

Summary of major amendments under Stewardship Policy

Page No.	Changes
1	Details of new Chief Investment Officer included.
3	Brief on applicability of Stewardship on insurance sector, along with objectives that the insurance companies should play an active role in the general meetings of investee companies and engage with the managements at a greater level to improve their governance
4	Reference of revised guidelines and its effective date from FY 2020-21
7	<p>Clause 1.3 Responsibility for oversight of the stewardship activities accorded to Audit Committee in place of investment committee</p> <p>Under clause 1.4 added “Any amendment or modification to this Stewardship Code/policy should be specifically disclosed at time of uploading document on website.”</p>
7	<p>Clause 1.5 Modified on Disclosure of Stewardship Activities with below inclusion:</p> <p>a. Quarterly publication of participating & voting by Company to be disclosed along with “Public Disclosures” on the website in the format issued by the IRDAI</p> <p>b. File Annual Certificate of Compliance approved by Board in the format issued by the IRDAI, signed by CEO and Compliance Officer on or before 30th June every year.</p> <p>c. Provide a periodic report to their ultimate beneficiaries (policyholders) on how IFLI have discharged their responsibilities, in a format which is easy to understand, as a part of public disclosures</p>
8	<p>Under heading of Managing Conflict of Interest:</p> <ul style="list-style-type: none"> - Power to resolve the conflict consultation power given to Audit committee in place of investment committee - Any potential situation creating conflict of interest will be brought to the notice of Audit committee in place of investment committee
9	<p>Reference to Audit Committee approval as per new IRDA Circular under below clause:</p> <p>Incase FLI and the investee company are part of the same group will abstain from voting, unless IFLI records rationale for voting on such resolutions and takes prior approval from its Audit Committee.</p>
9	Inclusion of provision pertaining to the Training of personnel
11	<p>Under clause 4-Active Intervention in the Investee Company: Limits have been defined</p> <p>Limit of share capital of the investee company changed from 0.05% to 3% when IFLI shall intervene in the acts/omissions of an investee company</p>

	<p>Included following additional points when IFLIC shall intervene</p> <ul style="list-style-type: none"> - litigations, - remuneration, - leadership issues, - Environment, - Social and Governance (ESG) risks
14	<p>Under Clause 6 - Voting and disclosure of voting activity - Following has been included: IFLI will compulsorily undertake active participation and voting on resolutions/proposals of investee companies in which it:</p> <p>(1) holds at least [3% of the share capital of the investee company; or (2) 5% of the IFLI's total equity investments across all funds, as measured at the end of the previous quarter.</p> <p>In other scenarios, participating and voting may be considered depending on significance & impact on the value of investments of IFLI.</p>
14	<p>Under clause 6.3 following shall be included: However, IFLI will not be bound by the recommendations made by proxy advisory firms, whose services are being availed. The recommendations by proxy advisory firms (if any), will be treated as one amongst several inputs, which IFLI would analyze for decision-making.</p>
15	<p>Under clause 7 reporting of Stewardship activity following clause included: The Audit Committee shall have responsibilities on oversight of stewardship activities and monitoring of voting actions. A report on the Voting Actions undertaken will be presented to the Audit Committee on a Quarterly basis. A copy of the same will be submitted to the Investment Committee for its Information and noting.</p>
16	<p>Under clause 7.2 replaced compliance status with Annual Certificate of Compliance and same to be signed by CEO and Compliance Officer on or before 30th June every year. As stated under revised guidelines</p>
Annexure	Stewardship principles aligned with revised guidelines.