



ASSET RECONSTRUCTION COMPANY (INDIA) LIMITED

POLICY ON BOARD DIVERSITY

(Approved in Board Meeting held on May 25, 2025)

Company Secretarial Group

POLICY ON BOARD DIVERSITY

I. Purpose:

The Policy on Board Diversity ("Policy") sets out the approach for the diversity of the Board of Directors ("the Board") of Asset Reconstruction Company (India) Limited (hereinafter referred to as 'The Company').

The Company believes that appropriate diversity of membership on the Board of Directors of the Company (hereinafter referred to as 'the Board') will enable the Company to more effectively realise its vision.

II. Applicability:

This Policy applies to the Board of Directors of the Company.

III. Policy Statement:

The Company recognizes and embraces the benefits of having a diverse Board to enhance the quality of its performance.

The Nomination and Remuneration Committee ("Committee") of the Company has devised the Policy and is responsible for reviewing and assessing the composition, as well as identifying appropriate qualified persons to occupy the Board.

In designing the Board's composition, Board diversity shall be considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge, and length of service.

The Board shall have an optimum combination of executive, non-executive, and independent directors including women directors in accordance with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board's composition will be disclosed in the Company's Corporate Governance Report annually.

A diverse Board shall contribute to the achievement of the Company's objectives including:

- Drive business results and strategic growth
- Ensure sustainable development and corporate governance
- Enhance the quality and responsible decision-making capability
- Enhance the reputation of the Company.

IV. Review and Amendment of the Policy:

The Policy may be amended or substituted by the Board as and when required or when there are statutory or regulatory changes necessitating the change in the Policy. This Policy shall be reviewed by the Board on the recommendation of NRC Committee on an annual basis. Any deviation from the policy shall be approved by the Board of Directors.