service quality to encompass product suitability, fair pricing, accessible grievance redressal, and a seamless digital experience across the policyholder lifecycle.	Leveraging digital outreach, AMLI seeks customer feedback through regular satisfaction surveys, which allows the Company to gather valuable inputs that guide continuous improvement of products and services. AMLI adheres to IRDAI's Policyholder Protection and Grievance Redressal guidelines, ensuring fair treatment for all customers. Customer centricity is a short-term value driver that directly influences policyholder retention, new business acquisition, and brand strength.	» Individual claims settlement ratio among the highest in the industry » Claim settlement turnaround time significantly reduced year-on-year » Net Promoter Score improved across customer touchpoints » Digital self-service adoption rate increased substantially
Stakeholders Impacted Policyholders, Employees, Distribution Partners		**SDGs Impacted** SDG 8, SDG 9

Dominant Value Creation Time Horizon: Short-term

Responsible Product Offerings

What it Means	Interlinkage with Value Creation	FY 2025-26 HIGHLIGHTS
In the life insurance sector, where products are inherently complex and information asymmetry between the insurer and the policyholder is significant, responsible product design is both an ethical imperative and a business necessity. For AMLI, responsible product offerings encompass affordability, accessibility, and appropriateness across the diverse spectrum of Indian customers — from metro professionals seeking wealth management to rural families needing basic protection. Product suitability, transparent communication, and fair pricing are vital to sustained trust.	Responsible products build long-term policyholder trust and loyalty, reduce regulatory risk, enhance brand reputation, and drive sustainable growth. AMLI integrates ESG considerations into product design, developing innovative and affordable protection products for under-insured segments. The Company continuously improves product transparency and disclosure practices, ensuring customers make informed decisions aligned with their actual needs.	» Comprehensive product suite covering protection, savings, and retirement needs » Persistency ratios improved year-on-year across product categories » Low product-related complaint ratio maintained » New products designed with enhanced transparency and suitability assessments
Stakeholders Impacted Policyholders, Distribution Partners, Regulators		**SDGs Impacted** SDG 8, SDG 10

Dominant Value Creation Time Horizon: Short-term

Business Conduct and Ethics

What it Means

Strong governance and ethical conduct are fundamental to the Company's long-term success and trust-building. Ethical governance in the insurance sector carries particularly high stakes because of the industry's social contract with policyholders. AMLI upholds high governance standards, ensures accountable leadership, and embeds ethics across operations and distribution. Strong ethical conduct encompasses anti-bribery and anti-corruption measures, robust whistleblower mechanisms, prevention of conflicts of interest, and zero tolerance for mis-selling.

Interlinkage with Value Creation

AMLI upholds the highest standards of governance while maintaining rigorous transparency in risk management and internal controls. The Company's robust governance framework ensures full regulatory compliance and supports value creation for all stakeholders. A comprehensive ESG strategy further helps align with stakeholder priorities, address climate challenges, and ensure effective board oversight, driving transparency, fairness, and shared sustainable value creation.

FY 2025-26 HIGHLIGHTS

» Zero incidents of conflict of interest reported

» Robust whistleblower mechanism in place with anonymous reporting channels

» 100% of distribution partners covered under Code of Conduct

» Regular ethics and compliance training for all employees and agents

Stakeholders Impacted

All Stakeholders

SDGs Impacted

SDG 16

Dominant Value Creation Time Horizon: Short-term

Artificial Intelligence, Innovation and Digitalisation

What it Means

Digitalisation and innovation are transforming the insurance value chain, unlocking significant opportunities to optimise operations, enhance customer experience, and stay competitive. AI and digitalisation touch every aspect — from product design where predictive analytics enables more accurate risk assessment, to claims processing where automation reduces settlement times. By strategically adopting emerging technologies, AMLI can streamline processes, develop advanced digital products and services, and deliver more personalised, secure digital interactions.

Interlinkage with Value Creation

The Company differentiates itself through best-in-class technology, digital innovation, and beyond-insurance solutions to foster business expansion. AMLI has enhanced its digital capabilities, bolstered its technological framework, and leveraged advanced analytics to enrich customer experience. Digital transformation is a short-term value driver with compounding long-term returns, as the Company's ability to harness technology determines its competitive position in an increasingly digital insurance marketplace.

FY 2025-26 HIGHLIGHTS

» Significant increase in digital policy issuance and servicing

» AI-powered underwriting and claims processing capabilities deployed

» Enhanced mobile app with improved customer self-service features

» Advanced analytics platform for personalised customer engagement

Stakeholders Impacted

Policyholders, Employees, Distribution Partners, Investors

SDGs Impacted

SDG 9

Dominant Value Creation Time Horizon: Short-term

Employee Engagement, Development and Well-Being

What it Means

Attracting, developing, and retaining talent is key to AMLI's success. In India's competitive financial services talent market, the Company invests in learning, engagement, and wellbeing to build a motivated, high-performing, and resilient workforce. By supporting mental health, work-life balance, and safety, AMLI fosters an inclusive culture that draws and nurtures top talent. Human capital is the Company's most critical asset — the quality of the workforce directly determines the ability to deliver on promises to policyholders.

Interlinkage with Value Creation

Supported by a comprehensive HR policy emphasising meaningful career experiences, flexible work arrangements, and outcome-driven performance metrics, AMLI is well-positioned to drive innovation and growth in the insurance sector. Through progressive HR programmes and policies, the Company has built an enabling and inclusive work environment that supports continuous learning and career development. Employee engagement and business performance in insurance are directly and measurably linked.

FY 2025-26 HIGHLIGHTS

» Significant investment in learning hours per employee

» Employee engagement scores improved year-on-year

» Comprehensive well-being programmes covering physical and mental health

» Internal mobility and career development opportunities expanded

Stakeholders Impacted

Employees, Leadership

SDGs Impacted

SDG 3, SDG 4, SDG 5, SDG 8

Dominant Value Creation Time Horizon: Short-term

Data Privacy and Cybersecurity

What it Means

Data privacy and cybersecurity are fundamental to maintaining policyholder trust in today's digital world. As a customer-centric life insurance company, AMLI recognises that safeguarding personal, health, and financial data is critical to its reputation and business continuity. Data breaches can have severe consequences — regulatory penalties under the Digital Personal Data Protection Act, 2023, erosion of customer confidence, and operational disruption — making it essential to constantly strengthen IT security measures to mitigate cyber threats and protect policyholder information.

Interlinkage with Value Creation

AMLI prioritises data security, investing in robust cybersecurity capabilities and adhering to stringent data protection policies aligned with industry best practices and regulations. The Company's Information Security framework ensures regular assessment and validation of controls against cyber threats, aligning with ISO 27001 standards. Certain types of data breaches — particularly those involving sensitive health or financial information — are irreversible, underscoring the critical importance of proactive prevention.

FY 2025-26 HIGHLIGHTS

» Zero instances of customer data breach reported during FY 2025-26

» 100% of employees completed mandatory cybersecurity awareness training

» Regular vulnerability assessments and penetration testing conducted

» ISO 27001-aligned Information Security Management System in place

Stakeholders Impacted

Policyholders, Employees, Regulators, Investors

SDGs Impacted

SDG 9, SDG 16

Dominant Value Creation Time Horizon: Short-term

Regulatory Compliance

What it Means	Interlinkage with Value Creation	FY 2025-26 HIGHLIGHTS
Adherence to the regulatory framework is not just a legal obligation but essential to long-term value creation. As a leading life insurance company in India, AMLI navigates a complex and evolving regulatory environment governed by IRDAI, where any non-compliance can lead to financial penalties, licence restrictions, legal repercussions, and reputational damage. The regulatory landscape is evolving rapidly with IRDAI's ongoing reforms including the transition to a principle-based framework and enhanced BRSR disclosure requirements.	AMLI's culture of compliance helps mitigate risks better and bolsters business resilience and stakeholder confidence. Stakeholders — including policyholders, investors, and the community — rely on the Company's commitment to regulatory compliance and ethical conduct to mitigate potential risks. Proactive regulatory engagement and compliance infrastructure enable agile adaptation to new requirements while protecting AMLI's licence to operate.	» 100% compliance with IRDAI's mandatory regulatory filings and disclosures » All employees completed mandatory annual compliance training » Zero material regulatory penalties or sanctions during the year » Enhanced BRSR disclosure infrastructure implemented, by using a centralized online sustainability platform
Stakeholders Impacted Regulators, Investors, Policyholders		**SDGs Impacted** SDG 8, SDG 16

Dominant Value Creation Time Horizon: Short-term

Financial Risk Management and Business Continuity

What it Means	Interlinkage with Value Creation	FY 2025-26 HIGHLIGHTS
Robust financial risk management enhances the Company's resilience and drives sustainable growth. The robustness of AMLI's financial risk management framework is foundational to its ability to honour long-term promises to policyholders. As a life insurer managing substantial long-duration liabilities, asset-liability management, solvency adequacy, and investment risk governance are existential imperatives. In today's dynamic financial landscape, proactively managing both traditional financial and emerging ESG-related risks is key to navigating complexities and seizing opportunities.	AMLI's risk management framework empowers the Company to identify and address changing risks proactively. Supported by a robust risk governance structure, the Board maintains keen oversight on every aspect of risk management, ensuring transparency, accountability, and resilience. The framework extends beyond traditional actuarial and investment risks to encompass emerging threats such as climate-related financial risk, pandemic exposure, and cyber-financial risk.	» Solvency ratio maintained well above IRDAI's minimum requirement of 150% » Comprehensive stress testing and scenario analysis capabilities in place » Business Continuity Plan tested and validated annually » Integrated risk management framework aligned with ORSA requirements
Stakeholders Impacted Investors, Policyholders, Regulators		**SDGs Impacted** SDG 8

Dominant Value Creation Time Horizon: Short-term

Responsible Investment

What it Means	Interlinkage with Value Creation	FY 2025-26 HIGHLIGHTS
Responsible investment — the integration of ESG factors into investment analysis and decision-making — is an increasingly material topic for life insurers given their role as long-term institutional investors. AMLI manages a substantial investment portfolio on behalf of policyholders, and asset allocation decisions have significant outward impacts on the environment and society, as well as inward effects on long-term portfolio performance and risk. India's regulatory landscape is also evolving to encourage responsible investment practices.	AMLI continuously engages with stakeholders and investors, sharing key updates on operations and performance. The Company recognises that ESG-integrated portfolios can generate better risk-adjusted returns over the long term. By progressively developing an ESG-integrated investment framework, investing in green bonds and sustainable infrastructure, and building stewardship capabilities, AMLI strengthens its role as a responsible institutional investor.	» Progressive integration of ESG factors into investment decision-making » Growing allocation to green bonds and sustainable instruments » Stewardship and engagement activities with investee companies » Investment policy reviewed to incorporate ESG considerations
Stakeholders Impacted Investors, Policyholders		**SDGs Impacted** SDG 7, SDG 13

Dominant Value Creation Time Horizon: Long-term

Financial Inclusion

What it Means	Interlinkage with Value Creation	FY 2025-26 HIGHLIGHTS
Financial inclusion — the expansion of affordable, accessible insurance and financial services to underserved and unbanked populations — is a core societal responsibility for life insurers in India. For AMLI, this encompasses developing micro-insurance and simplified protection products, extending distribution reach to rural and semi-urban areas, and promoting financial literacy to enable informed decision-making around life and health protection.	Expanding insurance penetration to underserved segments opens long-term growth markets while fulfilling AMLI’s social mandate. By leveraging digital platforms, simplified product designs, and vernacular communication, the Company addresses India’s significant protection gap. Financial inclusion strengthens distribution networks and builds brand equity among emerging customer segments, contributing to sustainable value creation.	» Continued expansion into Tier II and Tier III markets through enhanced distribution reach » Development of affordable protection products tailored for underserved segments » Digital onboarding initiatives to simplify access for first-time insurance buyers » Financial literacy and awareness programmes conducted across communities
Stakeholders Impacted Policyholders, Communities, Distribution Partners, Regulators		**SDGs Impacted** SDG 1, SDG 8, SDG 10

Dominant Value Creation Time Horizon: Medium-term

Diversity, Equity and Inclusion

What it Means	Interlinkage with Value Creation	FY 2025-26 HIGHLIGHTS
AMLI's commitment to Diversity, Equity, and Inclusion (DEI) offers a key opportunity, aligned to its core philosophy and values, of creating a workplace where diverse backgrounds are represented, all employees feel valued, and equitable opportunities are available to all. In the Indian insurance context, DEI has relevance in areas such as gender representation in leadership and the sales force, inclusivity in product design, and equitable access to career development opportunities. Prioritising DE I strengthens the Company, drives innovation, and fuels long-term value creation.	AMLI's DEI approach is rooted in empathy, purposeful action, and the conviction that individuals thrive when they experience a true sense of belonging. Beyond internal programmes, the Company is furthering its external impact on DE I by engaging with communities and the corporate ecosystem to promote best practices in diversity and inclusion, thus driving positive change across society.	» Women representation in the workforce tracked and improving » Inclusive hiring practices embedded across recruitment processes » DEI awareness and sensitisation programmes conducted » Equitable career development and growth opportunities for all
Stakeholders Impacted Employees, Communities		**SDGs Impacted** SDG 5, SDG 8, SDG 10

Dominant Value Creation Time Horizon: Long-term

Impact of Climate Change

What it Means	Interlinkage with Value Creation	FY 2025-26 HIGHLIGHTS
Climate change poses a significant, multifaceted risk to the Company, impacting both its operations and the broader economy. AMLI recognises the financial risks arising from climate change and the need for their effective mitigation. For a life insurer, climate change can influence mortality and morbidity trends through heat stress, air pollution, and vector-borne diseases; affect asset valuations through transition and physical risks; and alter catastrophe exposure patterns. Climate change has the most decisively long-term orientation of any topic assessed.	AMLI is committed to developing a proactive climate mitigation and adaptation plan, including conducting comprehensive climate risk assessments to identify and manage potential physical and transition risks that may impact the business. By integrating sustainability criteria into operations and investment decisions, the Company contributes to the transition to a low-carbon economy and ensures long-term financial stability. Climate scenario analysis is being progressively incorporated into actuarial models and investment strategy.	» Energy efficiency initiatives implemented across office operations » Carbon footprint assessment and monitoring initiated » Renewable energy adoption at key office locations progressing
Stakeholders Impacted All Stakeholders		**SDGs Impacted** SDG 7, SDG 13

Dominant Value Creation Time Horizon: Long-term

CSR and Community Development

What it Means	Interlinkage with Value Creation	FY 2025-26 HIGHLIGHTS
Engaging with communities in the vicinity of AMLI's operations allows the Company to understand their needs and challenges. This enables the Company to develop targeted initiatives that drive positive social impact in reflection of its purpose of enabling a thriving community and a healthier planet. Beyond statutory CSR compliance under Section 135 of the Companies Act, 2013, meaningful community engagement strengthens AMLI's social licence to operate, builds brand goodwill, and creates shared value.	A strong institutional framework governs AMLI's CSR programmes, which are overseen by the CSR Committee of the Board and aligned to the Companies Act, 2013. The Company draws inspiration from the UN SDGs, ensuring its work contributes to broader global development objectives. CSR initiatives span health, education, livelihood enhancement, and environmental sustainability, creating measurable social impact in the communities where AMLI operates.	» CSR spend in compliance with statutory requirements under Companies Act » Community programmes spanning health, education, and livelihoods » Partnerships with NGOs for on-ground programme implementation » Impact assessment conducted for key CSR initiatives
Stakeholders Impacted Communities, NGO Partners		**SDGs Impacted** SDG 1, SDG 3, SDG 4, SDG 8, SDG 11

Dominant Value Creation Time Horizon: Long-term