

Cholamandalam Financial Holdings Limited

BOARD DIVERSITY POLICY

Purpose

The Board Diversity policy (the Policy) sets out the approach to diversity on the Board of Cholamandalam Financial Holdings Limited.

Scope

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

Policy Statement

Cholamandalam Financial Holdings Limited recognizes and embraces the benefits of having a diverse Board. A truly diverse Board comprising of appropriately qualified people with a broad range of experience relevant to the business of the Company is integral to its success and is also an essential element in maintaining a competitive advantage on a sustainable basis. A truly diverse Board with an inclusive culture will make good the differences in skills, experience, education, gender, age, race, geography, ethnicity, background and other distinctions between the Directors.

The Nomination and Remuneration Committee ("N&R Committee") is responsible for leading the process for Board appointments and for identifying and nominating, for approval by the Board and shareholders, candidates for appointment to the Board.

The Board Diversity Policy shall ensure an optimum composition of the Board such that the talent of all members of the Board blend together to be as effective as possible. The Board should be balanced having members with complementary knowledge, expertise and skills in areas such as business strategy, finance, accounting, legal, marketing, technology and such other areas that the Board considers desirable.

Consideration and selection of candidates for appointment on the Board will be based on merit against objective criteria and in the context of skills, knowledge, personal traits, general experience & background, industry or related experience and expertise including functional expertise. Further, in addition to new appointments, the balance of skills, experience, knowledge and independence of the Board will also be considered as a part of the annual evaluation of the Board performance.

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