

**ON THE LETTERHEAD OF THE BANK**

[Date]

[Name and Address of the Director]

**Sub: Your appointment as an Independent Director of HDFC Bank Limited ("the Bank")**

Dear Sir / Madam,

We are pleased to inform you that the shareholders of the Bank [at the \_\_\_ Annual General Meeting held on \_\_\_\_\_] / [through Postal Ballot resolution passed on \_\_\_\_\_] have approved your appointment as an Independent Director on the Board of Directors of the Bank for a period of \_\_\_ (\_\_\_) years with effect from \_\_\_\_\_.

The terms of your appointment shall be governed by the provisions of Companies Act, 2013 and rules made thereunder, Banking Regulation Act, 1949, relevant circulars issued by Reserve Bank of India (RBI) from time to time (including amendments, modifications, variations or re-enactments thereof), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Memorandum of Association and Articles of Association of the Bank, as may be amended from time to time.

The terms and conditions of your appointment are listed in Annexure I enclosed to this letter.

This letter constitutes neither a contract for services nor a service contract.

Please confirm your acceptance to the terms of appointment by signing and returning the enclosed duplicate copy of this letter as a token of your acknowledgement.

**For HDFC Bank Limited**

**Santosh Haldankar**  
**Sr. Vice President (Legal) & Company Secretary**

**Encl: a/a**

## ON THE LETTERHEAD OF THE BANK

### Annexure I

#### **Terms of Appointment:**

1. Your appointment as an Independent Director shall be for a period of \_\_\_\_ (\_\_\_) years commencing from \_\_\_\_\_, subject to the approval of the shareholders, unless determined earlier by you or the Bank by giving notice in writing to the other.
2. You shall not be liable to retire by rotation.
3. Re-appointment before the end of your term shall be based on the recommendation of the Nomination & Remuneration Committee and subject to the approval of the Board and the shareholders.
4. During the appointment, you may be required to serve as a member on one or more of the Board Committees.
5. You are considered to be an Independent Director and will be identified as such in the Annual Report and other documentation. If circumstances change, and you believe that your independence may be affected, you should give a declaration to the Board as soon as possible in any case not later than 7 (seven) days of occurrence of event.
6. Your appointment and proposed engagement on the terms mentioned in this letter shall in addition be subject to stipulations (if any) which may be prescribed under any statute or regulation. The terms stated herein may be varied by the Board or any relevant Committee of the Board and you agree to continue to act as independent director on such changed terms, so long the said changed terms are brought to your notice.

#### **Expectation of the Board and fiduciary duties:**

7. The Bank expects a commitment of sufficient time and attention as necessary in order to perform your duties under the Appointment. This will include attendance at regular and emergency Board and any General Meetings (both Annual and Extra-ordinary). You will be required to attend regular meetings of any Committee of which you are a member. In addition, you will also be expected to devote appropriate preparation and time ahead of each meeting. In case you wish to avail leave of absence from the meeting for any reason whatsoever, you may take prior leave of absence from the Company Secretary or the Chairperson of Board and/or Committee for the said meeting/s.
8. By accepting the appointment, you confirm that you are able to allocate sufficient time to perform your role.
9. As an Independent Director you have the same general legal responsibilities to the Bank as any other Director.
10. You shall abide by the provisions specified in Schedule IV of the Companies Act, 2013 and the rules made thereunder.

## ON THE LETTERHEAD OF THE BANK

11. You shall adhere to all the conditions of independence as prescribed in the Companies Act, 2013 and SEBI Listing Regulations, 2015 during your term with the Bank and give a declaration of independence in every financial year during your term with the Bank.

### **Code of Ethics / Conduct:**

12. You shall comply with the Code of Ethics / Conduct of the Bank, as present on the link - <https://www.hdfcbank.com/personal/about-us/corporate-governance/codes-and-policies/code-of-ethics-conduct>, as amended from time to time, and shall provide an annual affirmation of compliance on the same.
13. You shall also comply with Bank's Code for Prevention of Insider Trading, the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and the relevant provision under the Act.
14. The Bank acknowledges that you may have business interests other than those of the Bank and that you have declared any conflicts that are apparent at present. In the event that you become aware of any potential conflicts of interest, these should be disclosed to the Bank as soon as they become apparent but not later than 30 (thirty) days of the occurrence of such event.

### **List of actions restrained:**

15. You should not allow any extraneous considerations that will vitiate your exercise of objective independent judgment in the paramount interest of the Bank as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making.
16. You should not abuse your position to the detriment of the Bank or its shareholders or for the purpose of gaining direct or indirect personal advantage(s) for any associated persons.
17. You should not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information unless such disclosure is expressly approved by the Board or required by law. Your attention is drawn to the requirements under both legislation and regulation as to the disclosure of price-sensitive information. Consequently, you should avoid making any statements that might risk a breach of these requirements without prior clearance from the Board.
18. You shall not engage in forward dealings in securities of the Bank or in its holding, subsidiary or associate company nor shall you enter into insider trading in the securities of the Bank.
19. You shall not be involved in a situation in which you may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Bank.

### **Remuneration:**

20. The Bank currently pays sitting fees of Rs.1,00,000/- every Board Meeting, Rs.1,00,000/- for every meeting of Audit Committee, Nomination & Remuneration Committee, Risk Policy &

## ON THE LETTERHEAD OF THE BANK

Monitoring Committee, IT Strategy Committee, Customer Service Committee and Credit Approval Committee and Rs.50,000 for every meeting of other Committees of the Board. Depending on your Committee memberships, you would be entitled to sitting fees as mentioned above for Board and Committee meetings attended by you as well as reimbursement of expenses as permissible under law and as applicable for Bank from time to time.

21. The sitting fee shall be paid by way of crossed account payee cheque and / or direct credit to your account or your designated bank account and shall be subject to deduction of all applicable taxes, if any.
22. Further, in terms of the RBI Guidelines and pursuant to the Bank's Compensation Policy for Non-Executive Directors, you would also be entitled for compensation in the form of fixed remuneration of Rs.20,00,000 per annum.
23. You will not be entitled to any stock options neither can you participate in any stock option schemes of the Bank unless permitted under any regulatory norms and subject to such permissions and authorizations as may be required in this behalf.

### **Termination:**

24. Your directorship on the Board of the Bank shall terminate or cease in accordance with the law. You may resign from the directorship of the Bank by giving notice in writing to the Bank stating the reasons for resignation. The resignation shall take effect from the date on which the notice is received by the Bank or the date, if any, specified by you in the notice, whichever is later. The Bank shall be liable to disclose the reasons of your resignation while intimating the same to the Stock Exchanges as required under SEBI Listing Regulations.

### **Directors' & Officers Liability Insurance:**

25. The Bank provides all its directors and officers with, and pays the premiums for, indemnity and insurance cover up to a defined amount, while acting in their capacities as directors or officers.

### **Publication of the letter of appointment:**

26. In line with Schedule IV of the Companies Act, 2013, the Bank will make public a generic copy of this letter on its website at [www.hdfcbank.com](http://www.hdfcbank.com) and shall be open for inspection at the registered office of the Bank by any member during normal business hours.