

July __, 2022

<<Name>>
<<Address>>

Dear _____,

Sub: Appointment as an Independent Director of HDFC ERGO General Insurance Company Limited ('the Company')

We are pleased to inform you that the Board of Directors of the Company has approved your appointment as an Independent Director of the Company.

Your appointment is in accordance with the provisions of Sections 149, 152, 161 and 178 and Schedule IV of the Companies Act, 2013 (the Act) read with Companies (Appointment and Qualification of Directors) Rules, 2014, Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR Regulations), the Corporate Governance Guidelines issued by the Insurance Regulatory and Development Authority of India (IRDAI) dated May 18, 2016 ('CG Guidelines'), the Articles of Association of the Company and in accordance with the Policy of the Company on Appointment of Directors and Members of Senior Management and other employees and shall be for a period of 5 years effective from _____, subject to approval of the Shareholders.

The terms and conditions of your appointment and role and responsibilities are outlined in the enclosed Annexure 1.

Please confirm your agreement to the above by signing and returning the enclosed duplicate of this letter.

Thanking you.

**With kind regards,
For HDFC ERGO General Insurance Company Limited**

Chairman

I hereby accept the terms and conditions of appointment as set out in this letter.

<<Name>>

Designation:

DIN:

Place:

Date:

Terms and conditions of appointment of _____ (DIN: _____) as an Independent Director.

I. Appointment:

- The appointment is for a period of ___ consecutive years effective from _____, unless otherwise terminated earlier by and at the discretion of either party at any time upon giving a notice in writing.
- The Director shall not be liable to retire by rotation.
- The Director shall serve on committees of the Board as may be decided by the Board of Directors, from time to time.

II. Time Commitment:

- The Director is expected to attend regular and emergency Board Meetings of the Company and Committees thereof.
- The Director must endeavor to allocate sufficient time to meet the expectations of being an Independent Director.

III. Role and Duties:

- As set out in the 'Code for Independent Directors' prescribed under Schedule IV to the Companies Act, 2013, a declaration in respect of adherence to the said Code shall be provided on an annual basis. A copy of Code for Independent Directors is enclosed.
- The Director shall enter into a Deed of Covenant with the Company as mandated under the Guidelines on Corporate Governance for insurance companies issued by IRDAI dated May 18, 2016. A copy of the said Guidelines is enclosed.
- The Director shall be bound by the provisions of the Code of Conduct, HDFC ERGO Employees Share Dealing Code and such other Codes/ Policies as may be framed by the Company, to the extent applicable.
- The Companies Act, 2013 provides that a director is under the following principal duties:

The Director shall:

- i. Act in accordance with the Articles of Association of the Company
- ii. Act in good faith in order to promote the objects of the Company for the benefits of its members as a whole, and in the best interest of the Company, its policyholders, employees, shareholders, community and for the protection of the environment;
- iii. Exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment at the Board and Committee Meetings.

The Director shall not:

- iv. Get involved in a situation or circumstances which may have a direct or indirect interest that conflicts, or may have a potential conflict, with the interest of the Company;
- v. Achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates;
- vi. Assign his office. Any assignment so made shall be void.

IV. Remuneration and Reimbursement of Expenses:

- In accordance with the provisions of Section 197 of the Companies Act, 2013 and rules made there under, the Director shall be entitled to an annual commission based on the performance of the Company, as approved by the Board of Directors, within the limits approved by the Shareholders. In addition to the above, the Director shall be paid sitting fees of ₹ 1,00,000/- (or such amount as approved by the Board of Directors) for attending each meeting of the Board and Committees.
- In addition to the remuneration structure described above, the Company will reimburse the Director all reasonable out of pocket expenses necessarily incurred in carrying out duties towards the Company.
- In accordance with the provisions of the Companies Act, 2013 and LODR Regulations, the Director is not entitled to any stock options.

V. Reference Manual:

- We enclose herewith a copy of the “Reference Manual for Directors” which has been prepared for the benefit of the Directors of the Company. The said reference manual *inter alia* covers a brief on the Company, products and

services offered, the roles, functions and duties of the directors, the disclosures and declarations to be submitted by directors and such other relevant information. The reference manual also contains texts of various Board policies, details of the committees constituted by the Board of Directors and the terms of reference of the Committees, list of Promoter Group entities, etc.

VI. Insurance:

- The Company has taken Directors' and Officers' (D&O) liability insurance and it is intended to maintain such cover for the full term of Director's appointment.

VII. Conflict of Interest

- In the event of change in circumstances which give rise to a conflict of interest, we request you to kindly notify the same to the Company.

VIII. Confidentiality:

- The Director is expected to apply the highest standards of confidentiality and not disclose to any person or company (whether during the course of appointment or any time after its termination) any confidential information concerning the Company and/ or its Promoter Group entities which the Director may come into possession by virtue of his position.
- The Director shall adhere to the provisions contained in the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and as amended from time to time with regard to prohibition of disclosure of price-sensitive information.
