



POLICY ON BOARD DIVERSITY

OF

**FINO PAYMENTS BANK
LIMITED**

Document Review and Approval

Revision history

	Summary of Change	Prepared By	Reviewed by	Recommended by (Mgt. Com)	Approved by	Ver No.	Effective Date
1	First Release	Basavraj Loni, DVP-Legal and Company Secretary	Ketan Merchant, Chief Financial Officer	Nomination and Remuneration Committee	Board of Director	1.0	November 12, 2021
2	Second Release	Basavraj Loni, DVP-Legal and Company Secretary	Ketan Merchant, Chief Financial Officer	Nomination and Remuneration Committee	Board of Director	2.0	November 01, 2023

PREFACE

Pursuant to Regulation 19(4) read with Part D of the Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“**SEBI Listing Regulations**”), the Nomination and Remuneration Committee of the Board of Directors of a listed entity is required to devise a policy on diversity of Board of Directors. In compliance with the SEBI Listing Regulations, the Nomination and Remuneration Committee (“**NRC**”) of Fino Payments Bank Limited (the “**Bank**”) has formulated this policy on diversity of Board of Directors (the “**Board**”).

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 gender and perspectives appropriate to the requirements of the business of the Bank.

This policy on Board diversity (the “**Policy**”) has been approved by the Board, based on the recommendation of the NRC, in accordance with the SEBI Listing Regulations, to assure that the composition of Board is fully diversified and comprises an ideal combination of executive and non-executive directors, including independent directors with diverse backgrounds.

SCOPE

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

POLICY STATEMENT

The Bank recognizes and believes that a diverse Board will enhance the quality of the decisions made by the Board by utilizing different skills, qualifications, professional experiences, knowledge, gender, ethnicity, background and other distinguished qualities etc. of the members of the Board, necessary for driving business results, achieving competitive advantage, effective corporate governance, and sustainable and balanced development.

The Bank also 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 discrete characteristics reflected in the individual members, that the Board might consider relevant to function effectively and efficiently.

While all appointments to the Board are made on merit, the diversity of Board in aggregate will be of immense strength to the Board in guiding the Bank successfully through various geographies.

The composition of the Board shall be in accordance with the Articles of Association of the Bank, the Banking Regulation Act, 1949, the Companies Act, 2013, the SEBI Listing Regulations as well as other statutory, regulatory and contractual obligations of the Bank.

ROLE OF NOMINATION AND REMUNERATION COMMITTEE

The NRC, inter alia, is responsible for reviewing and assessing the composition of the Board as well as for identifying and recommending appropriately qualified candidature(s) for holding directorship in the Bank, to the Board, when required to be appointed. The NRC shall consider them on merits in the context of their age, skill sets, experience, level of independence, specific expertise and specialized knowledge, as mandated under Section 10-A of the Banking Regulation Act, 1949, so as to provide the Board/ Committees with diversified set of skills, knowledge, practical experience and representation and recommend such appointment/ nomination, for the approval of the Board. The NRC shall endeavour to identify such Directors which would add diversity to the Board in terms of education, experience etc. subject to special needs of the Bank. Further, the NRC shall carry out all its duties as per the provision of applicable laws/regulations, etc.

As part of the annual performance evaluation of the effectiveness of the Board, Board Committees and individual Directors, the NRC will consider the balance of skill, experience, age, gender, independence, knowledge and skill sets which the Board as a whole requires and other diversity of the Board, including how the Board works together as a unit, and other factors relevant to its effectiveness.

REVIEW OF THE POLICY

The NRC will review this Policy shall be reviewed annually and recommend appropriate revisions to the Board, if any, in relation to the diversity on the Board.

CONFLICT IN THE POLICY

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down or mentioned 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(s), circular(s) etc.

DISCLOSURE

In accordance with the requirements under the LODR and the Act, disclosure regarding the manner in which the performance evaluation has been done by the Board of its own performance, performance of various Board Committees and individual Directors will be made by the Board in the Board's report. Further, the Board's report containing such statement will be made available for the review of shareholders at the general meeting of the Company. The key features of this Policy will be included in the corporate governance statement contained in the annual report of the Company.
