CREDITCCESS GRAMEEN LIMITED

POLICY ON APPOINTMENT OF DIRECTORS, KMPs, SENIOR MANAGEMENT AND SUCCESSION PLANNING

Revision History

Version	Author	Description of Changes	Release Date
1.	Chief Compliance Officer	First version	December 01, 2017
1.	Chief Compliance Officer	Re adoption	March 23, 2022
2.	Chief Compliance Officer	Change in definition of 'Senior Management'	July 21, 2023
2.	Chief Compliance Officer	Re-adoption	April 1, 2024
3.	Chief Compliance Officer	1. Definition of Senior Management 2. Applicability 3. Criteria for appointment as Director, KMP and Senior Management personnel. 4. Qualifications and Positive Attributes for being appointed as Director. 5. Succession Plan for the Board of Directors	January 24, 2025
4.	CS & CO Head – HR	1. Change in nomenclature of the policy 2. Definition of Senior Management has been amended in line with extant applicable provisions of SEBI (LODR) Regulations, 2015 3. Addition of following: Section V(3) – Retirement Age of KMP & SMP Section V(6) – Background verification Section VI(b) – Identification of Internal candidates for Succession Planning and approval mechanism defined for interim appointments 4. Deleted Section on Qualifications and Positive	July 24, 2026

		Attributes for being appointed as Director and added under Criteria for appointments as Director, KMP and Senior Management personnel 5. Section on Policy Review and Updates has been modified for better clarity. 6. Overall Policy aligned with RBI (Non-Banking Financial Companies – Governance) Directions, 2025	

Version	Author	Reviewed By	Approved By
1.	Chief Compliance Officer	MD & CEO	Board of Directors
1.	Chief Compliance Officer	MD & CEO	Board of Directors
2.	Chief Compliance Officer	MD & CEO	Board of Directors
2.	Chief Compliance Officer	Managing Director	Board of Directors
3.	Chief Compliance Officer	Managing Director	Board of Directors
4.	CS & CO Head – HR	MD & CEO	Board of Directors

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POLICY ON APPOINTMENT OF DIRECTORS, KMPs, SENIOR MANAGEMENT AND SUCCESSION PLANNING

I. Preamble

The Code of Corporate Governance issued by Securities and Exchange Board of India (SEBI) for listed companies along with the provisions of Section 178 and other applicable provisions of the Companies Act 2013, prescribes the requirement for laying down criteria for determining qualifications, positive attributes and independence of a director including various aspects of performance evaluation of Board of Directors and its Committee. Further, the Companies Act, 2013, also requires the Nomination & Remuneration Committee (NRC) to lay down criteria for identification of persons who are qualified to become directors, Key Managerial Personnel (KMPs) and senior management personnel. Apart from this, SEBI has also mandated the need for a succession planning policy and has listed succession planning as one of the key functions of the Board of Directors which mandates Boards of all listed companies to develop an action plan for successful transition of its KMPs and senior management.

In addition, the Company, being a NBFC registered with the Reserve Bank of India (RBI), is required to comply with the RBI (Non-Banking Financial Companies – Governance) Directions, 2025, as amended from time to time ("RBI Governance Directions"), which, inter alia, provides requirements relating to the appointment of Directors and KMPs.

Laying down the said criteria as envisaged and devising a proactive strategy for Succession Planning for Board as well as KMPs and senior management of a Company forms one of the most important functions of Human Resource Department for a smooth transition of responsibilities. The Company has, therefore devised the Policy on Appointment of Directors, KMPs, Senior Management and Succession Planning (hereinafter called as the “Policy”).

II. Definitions

a) “Company” shall mean CreditAccess Grameen Limited.

b) “Board of Directors” or “Board” means the Board of Directors of the Company in terms of Regulation 2(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the LODR regulations), as amended from time to time.

c) “Key Managerial Personnel” shall mean key managerial personnel (KMPs) as defined in clause (51) of Section 2 of the Companies Act, 2013, as amended from time to time

d) "Listed Entity" means any entity which has listed its securities on recognized stock exchange(s), in accordance with the listing agreement entered into with the stock exchange(s).

e) "Listing Regulations" means the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

f) "Senior Management Personnel" shall mean the officers and personnel of the Company who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (*including Chief Executive Officer and Manager, in case they are not part of the Board of Directors*) and shall specifically include the functional heads and the persons identified and designated as key managerial personnel, other than the board of directors, by the Company.

Any other term not defined herein shall have the same meaning as defined under the Companies Act, 2013, listing regulations or any other applicable law or regulation, as may be amended from time to time.

III. Objectives

The objectives of the policy shall, inter-alia, include the following:

a) To identify and nominate suitable candidates for the Board's approval to fill the vacancies which arise in the Board of Directors from time to time.

b) To identify the competency requirements of critical and key positions, assess potential candidates and develop required competency through planned development and learning initiatives.

c) To identify the key job incumbents in Senior Managerial positions and recommend whether the concerned individual (i) be granted an extension in term/service or (ii) be replaced with an identified internal or external candidate / recruit other suitable candidate(s).

IV. Applicability

The Policy shall be applicable for appointment and succession planning of the following personnel:

1. Board of Directors
2. Key Managerial Personnel
3. Senior Management

V. Criteria for appointment as Director, KMP and Senior Management personnel:

1. Expertise:

- The Board of Directors of CA Grameen shall comprise of distinguished professionals with expertise in the relevant fields of Microfinance, Banking operations , Finance, Audit & financial statements, Investment, Risk Management, Entrepreneurship, , Information Technology, Human Resource Development, Management, Regulatory & compliance, policy making or such other areas as may be considered relevant from time to time.
- The qualifications and experience for appointment as KMP and Senior Management Personnel should align with the specific requirements of the position and the objectives of the Company.

2. Assessment by Nomination and Remuneration Committee (NRC):

The NRC will evaluate and verify the integrity, qualifications, expertise, and experience of any individual considered for appointment as a Director, KMP, or a member of the Senior Management, and recommend such appointment to the Board.

The NRC will also examine and verify the independence of a person, before his/her appointment as an Independent Director of the Company.

Apart from the above, the NRC shall also assess the candidate on the following positive attributes:"

a) Excellent interpersonal, communication, leadership and representational skills.
b) Having continuous professional development to refresh knowledge and skills.
c) Commitment to high standards of ethics, personal integrity and probity.

3. Age Limitations:

- The appointment of Directors is subject to age restrictions.

  For Executive Directors: The Company shall not appoint or continue the employment of any individual as Executive Director who has reached the age of seventy (70) years. However, the term of an Executive Director may be extended beyond the age of seventy (70) years, subject to the approval of shareholders by passing a special resolution

  For Non-Executive Directors: The Company shall not appoint or continue the employment of any individual as Non-Executive Director who has reached the age of seventy-five (75) years. However, the term of a Non-Executive Director may be extended beyond the age of seventy-five (75) years, subject to the approval of shareholders by passing a special resolution.

- The retirement age of Key Managerial Personnel (other than Directors) and Senior Management Personnel shall be governed by the Company's HR policies, unless otherwise approved by the Board or mandated under applicable laws or regulatory requirements

4. Compliance with Legal and Regulatory Requirements:

- The individual must not be disqualified under any provision of applicable laws, including the Companies Act, 2013, orders issued by the Ministry of Corporate Affairs or any other Ministry or Department, Securities & Exchange Board of India (SEBI), Reserve Bank of India (RBI) or any other regulator or relevant statutes, from time to time.
- No person shall be appointed as a Director if they are subject to any disqualifications as specified under Section 164(1) of the Companies Act, 2013, including the following:

  - The individual is of unsound mind or has been declared as such by a competent court.
  - The individual is an undischarged insolvent.
  - The individual has applied to be adjudicated as insolvent, and the application is pending.
  - The individual has been convicted of an offense involving moral turpitude or otherwise and has been sentenced to imprisonment for a term of not less than six months, provided that a period of five years has not elapsed from the date of expiry of the sentence.

- No person shall be appointed as a managing director, whole-time director or manager who is below the age of twenty-one years as specified under section 196(3) of the Companies Act, 2013.

5. Fit and Proper Criteria:

   The individual must meet the “fit and proper” criteria as prescribed by applicable regulatory authorities, including those set by the Reserve Bank of India (RBI) under Governance Directions or other relevant bodies as may be applicable to the Company and shall be in accordance with the Board-approved Corporate Governance Policy.

6. Background Verification:

   The appointment of Directors, Key Managerial Personnel and Senior Management Personnel shall be subject to background verification, due diligence and other checks, as may be considered appropriate by the Company, in accordance with applicable regulatory requirements.

7. Non-Conflict of Interest:

   The individual should not have any direct or indirect conflict of interest that could interfere with their ability to perform the duties and responsibilities of the role effectively and impartially.

8. Adherence to Company’s Policies:

   The individual should demonstrate the values and principles of the Company, adhering to its code of conduct, corporate governance standards, and other relevant policies and procedures.

9. Any other criteria as may be deemed necessary by the NRC.

VI. Succession Plan for the Board, KMPs and Senior Management

The Nomination and Remuneration Committee of the Company will oversee and review succession planning for Board, KMPs & Senior Management from time to time and recommend the same to the Board.

a) Succession Plan for the Board of Directors:

The Committee shall determine the suitability of every person who is being considered for appointment or re-appointment as a director based on his/ her educational qualification, experience, track record and contribution to the Board, as applicable, and every such person shall meet the 'fit and proper' criteria as may be stipulated by the Nomination & Remuneration Committee, from time to time, and accordingly any appointment or re- appointment of a director shall be subject to prior approval / recommendation by the Committee.

Further, the Company shall obtain prior written permission of RBI for any change in the management of the Company which would result in more than 30 percent of the directors, excluding independent directors. However, prior approval of RBI would not be required in case of directors who got re-elected on retirement by rotation.

b) Succession Plan for KMPs and Senior Management Personnel:

Based on the inputs received from the Human Resource Department, the Nomination and Remuneration Committee shall periodically review any vacancy / probable vacancy in the position of Senior Management Personnel which may arise on account of retirement, resignation, death, removal, transfer, business expansion, incapacity whether temporary or permanent or otherwise.

For Key Managerial Personnel, the Nomination and Remuneration Committee shall in consultation with the Investor Director/s and the Board Chairman evaluate the suitability of any person based on factors viz., educational qualification, experience, age, health, leadership qualities, suitability to external market requirement / expectation etc., and recommend his/ her candidature to the Board well before such vacancy arises to facilitate smooth transition.

The Nomination and Remuneration Committee shall also identify the competency requirements of Board/key positions, assess potential candidates and develop required competency through planned development and learning initiatives. The Nomination and Remuneration Committee may utilize the services of professional search firms to assist in identifying and evaluating potential candidates.

While identifying successors for critical positions, the Company shall give preference to suitably qualified internal talent, subject to business requirements, demonstrated performance, leadership potential and the competencies required for the role. Where suitable internal candidates are not available or where business considerations warrant, the Company may undertake external benchmarking and recruit external talent.

In the event of any unexpected occurrence in respect of any member of the core management team, the next person as per the organization chart and hierarchy shall take interim charge of the position, pending a regular appointment in terms of the succession plan. Interim appointments shall be approved by the appropriate authority. For positions reporting to the Board or any of its Committees, the approval of the respective Board/Board Committee shall be obtained. Interim appointments for all other positions shall be approved by the Managing Director & CEO.

In addition to the above, the appointment of Key Managerial Personnel shall be made in compliance with all applicable provisions of the Companying Regulation Act, 1949, Companies Act, 2013 (including the rules made there under), Listing Regulations, RBI Governance Directions etc.

VIII. Review of the Policy & Updates

The Board of Directors shall review this policy at least once in a year or as frequently as may be required to ensure its effectiveness. In the event of any conflict between the Act or the SEBI Regulations or any other statutory enactments("Regulations") and the provisions of this policy, the Regulations shall prevail over this policy. Any subsequent amendment / modification in the Regulations, in this regard shall automatically apply to this policy.