

## **BOARD DIVERSITY POLICY**

### **Preamble**

In accordance with the Regulation 19(4) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (hereinafter "Listing Regulation(s)"), as amended from time to time, and the applicable schedules thereto, the Nomination and Remuneration Committee of the Company needs to formulate Board Diversity Policy. The Board of Kwality Credit & Leasing Ltd. (hereinafter "the Company") also considers that its diversity, including gender diversity, is a vital asset to the business. Thus, the board on recommendation made by Nomination and remuneration Committee amended and adopted this board diversity policy (hereinafter "policy").

This policy applies to the Board and does not apply on the employees generally.

The Nomination Committee is responsible for developing measurable objectives to implement this policy and for monitoring progress towards the achievement of these objectives.

This policy has been amended by the Board of Directors and shall be effective from December 1, 2015.

### **Objective**

This policy sets out the approach of diversity on the board of directors of the Company.

### **Diversity Policy**

The Company acknowledges and embraces the benefits of having a diverse board for effective decision making, and views diversity at the board level as an important element in strong corporate governance. Diversity encompasses diversity of perspective, experience, background, gender, age, ethnicity and geographic background, psychological type and personal attributes. Appointments to the Board should be made in the context of complementing and expanding the skills, knowledge and experience of the Board as a whole.

The Nominations Committee reviews and assesses Board composition on behalf of the Board and recommends the appointment of new directors. The Committee also oversees the conduct of the annual review of board effectiveness.

### **The Composition of the Board**

The committee as well as board will keep under review and evaluate its balance and composition to ensure that both it and its committees have the appropriate mix of skills, experience, independence and knowledge to ensure their continued effectiveness.

In doing so, the committee and the board will take into account diversity, including diversity of gender, amongst other relevant factors. The board recognises that gender diversity is a significant aspect of diversity and acknowledges the role those women with the right skills and experience can play in contributing to diversity of perspective in the board.

Further, the committee and the board shall have an optimum combination of executive, non-executive and independent directors in accordance with the requirement of the Companies Act, 2013 and rules thereunder, Equity Listing Agreement, Articles of association of the Company and the statutory, regulatory and contractual obligations of the Company.

**Appointments to the Board:**

Board appointments will be based on merit and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board, including gender. We remain committed to meritocracy in the Boardroom, which requires a diverse and inclusive culture where Directors believe that their views are heard, their concerns are attended to and they serve in an environment where bias, discrimination and harassment on any matter are not tolerated.

Other relevant matters will also be taken into account, such as independence and the ability to fulfil required time commitments in the case of non-executive directors. The board will consider candidates for non-executive director roles from as wide a pool as appropriate, including candidates with little or no previous listed company board experience but whose skills and experience will add value to the board.

**Disclosure**

This Policy will be published on the Company's website for public information.

A summary of this Policy together with the measurable objectives set for implementing this Policy, and the progress made towards achieving those objectives will be disclosed in the annual Corporate Governance Report.

The necessary disclosure about the policy will also be made as per requirements of Listing Regulations and Companies Act, 2013.

**Review and Amendments**

The Board of Directors on its own and / or as per the recommendations of Nomination and Remuneration Committee can amend this Policy, as and when deemed fit.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), Clarification, circular(s) etc.