

POLICY ON BOARD DIVERSITY

PURPOSE

The Policy on Board Diversity (“the Policy”) sets out the approach to diversity on the Board of directors (“the Board”) of eMudhra Limited (the “Company”).

The Policy has been approved by the Board of Directors on October 14, 2021.

OBJECTIVE

The objective of this policy is to recognize and embrace the benefits of having a diverse Board which possesses a balance of skills, experience, expertise and diversity of perspectives appropriate to the requirements of the business of the Company.

SCOPE

The Policy applies to the composition of the Board only and does not apply to diversity in relation to the employees of the Company.

POLICY STATEMENT

The Company sees increasing diversity at Board level as an essential element in maintaining a competitive advantage. A truly diverse Board will include and make good use of differences in the skills, regional and industry experience, background, race, gender and other distinctions between directors. These differences will be considered in determining the optimum composition of the Board and when possible should be balanced appropriately.

The Company maintains that Board appointments should be based on merit that complements and expands the skills, experience and expertise of the Board as a whole taking into account knowledge, professional experience and qualifications, gender, age, cultural and educational background, and any other factors that the Board might consider relevant and applicable from time to time for it to function effectively.

In the process of attaining a diverse Board based on the aforementioned criteria, the following criteria need to be assessed:

OPTIMUM COMPOSITION

- The Board shall have an optimum combination of Executive and Non-executive Directors and not less than fifty per cent of the Board of Directors shall comprise of Non-executive Directors.
- At least half of the Board should comprise of Independent Directors (where the Chairman of the Board is Executive) or at least one-third of the Board should comprise of Independent Directors (where the Chairman of the Board is Non-executive).
- The Company shall continue to have at least one Woman Director on the Board to ensure that there is no gender inequality on the Board.

FUNCTIONAL DIVERSITY

- Appointment of Directors to the Board of the Company should be based on specific needs and business of the Company. Appointment should be done based on the qualification, knowledge, experience and skill of the proposed appointee which is relevant to the business of the Company.
- Knowledge and experience in domain areas such as Finance, Legal, Risk Management, Education sector, other Industry etc., should be duly considered while making appointments to the Board level.
- While appointing Independent Directors, care should be taken as to the independence of the proposed appointee.
- Directorships in other companies may also be taken into account while determining the candidature of a person.

STAKEHOLDER DIVERSITY

- The Company may also have Directors on its Board representing the interest of any financial institution or any other person in accordance with the provisions of its Articles of Association and/ or any agreement between the Company and the nominating agency.

NOMINATION AND APPOINTMENT

The Nomination and Remuneration Committee ('Committee') of the Board shall be responsible for:

- Reviewing and assessing the composition and performance of the Board.
- Identify appropriate qualified personnel to occupy Board position.
- Suggest appropriate expertise and diversity required based on future projected activities of the Company.
- Managing the process of recruiting new member to the Board, defining requisite skills and expertise and make recommendations to the Board.
- Ensuring that selection process is formal and thorough and non-discriminatory.
- Review and report any changes in relation to the diversity of the Board.

The Committee shall also review the Board composition in terms of the size of the Board, the composition of executive and non-executive directors and the composition of independent directors, each of which shall be in accordance with the requirements of the Articles of Association of the Company, the Companies Act, 2013, the Listing Agreements and other statutory / regulatory requirements.

AMENDMENTS AND UPDATES

The Committee shall review this Policy on a periodic basis and recommend revisions to the Board for consideration and approval.
