LIC PENSION FUND LIMITED

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STEWARDSHIP POLICY

(Based on the Common Stewardship Code of PFRDA)

Document Title	STEWARDSHIP POLICY/ CODE
Document Owner	LIC Pension Fund Limited (LICPFL)
Regulatory Basis	Based on PFRDA Stewardship Principles as per Common Stewardship code issued by the Authority dated 04.05.2018
Approving Authority	Board of Directors, LICPFL
Review Frequency	As and when required

Version History

Version No.	Date of approval by Committee	Date of approval by Board	Brief description/ Nature of changes
V1	06.12.2018	05.12.2019	As per the directions of PFRDA stewardship Principles
V5	22.10.2026	28.10.2026	Principles 2(a), 3(b), and 4(b) of the Policy warranted reconsideration and review to ensure continued alignment with applicable stewardship standards, regulatory expectations, and prevailing governance practices

Introduction

LIC Pension Fund Limited (the Company) is registered with the Pension Fund Regulatory and Development Authority of India (PFRDA), the pension fund regulator. The Company is established to carry on the business of management of the pension fund as per the Investment Agreement entered into with National Pension Scheme (NPS) Trust. NPS Trust is the registered owner of the funds contributed by the subscribers and holds it for the benefit of the subscribers.

The Company, in terms of the Investment Agreement manages the corpus or portfolio of the subscribers on behalf of the NPS Trust. Investments are managed as per the Investment Guidelines issued by PFRDA from time to time. The Company being an institutional investor and asset manager, in this process of managing investments, has a responsibility to monitor and engage with investee companies commonly, referred to as "Stewardship Responsibilities" with the intention that subscribers' interests are protected.

PFRDA has set out the Common Stewardship Code for pension fund managers in its Circular dated 4 - May- 2018 to be followed by all pension fund managers.

Accordingly, the Company adopted the principles set out in the said Common Stewardship Code in this Code for the Company which is developed on the basis of the guidance provided in the Common Stewardship Code by PFRDA and is approved by its Board of Directors at their meeting held on 05.12.2019 and is effective from 5 December 2019.

Principle 1: Discharge of Stewardship responsibilities, publicly disclosure, review and periodical updation

The Company is of the view that the investee companies should be at full liberty to deal with matters of strategy, performance, risk, capital structure and corporate governance, including culture and remuneration as long as environmental, social and corporate governance principles are embedded in the investee company's decisions and it is not prejudicial to the interest of the Company. In case of divergence from these principles, the Company shall consider one or more of the following options viz. engaging with the investee company, collaborating with other institutional shareholders, escalating the issue to regulatory and statutory authorities or other appropriate and approved action which is warranted by the circumstances.

The Company may engage the services of external service providers in the course of discharging its stewardship responsibilities. The role of the service providers shall not be beyond providing company research reports, data and tools for reporting and ensuring regulatory compliance. The services sought from external service providers would be utilized with a view to enable the Company to take informed decisions which would benefit all the stakeholders.

The Company shall provide training to present and future employees of the Company on the various aspects of implementing the Stewardship Policy.
The Stewardship Policy shall be reviewed periodically and also be made available on the website of the Company.

Principle 2 : Managing Conflict of Interest.

The term "conflict of interest" refers to instances where personal or financial considerations may compromise or have the potential to compromise the judgment of professional activities. A conflict of interest exists where the interests or benefits of LICPFL (including its key Managerial Persons and Directors) conflict with the interests or benefits of its subscribers/beneficiaries or the investee company.

The Company shall take reasonable steps to avoid actual or potential conflict of interest situations. The Company shall maintain arms' length in the dealings with its sponsor LIC and other group companies within permissible limits specified by the regulator PFRDA, to protect the interest of its subscribers.

a. Investee companies play an important role in the creation of sustainable long-term value and the enhancement of subscribers' wealth, as substantial funds contributed by subscribers are invested in such companies. The Company recognises and respects the autonomy of the boards and management of investee companies in managing their affairs, subject to applicable laws and regulations, sound corporate governance practices, and due consideration of environmental, social and governance (ESG) factors in their decision-making processes. The Company shall, in discharging its stewardship responsibilities, seek to safeguard and promote the long-term interests of subscribers while respecting the legitimate interests of investee companies and their stakeholders. Where any material divergence of interests arises between an investee company and the Company or its stakeholders, the Company shall assess the matter objectively and take such appropriate action as may be warranted in the circumstances, in accordance with its approved policies and applicable regulatory requirements, with a view to addressing the conflict and protecting the interests of subscribers.

b. The Directors of LICPFL shall, in timely manner, intimate their change in interest or concern in the company/companies, body corporate, firms or other association of individuals at least on a quarterly basis as per provisions of Section 184 (1) and Rule 9 (1) in Form MBP 1 of the Companies Act 2013.

c. The Company shall have in place the Code of Conduct for Designated Persons of LIC Pension Fund Limited to check self-dealing and front running, which will be strictly adhered to.

Principle 3 Monitoring of Investee Companies

a. The investee companies shall be regularly monitored through research reports, media reports, annual reports, presentations sought from the companies on specific issues and engagement with the executives of the companies. The Company shall intervene in the matter of succession planning only if it involves a violation of the principles of corporate governance. The intervention in such an eventuality shall be confined to collaborating with other institutional shareholders and appropriate and approved voting on proposed resolutions.

b. The Company shall, as a general practice, avoid seeking or receiving unpublished price-sensitive information (UPSI) or other non-public, price-sensitive or confidential business information from investee companies in the course of its stewardship activities. The Company shall ordinarily rely on publicly available information for monitoring and engagement with investee companies. Where the receipt of such information is necessary for a legitimate purpose or such information is inadvertently received, the Company shall ensure that it is handled in accordance with applicable laws and regulations, including the SEBI (Prohibition of Insider Trading) Regulations, 2015, wherever applicable. The Company shall maintain the confidentiality of such information and comply with applicable restrictions on dealing in securities, as well as restrictions on communication or use of such information, until such restrictions are lawfully lifted.

Principle 4 : Intervention in Investee Companies.

a. As it has already been covered under Principle 3, the Company shall not wish to be made an insider in the investee companies and hence will not be actively involved with the companies. The oversight by the Company on the investee companies would be mainly for ensuring that the investment made by it in the investee companies on behalf of the subscribers is enhanced and protected, thereby increasing their wealth and in matters where conflict of interest needs to be resolved.

b. The Company may, wherever considered necessary in the interest of subscribers and to protect their long-term investment interests, intervene in investee companies through engagement with their board of directors and management, seeking clarifications or presentations on material matters, exercising voting rights and, where warranted, escalating unresolved or significant concerns to the appropriate regulatory or statutory authorities, in accordance with applicable laws, regulations and the Company's approved policies.

Principle 5: Voting and disclosure of voting activity.

The Company shall exercise the voting rights and vote on all shareholder resolutions of all investee companies as per the E-voting Policy issued by PFRDA's letter Ref: PFRDA/2017/PF/1 dated 20th April

2017 and shall comply with the provisions given in the E-voting policy. Voting decisions shall be made available on the website of the Company.

Principle 6: Periodic reporting of stewardship activities

a) Modifications/Updation of the Stewardship Policy shall be disclosed on the website of the Company.
b) The Company shall also file a status report to PFRDA/ NPS Trust on an annual basis, indicating the compliance with the principles laid down in this policy as per the Annexure A. The status report will also be uploaded on the website on an annual basis.

Annexure 'A'

Stewardship Report

Format for annual reporting of the compliance status of stewardship Policy to the Authority

Name of Pension Fund Manager: LIC Pension Fund Manager
Period of Report as on : March 31, _____

Status of Compliance with Stewardship Principles

Sr No.	Particulars of Principles of Stewardship Policy	Status (Deviation, Partly complied, Not complied, complied)	Reason/ Justification for deviation or non-compliance

Authorised Signatory
(Name and Signature)
Place :
Date:

[Recommended in Investment Committee on 22.10.2026 and approved by the Board on 28.10.2026]