



ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED

CIN-L66010MH2000PLC127837

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Terms and condition of appointment of Independent Directors

The Company is governed by the provisions of the Insurance Act, 1938, Companies Act, 2013 and relevant requirements prescribed by Securities and Exchange Board of India like Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, Securities and Exchange Board of India (Substantial Acquisition and Takeover) Regulations, 2011, etc.

Section 149(6) of Companies Act, 2013 and Regulation 16(b) of Listing Regulations defines an independent director. A duly signed declaration confirming the adherence to the independence criteria would be obtained from the director based on which the Board would determine the classification of the director as an independent director.

Term of appointment

The appointment as director would be subject to the approval of shareholders. Independent directors would not be liable to retire by rotation pursuant to the provisions of the Companies Act, 2013.

An independent director shall hold office for a term of five consecutive years on the Board of a Company; and for not more than two such consecutive terms. Further, an independent director shall be eligible for appointment after the expiration of three years of ceasing to be an independent director.

Induction on Board Committees:

Based on the skill/expertise of the independent directors, the Board may induct an independent director on various Board level Committees as Member or to chair such Committees. The following are the Board level Committees comprising majority of independent directors:

1	Board Audit Committee
2	Board Risk Management Committee
3	Board Investment Committee
4	Board Customer Service & Policyholders' Protection Committee
5	Board Nomination and Remuneration Committee
6	Board Corporate Social Responsibility Committee
7	Stakeholder Relationship Committee
8	With Profits Committee

The role of the independent director as Member/Chairperson of such Committees would be guided by the terms of reference of the said Committees as prescribed by the Board. The directors would be inducted as member/chairman of any Board level Committee in accordance with the requirements prescribed in the Listing Regulations.

Duties and Responsibilities

As per guidelines of professional conduct, role and functions and duties of the independent director are provided in Section 166 and Schedule IV of the Companies Act, 2013 and responsibilities of the Board as detailed in the IRDAI Corporate Governance guidelines and the Listing Regulations. This will be elaborated in detail in the Deed of Covenants signed by each director and the individual letters given to the independent directors on their appointment.

Fit & Proper criteria

The Directors of insurance companies have to meet the “fit and proper” criteria. The criteria to be satisfied, at a minimum, would relate to integrity demonstrated in personal behavior and business conduct, soundness of judgment and financial soundness. The Insurance Act prohibits (i) an insurance agent or intermediary or insurance intermediary of any insurance company to be the Director of the life insurance company; and (ii) the common directorship among life insurance companies. Currently, the fit and proper requirements seek to ensure that the Director should not have been convicted or come under adverse notice of the laws and regulations involving moral turpitude or of any professional body.

The Directors are also required to enter into a Deed of Covenant as per the format prescribed, with the Company, pursuant to their terms of appointment to ensure that there is a clear understanding of the mutual role of the company, the Directors and the Board in Corporate Governance.

Code of Conduct

The Company and ICICI Group has a Code of Business Conduct and Ethics (both referred to as ‘Code’) which prescribes the professional and ethical standards and duties that need to be adhered to by directors/employees. An independent director has to also abide by the provisions of Schedule IV of the CA2013 (Code for independent directors). A copy of the Code is shared with directors and a confirmation of adherence to this code is taken from directors on an annual basis.

Provision for Directors and Officers (D & O) insurance:

The Independent Directors are covered under Directors’ and Officers’ Liability Insurance Policy procured by the parent Company.

Remuneration

Independent directors will be entitled to sitting fees for attending meetings of the Board/Committee as applicable. The sitting fees will be within the limits as prescribed under Companies Act, 2013. In addition to the sitting fees, profit related commission may also be paid to the independent director, proportionately on basis of their tenure, subject to the availability of net profits at the end of each financial year and applicable provisions of the Companies Act. Sitting fees would be outside the purview of the above limits. They would also be entitled to reimbursement of expenses incurred for participation in Board/Committee meetings.

Training and development

The Company conducts induction program for its Independent Directors familiarising them with Company's management team and business operations. Welcome Kit is provided to the Directors indicating various declarations and submissions required to be made to the Board from time to time.

The Company updates the Directors on regulatory updates concerning it and its subsidiaries business through various notes and presentations. The Company arranges other need based engagement(s) as and when required.