



General terms and conditions of appointment of Independent Directors of Aviva life Insurance Company India Limited

I. Terms of Appointment:

- Subject to Members' approval at the General Meeting of the Company, the term of appointment of Independent Directors of the Company is for a period as determined by the members from the date of their being appointed or designated as such on the Board of the Company.
- Independent Directors will be eligible to be re-appointed for a further period of 5 consecutive years, after the completion of their tenure of first 5 years, subject to Board approval and the passing of a Special Resolution by Shareholders.
- Independent Directors shall not hold office for more than two consecutive terms, but such Independent director shall be eligible for appointment after the expiration of three years of ceasing to become independent director.
- Appointment of Independent Director is also subject to the permissible directorships that one can hold as per the provisions of Section 165 of the Companies Act, 2013 and other applicable statutes.
- The provisions relating to retirement of directors by rotation shall not be applicable to appointment of independent directors.
- An Independent director shall be held liable, only in respect of such acts and omission or commission by a Company which has occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he had not acted diligently.

II. Professional Conduct

An Independent Director shall abide by the Code of Conduct as detailed under Schedule IV of the Companies Act, 2013 including but not limited to:

- Uphold ethical standards of integrity and probity;
- Act objectively and constructively while exercising his / her duties;
- Exercise his / her responsibilities in a bona fide manner in the interest of the Company;
- Devote sufficient time and attention to his / her professional obligations for informed and balanced decision-making;



- Not allow any extraneous considerations that may vitiate his / her exercise of objective independent judgement in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgement of the Board in its decision-making;
- Not abuse his / her position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person.
- Refrain from any action that could lead to a loss of his / her independence;
- Ensure that if circumstances arise under which he / she may lose your independence, he / she will immediately inform the Board accordingly;
- Assist the Company in implementing the best corporate governance practices.

III. Roles and Functions of the Independent Director

An Independent Director shall:

- Help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- Bring an objective view in the evaluation of the performance of board and management;
- Scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- Satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- Safeguard the interests of all stakeholders, particularly the minority shareholders;
- Balance the conflicting interest of the stakeholders;
- Determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;
- Moderate and arbitrate in the interest of the company as a whole, in situations of
 - (a) conflict between management and shareholder's interest.
 - (b) To advice and counsel the Management:

IV. Duties:

An Independent Director shall:

- Undertake the appropriate induction in to the Board and regularly update and refresh hi / her skills, knowledge and familiarity with the company;
- Seek appropriate clarifications and, where necessary, seek and follow appropriate professional advice from external experts at the expense of the company;
- Strive to attend every meeting of the Board and of the Board committees of which you are a member;



- Actively and constructively participate in the Board committees of the Board in which he / she may be a member and or the chairperson;
- Strive to attend the general meetings of the Company;
- Ensure that any concerns he / she may have about the running of the Company are addressed by the Board and seek inclusion of these concerns in the Board minutes to the extent these concerns are not resolved;
- Keep himself / herself well informed about the Company and the external environment in which it operates;
- Not unfairly obstruct the functioning of an otherwise proper Board or committee;
- Ensure that related party transactions are considered carefully before they are approved and are in the interest of the Company;
- Ensure that whistleblower function of the Company is functioning adequately;
- Report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct and ethics;
- Within your authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;
- Not disclose any confidential information unless such disclosure is expressly approved by the Board or required by law.

V. Remuneration:

- As Independent Directors, he / she shall be paid sitting fees and reimbursement of expenses for attending the meetings of the Board and the Committees of which they are members. The sitting fees for attending each meeting of the Board and its Committees would be as determined by the Board from time to time.
- The Company may also declare profit based commission as approved by the shareholders from time to time.
- An independent director shall not be entitled to any stock option.

VI. Insurance:

The Company will take an appropriate Directors' and Officers' Liability Insurance policy and pay the premiums for the same. It is intended to maintain such insurance cover for the Term of their appointment, subject to the terms of such policy in force from time to time.

VII. Confidentiality

All information acquired during the tenure as an Independent Director is confidential to the Company and should not be released, either during the appointment or following termination (by whatever means) to third parties without prior clearance from the Company unless required by law or by the rules of any regulatory body.



VIII. Performance Appraisal / Evaluation Process

As members of the Board, their performance as well as the performance of the entire Board and its Committees will be evaluated annually. Evaluation of each director shall be done by all the other directors. However, the actual evaluation process shall remain confidential and shall be a constructive mechanism to improve the effectiveness of the Board / Committee. On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the Independent Director.

IX. Termination:

- Independent director may resign from his position at any time on serving a reasonable written notice on the Board.
- Continuation of the appointment is contingent on his getting re-elected by the shareholders in accordance with provisions of Companies Act, 2013 and the Articles of Association of the Company, from time to time in force