

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS OF THE BANK

Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015 requires that Independent Directors should be familiarized with:

- i. Nature of the industry in which the company operates
- ii. Business model of the company
- iii. Roles, rights, responsibilities of independent directors, and
- iv. Other relevant information

The Company conducts induction program/presentation when a new Independent Director joins the Board of the Company, on various aspects including overall corporate and business overview, its vision and mission, enterprise risk management processes, investor relations and human resources.

A Welcome Kit containing, Memorandum and Articles of Association, Annual Report, list of Directors & their profile, list of Board Committees with membership, Organization Structure, list of senior management personnel with their profiles and designation is provided to every Director inducted on the Board.

A detailed letter informing the terms and conditions of appointment stating the roles, rights and responsibility in line with the requirements of the Companies Act, 2013 and RBI guidelines are provided to the Independent Directors.

Quarterly presentations on operations are made to the Board which includes updates on performance review, strategy and key regulatory developments.

Majority of the Directors of the Bank have been associated with the Bank for more than 5 years and have in depth understanding of the business model, business processes and business environment of the Bank. Each director has special knowledge and practical experience in various areas as required in terms of provisions of Section 10-A (2)(a) of the Banking Regulation Act, 1949.

During the year, two of the Independent Directors were nominated by the Bank for attending “Online Certification Programme in IT and Cyber security for Board Members” conducted by Institute for Development and Research in Banking Technology.

During the year, all the directors had attended a training session on “Sustainable Finance Dialogue” by the International Finance Corporation (IFC). The IFC team briefed the Board on - 1. IFC Performance Standards 2. Regulatory Guidance on Sustainable Finance 3. Climate Governance.

Further, all the directors attended DAKSHA Webinar talk by Prof. Aswath Damodaran (Professor at NYU Stern School of Business) with the objective of garnering insights and updates on the latest developments in BFSI.

During the year presentations were made to the Board on various areas including Risk Dash Board / ICAAP, Rating transition and default study, presentation on various Treasury activities, etc.

Committee specific presentations as per the terms of reference of the Committee are also routinely held- such as updates on CSR projects in the CSR Committee, presentation on ICAAP and Risk Dash Board in the Risk Management Committee, Information Security/Cyber Security in the IT & Ops Committee, etc. Further presentations on Statutory and Regulatory changes are also routinely provided to the Directors so as to update them on the changes in the regulatory environment.

On an annual basis, a strategy meeting of the Board dedicated exclusively for strategic matters of the Bank is being held which would provide Independent Directors an opportunity to understand the strategic roadmap and to contribute to strategy development by sharing their experience. In the strategy meeting respective Group Heads of the Bank would update the Board regarding the Indian and global economy, future plans, opportunities and challenges in their respective fields.

During the financial year 2022-23, 40 Hours and 45 minutes of man hours were spent for various familiarization programs for the Directors. Cumulatively, 210 hours and 35 minutes of man hours were spent for familiarization programs to the Directors till date.

The Independent Directors also routinely engage in one-on-one discussion with the senior management of the Bank on their matters of interest for a better understanding of the various aspects of the Bank's business and functioning.
