

Date: _____

Ms/ Mr _____

Appointment letter

Dear Ms/ Mr _____,

I am pleased to inform you that the Board of Directors of Canara HSBC Life Insurance Company Limited (the 'Company'), on the recommendation of Nomination and Remuneration Committee after considering skills, experience and knowledge has appointed you as a non- executive independent director of the Company, pursuant to Sections 149, 152 and other applicable provisions of Companies Act, 2013 and the rules made thereunder, read with Schedule IV of the Companies Act, 2013. Further, as per the declaration provided, you meet the criteria of independence as provided in the Companies Act, 2013. The appointment has also been approved by the shareholders at their annual general meeting held on _____. I am writing to set out the terms of the appointment as an independent director.

Term of appointment

Your appointment as an independent director of the Company is for a term of _____ years with effect from _____ till _____.

As an Independent Director you will not be liable to retire by rotation.

Re-appointment at the end of the term shall be based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Board and shareholders. Your re- appointment would be considered by the Board based on the outcome of the performance evaluation process and you continuing to meet the independence criteria.

Your appointment is also subject to the maximum permissible directorships that one can hold as per the provisions of the Companies Act, 2013.

During your term of appointment, you will not be appointed in or associated with the Company in any other capacity, either directly or indirectly.

Committees

The Board of Directors may, as it deems fit, appoint you on one or more existing Committees or any such other Committee that is set up in the future. Your appointment on such Committee(s) will be subject to applicable regulations. Currently, the Board has constituted the following Committees:

- a) Audit Committee - is responsible for overseeing the financial reporting, including review of interim & annual financial statements and internal financial controls to ensure that these are drawn in accordance with the principles of correctness and transparency. The Committee also reviews the scope of each annual audit.
- b) Investment Committee is responsible for review and implementation of Investment Policy and empanelment of investment intermediaries. The Committee is also responsible for establishing a robust investment compliance and risk management framework to ensure that the returns are in line with the risk appetite of the funds offered by the Company. It also monitors the performance of various funds in line with the established benchmarks and industry performance.
- c) Risk Management Committee is responsible to review the risks across various processes. The primary function of the Committee is to lay down the risk management framework and the risk and reward objectives in line with shareholder and policyholder expectations.
- d) Policyholder Protection, Grievance Redressal and Claims Monitoring Committee is responsible to make recommendations on the approach, policies, processes and mechanisms in place, to protect the interests of the policyholders by following the concept of 'Treating Customers Fairly' and compliance with applicable regulations.
- e) Nomination and Remuneration Committee is, *inter alia*, responsible for identifying persons qualified to be appointed as directors, senior management, recommend their appointment and removal, evaluate every Board director's performance and formulate the Nomination and Remuneration Policy.
- f) Corporate Social Responsibility Committee is responsible for formulating CSR policy, recommend CSR initiatives, monitor CSR expenditure and institute a transparent mechanism for implementation of CSR projects or activities undertaken by the Company.
- g) Share allotment Committee is responsible for allotment of shares on receipt of share application money.
- h) 'With-Profits' Committee is required to approve the detailed working of asset share, the expenses allowed for, the investment income earned on the fund etc., as represented in the asset share of participating funds.

Professional conduct

As an independent director, you shall be required to:

- a) uphold ethical standards of integrity and probity;
- b) act objectively and constructively while exercising your duties;
- c) exercise responsibilities in a *bona fide* manner and in the interest of the Company;
- d) devote sufficient time and attention to your obligations for informed and balanced decision making;
- e) not allow any extraneous considerations that will vitiate your exercise of objective independent judgment in the paramount interest of the Company while concurring in or

dissenting from the collective judgment of the Board in its decision making;

- f) not abuse your position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or for any associated person;
- g) refrain from any action that would lead to loss of your independence and inform the Board immediately of circumstances which make you lose your independence as a director;
- h) assist the Company in implementing the best corporate governance practices.

Fiduciary duties

As an independent director on the Board of the Company you shall be required to:

- a) help in bringing independent judgment to the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct and always act in the best interest of the Company and its various stakeholders;
- b) undertake appropriate induction and regularly update skills and knowledge, keep yourself well informed about the Company and the industry environment and seek appropriate clarifications, where necessary;
- c) raise concerns, if any in connection with the functioning of the Company, and ensure these are addressed by the Board;
- d) not unfairly obstruct the functioning of the Board or Committee meetings;
- e) pay sufficient attention and ensure that adequate deliberations are held and considered carefully in the best interest of the Company, before approving Board and Committee matters;
- f) bring an objective view in the evaluation of the performance of Board and management;
- g) satisfy yourself on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- h) moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest.

Duties towards the Company

As an Independent Director you have the same responsibilities to the Company as any other Director and as such as you shall be required to:

- a) act in accordance with the Articles of the Company;
- b) be well informed about the Company and the external environment in which it operates;
- c) strive to attend all meetings of the Board of Directors and of the Committees of which you are a member as well as the general meetings of the Company and provide sufficient time to meet the expectations from position of an independent director;
- d) participate constructively and actively in the Committees of the Board in which you are

chairperson or member;

- e) not disclose confidential information, including commercial secrets, advertising and sales promotion plans, unless such disclosure is expressly approved by the Board or required by law;
- f) act in good faith in order to promote the objects of the Company in the best interest of various stakeholders, including employees, policyholders, shareholders;
- g) not get involved in a situation in which you may have a direct or indirect interest that conflicts, or may conflict, with the interest of the Company;
- h) not achieve or attempt to achieve any undue gain or advantage either to yourself or to your relatives, partners or associates;
- i) hold a separate meeting with other independent directors atleast once a year to perform duties as mentioned in Schedule IV of the Companies Act, 2013;
- j) not assign your office.

You are also required to perform all other roles, duties and responsibilities as laid down in the Schedule IV and all other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force).

The Company has in place a Standard of Business Conduct (SOBC), which aims at laying down a set of standard policies and guidelines, in line with the Company's corporate values, applicable to directors and senior management team. You would be required to annually confirm adherence to the SOBC.

Further, as per the IRDA Corporate Governance Guidelines, all directors are required to enter into a Deed of Covenants at the time of appointment, which lays down the mutual roles and responsibilities of the Company, directors and the Board.

A copy of the Schedule IV of the Companies Act, 2013, Standard of Business Conduct and format of the Deed of Covenants form annexure to this letter.

Following actions should not be done by you during your term of appointment

- a) All information acquired during your appointment is confidential to the Company and should not be disclosed to third parties or used for any reason other than in the interest of the Company, either during your appointment or following cessation (by whatever means), without prior clearance from the Board of directors.
- b) It is expected that during your appointment as director of the Company, you shall not serve on the Boards of other life insurance companies or be appointed as an agent of a life insurance company.

Provision for Directors' Insurance

The Company has Directors' and Officer Liability insurance and it is intended that the Company will assume and maintain such cover for the full term of your appointment.

Remuneration

You will not be an employee of the Company and this letter does not constitute a contract of employment.

You will be entitled for sitting fee for attending Board and Committee meetings of the Company as may be decided by the Board from time to time. Currently, the sitting fees payable to independent directors is ` ____/- for each meeting of the Board and Committees.

In addition to the fees described in above paragraph, the Company will reimburse all reasonable out of pocket expenses incurred for participation in Board/ Committee meetings, including reimbursement for travel and hotel stay.

It is a pleasure to have you on the Board of the Company. We are confident that your association, expertise and advice will immensely benefit the Company and the Board. Kindly sign a copy of this appointment letter in acceptance.

Best Regards,
On behalf of the Board of Directors
For Canara HSBC Life Insurance Company Limited

Company Secretary
(Membership no. _____)

I have read the letter of appointment and agree to the above terms regarding my appointment as a Non-Executive Independent Director of Canara HSBC Life Insurance Company Limited.

Accepted

(DIN – _____)

Canara HSBC Life Insurance Company Limited
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