



**BOARD EVALUATION POLICY**  
**EDELWEISS RETAIL FINANCE LIMITED**

## Document Control

Policy Owner	Secretarial and Governance team
Reviewed by	Nomination & Remuneration Committee
Approved by	Board of Directors
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## **Board Evaluation Policy**

### **1. Scope:**

The Board acknowledges its intention to establish and follow “best practices” in Board governance in order to fulfil its fiduciary obligation to the Company. The Board believes the evaluation will lead to a closer working relationship among Board members, greater efficiency in the use of the Board’s time, and increased effectiveness of the Board as a governing body.

This policy has been framed in compliance with the provisions of Section 178 (2), 134(3)(p) and other applicable provisions, if any, the Companies Act, 2013, by the Nomination and Remuneration Committee (NRC) and approved by the Board.

### **2. Manner of Evaluation:**

#### **Board of Directors**

The Board shall carry out the annual evaluation process of its own performance (Board as a Whole), the performance of the Committees and the Independent Directors (excluding the Director being evaluated) as envisaged in the Companies Act, 2013.

#### **Independent Directors:**

The Independent Directors shall carry out the annual evaluation process of Non-Independent Directors, Board as a whole, and the Chairperson of the Company, taking into account the views of the Executive Directors and Non-executive Directors. The Independent Directors shall also review the adequacy/quality of the reports/information being placed before Board for its meetings.

### **3. Performance Evaluation – Criteria/ Illustrative List:**

NRC is authorized to approve the criteria/framework as well as methodology for annual evaluations. Following is the illustrative list/indicators which NRC may consider while approving aforesaid criteria/framework.

#### **Board as a Whole**

The performance of the Board be evaluated, amongst other things, on the basis the quality of the discussions at Board meetings, the level of interpersonal cohesion amongst the Board members; its effectiveness in use of time, opportunity to adequately assess the management performance, keeping abreast of developments in the business and regulatory environment, frequency and duration of the meetings; the suggestions received from Directors for change/improvisation etc.

### **Chairman**

The performance of the Chairman be evaluated, amongst other things, on the basis of leadership qualities, strategic thinking, decision making, business acumen, contribution to resolution of divergent views, time commitment, interaction with management, relationships and communications with the Stakeholders.

### **Committees of the Board**

The Committees, to whom the Board has delegated responsibilities, be evaluated basis their efficient and effective functioning in accordance with the terms of reference set out in their charter. This encompasses the necessity of establishing any Committee and reviewing the Charter of the Committee from time to time.

### **Directors**

The performance of the Directors be evaluated, amongst other things, on the basis of strategic thinking, business acumen, teamwork, contribution to resolution of divergent views, proactive participation, and time commitment. The performance of the Individual Director's will also be assessed on handling the conflict of Interest/situation, if any.

#### **4. Review of the Policy:**

This Policy shall be reviewed at least once a year.

#### **5. Disclosure in Board's Report:**

In accordance with the requirement under the Companies Act, 2013 and the Rules made thereunder, disclosures will be made in the Board's Report forming part of the Annual Report regarding the manner in which the Performance Evaluation exercise has been conducted by the Board of Directors for its own performance, performance of various Committees, of individual Directors and of the Chairperson of the Board.