

## **HDFC LIFE INSURANCE COMPANY LIMITED**

### **DISCLOSURE ON FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS**

*(In terms of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015)*

#### **PREAMBLE:**

In accordance with Regulation 25(7) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), HDFC Life Insurance Company Limited ("the Company") has in place systems and processes to ensure that Independent Directors are familiar with various aspects of the Company including:

- Nature of the life insurance industry;
- Key areas of the business and performance of the Company;
- Roles, rights, responsibilities of Independent Directors;
- Any other relevant information required by Independent Directors to discharge their functions.

Further, pursuant to Regulation 46(2) of the Listing Regulations, the details of the familiarization programme for Independent Directors are also to be hosted on the website of the Company.

#### **OBJECTIVE OF FAMILIARIZATION PROGRAMME:**

The familiarization programmes intends to provide an introductory orientation to the newly inducted directors and training programmes to familiarize Independent Directors with the business, operations and compliances of the Company and to provide them an insight to their expected roles and responsibilities in the Company.

Accordingly, the Company has formulated a familiarization programme for Independent Directors to familiarise them with the strategy, industry overview, performance, key regulatory developments and their role, rights and responsibilities as an Independent Director.

### **DETAILS OF FAMILIARIZATION PROGRAMMES:**

Familiarization programme for Independent Directors generally forms part of the Board induction process. Each newly appointed Director is given an overview of the Company, its vision and mission, the industry in which it operates, its business, strategies, risk management, organisation structure and other relevant information. The newly appointed Director shall be introduced to certain functional heads/ senior management personnel of the Company and given an opportunity to interact with them.

With an objective of facilitating board familiarization programmes, during the year, as well as to keep the Board members (including all Independent Directors) abreast of the challenges impacting the Company, a separate session was held annually.

Presentations are made at quarterly board meetings which include updates on performance review, strategy and key regulatory developments. Independent Directors who are members of various Committees of the Board are presented with the necessary information to enable them to review and grant approvals as per the terms of reference of the Committees. The Directors/ Committee members also get an opportunity to interact with the senior management team including Statutory and Internal Auditors of the Company during the aforementioned Board/ Committee meetings. The presentations *inter alia* cover the performance of the Company, operating results, comparison of actual performance Vs budget, management outlook on businesses, economic/ industry developments, and other related issues. The Directors are also regularly kept informed of the other developments of the Company and its subsidiaries.

Annual Strategy meet was held in order to provide an update to the Directors on the following matters –

1. Sustainable and profitable business
2. Newer ways to distribute retirement / pension products to tap into the new opportunities
3. Focus on diversifying distribution and building customer centricity
4. Approach to Risk Management
5. To build stronger base of digital strategy

**Details of familiarization programmes attended by Independent Directors since the financial year 2018-19 were as under:**

Financial Year	Details of the programmes	No. of hours spent
2018-19	<ul style="list-style-type: none"> <li data-bbox="329 447 1198 720">• With the objective of facilitating board familiarization programmes, during the year, as well as to keep the Board Members (including all independent directors) abreast of the challenges impacting the Company, a separate session was held for directors on February 16, 2019 (approximately 8 hours). Company's Senior Management updated the Board regarding the macroeconomics trends and their impact on businesses, trends shaping financial services in India, particularly in insurance sector, strategy roadmap for the Company.</li> </ul> <p data-bbox="378 762 1198 930">Apart from the above, the Board was apprised of key changes in the regulatory framework as stipulated by the Ministry of Corporate Affairs, Insurance Regulatory and Development Authority of India, SEBI and other regulatory authorities and its impact on the Company, if any, on a quarterly basis.</p> <ul style="list-style-type: none"> <li data-bbox="329 972 1198 1182">• During the year, one new Independent Director appointed on the Board, spent approximately 5 hours interacting with the senior management of the Company. The session was conducted by the Company to familiarize the newly inducted Independent Director about the nature of the business, operations and her role and responsibilities etc.</li> </ul> <p data-bbox="378 1224 1198 1360">Apart from the above, the Board was apprised of key changes in the regulatory framework as stipulated by the Ministry of Corporate Affairs, SEBI and other regulatory authorities and its impact on the Company, if any, on a quarterly basis.</p> <p data-bbox="378 1402 1198 1497">In addition to the above, during FY 2019, various presentations were made at the Board and its Committee meetings covering nature of the industry and business model etc.</p>	14
2019-20	<ul style="list-style-type: none"> <li data-bbox="329 1518 1198 1638">• Various functional heads of the Company brief the newly inducted Independent Directors on the different aspects of the business as well as important support functions of the Company. Quarterly presentations are made at the Board meetings informing Directors</li> </ul>	16

	<p>about business and performance updates of the Company, market share, subsidiary information, business strategy and risks involved, etc. During the year no new Independent Directors were appointed.</p> <ul style="list-style-type: none"> <li>• During FY 2020, the Independent Directors of the Company have attended two days 'Orientation Programme for Independent Directors of Life Insurance Companies' organized by Insurance Regulatory and Development Authority of India ("IRDAI") through National Insurance Academy ("NIA"), Pune. The said programme involved sector specific orientation/ training to provide insights relating to industry requirements and to equipped the Independent Directors to perform their duties in a manner beneficial to the organization and to enable them to discharge their duties to the best of their abilities.</li> </ul>	
2020-21	<ul style="list-style-type: none"> <li>• Presentations were made at quarterly board meetings which include updates on performance review, strategy and key regulatory developments. Independent Directors who are members of various committees are presented with the necessary information to enable them to review and grant approvals as per the terms of reference of the Committees of the Board. The Directors/ Committee members also get an opportunity to interact with the senior management team including Statutory and the Internal Auditors of the Company during the aforementioned Board/ Committee meetings. The presentations inter alia cover the performance of the Company, operating results, comparison of actual performance Vs budget, management outlook on businesses, economic/ industry developments, and other related issues. The Directors are also regularly kept informed of the other developments of the Company and its subsidiaries.</li> </ul>	28
2021-22	<ol style="list-style-type: none"> <li>1. Annual Strategy meet of the Board was held to discuss various matters including Risk Management framework, future prospects and to decide strategy, etc.</li> <li>2. During quarterly meetings, the senior management of the Company made presentations on critical functions of the Company in order to ensure that its Independent Directors were kept abreast of various changes impacting the Company. The Board was apprised of the key changes in the regulatory framework as stipulated by the Ministry of Corporate Affairs, Insurance Regulatory and Development Authority, Securities and Exchange Board of India, Reserve Bank of</li> </ol>	32

	India and other regulatory authorities and its impact on the Company, if any, on a quarterly basis.	
2022-23	<ol style="list-style-type: none"> <li>1. Annual Strategy meet was held to discuss various matters wherein various topics were discussed including the business and industry, distribution roadmap of various channels, Risk Management framework, financial imperatives and emerging opportunities, strategic initiatives, future strategy and people management, etc.</li> <li>2. During the year, at the Board / Committee meetings, presentations were made by management covering important matters and changes impacting the Company. The Board was apprised on the various legal and regulatory changes as stipulated by the Ministry of Corporate Affairs, Insurance Regulatory and Development Authority, Securities and Exchange Board of India and Reserve Bank of India. The Board was also apprised on the Environment, Social and Governance (ESG) initiatives undertaken by the Company.</li> </ol>	30
2023-24	<ol style="list-style-type: none"> <li>1. Annual Strategy meet was held to discuss various matters wherein various topics were discussed including the business and industry, distribution roadmap of various channels, Risk Management framework, financial imperatives and emerging opportunities, strategic initiatives, future strategy and people management, etc.</li> <li>2. During the year, at the Board / Committee meetings, presentations were made by management covering important matters and changes impacting the Company. The Board was apprised on the various legal and regulatory changes as stipulated by the Ministry of Corporate Affairs, Insurance Regulatory and Development Authority, Securities and Exchange Board of India and Reserve Bank of India. The Board was also apprised on the Environment, Social and Governance (ESG) initiatives undertaken by the Company.</li> </ol>	30

*Considering all of the above, about 150 hours have been spent by all the Independent Directors for attending familiarisation programmes in the last five (6) years including about thirty (30) hours have been spent during FY 2023-24.*

It remains the constant endeavor of the Company to continually update its Independent Directors on in-house updates and facilitate interaction with various business/ functional heads of the Company. Further, necessary support is provided to Independent Directors of the Company who may wish to attend external training programmes such as regulations and compliance, corporate governance, issues pertaining to the industry, amongst others, which would enable them to perform their role in the most optimum manner.

\*\*\*\*\*