

**TOYOTA FINANCIAL SERVICES  
INDIA LIMITED**

**BOARD DIVERSITY POLICY**

*Version 1.0*

<b>Classification</b>	<b>Board Diversity Policy</b>
<b>Department</b>	<b>Corporate</b>
<b>Owner</b>	<b>Nithya prabhu R</b>
<b>Version</b>	<b>1</b>
<b>Date</b>	<b>February 10, 2022</b>
<b>Total no of pages</b>	<b>3</b>

**Approval and sign off of Board of Directors: This document has been approved by the Board of Directors and signed off by the Managing Director & CEO as token of approval.**

Narayanaswamy Raja, MD & CEO	
------------------------------	--

**TFSIN distribution and signoff list: This document has been issued to the following people for sign-off, review, information & recommendation.**

<b>Name</b>	<b>Designation</b>	<b>Action Required</b>	<b>Signature</b>
Narayanaswamy Raja	MD & CEO	Recommend	
Manabu Ueno	WTD	Recommend	
Anupam Vasdani	CFO	Review	
Samrat Ghosh	CRO	Review	
Nithya Prabhu R	Company Secretary	Review & Propose	
Samrat Saha	Manager – Corporate	Prepare	

**Version history:**

<b>No.</b>	<b>Description</b>	<b>Reason for Change</b>	<b>Reference to Update</b>	<b>Date</b>
1	Policy Approval	NA	Initial issue	February 10, 2022

## TABLE OF CONTENTS

Objective.....	2
Policy Statement.....	2
Review and Amendments.....	3

## 1. Objective

The objective of the Board Diversity Policy is to provide a framework for constituting a diversified Board, which would contribute to the achievement of the strategic and commercial objectives of the Company. One of the key functions of the Board is to ensure a transparent nomination process with a focus on diversity of thoughts, varied experience, knowledge, skills, perspective and gender representation. In accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR), the Company is required to devise a formal policy on Board Diversity which sets out a framework to promote diversity on the Board of the Company.

## 2. Policy Statement

Diversity promotes inclusion of different perspectives and ideas. TFSIN believes in diversity and values the benefit it brings to its Board. An active and diversified Board is necessary to ensure highest standards of Corporate Governance. It enhances the quality of deliberations, guidance and decisions.

- The Nomination & Remuneration Committee ('NRC') is entrusted with the responsibility of reviewing and assessing the composition of the Board, as well as selecting adequately qualified persons to be appointed as Directors. The composition of Board shall consist of
  - Appropriate mix of diversity, core skills, experience and expertise required on the Board and having the ability to devote sufficient time to the affairs of the Company.
  - Appropriate mix of varied cultural, geographical background and gender diversity.
  - Optimum combination of Executive, Non-Executive, Independent and Woman Directors in accordance with the requirements of the Articles of Association, Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and RBI Regulations. Independent directors shall meet the criteria of independence set out in Companies Act, 2013, SEBI LODR and RBI Regulations.
- The selection of Directors will be based on professional merit which shall include review of the candidate's integrity, educational background, industry experience, expertise in the fields of Finance, Accounting, Human Resources, Legal, Information Technology, Risk Management, Sales & Marketing, Administration, Corporate Governance, or any other discipline related to the business of the Company. The Company being an NBFC, considering the need for professional experience in managing its affairs, at least one of the Directors shall have relevant experience of working in a Bank / NBFC. The Board members shall be competent to manage the affairs of a NBFC.
- While selecting candidates for appointment to the Board, the NRC shall look at not only the requisite qualifications and skill sets of the candidates but also of the members of the existing Board keeping in mind the current business operations, future growth, diversification plans and also the need to fill in the competency gaps, if any.

- For the purpose of identifying suitable candidates, NRC may use the services of external agencies, if required, consider candidates from a wide range of backgrounds, having due regard to diversity and consider the time commitments of the candidates.

### **3. Review and Amendments**

In the event of any conflict between the provision of this Policy and the applicable laws, the provisions of the applicable laws shall prevail over this Policy. In case of any subsequent changes in the applicable law, the relevant amended provisions would prevail over the Policy and the provisions in the Policy would be modified in due course to make it consistent with the law. This Policy will be reviewed by the NRC as and when deemed appropriate and to comply with any regulatory requirements.

\*\*\*\*\*