

TATA CAPITAL HOUSING FINANCE LIMITED

GUIDELINES ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company recognizes its role as a corporate citizen and endeavors to adopt the best practices and the highest standards of Corporate Governance through transparency in business ethics, accountability to its customers, government and others. The Company's activities are carried out in accordance with good corporate practices and the Company is constantly striving to better them and adopt the best practices. As part of the Tata Group, the Company's philosophy on Corporate Governance is founded upon a rich legacy of fair, ethical and transparent governance practices.

The Corporate Governance philosophy has been strengthened with the implementation by the Company of the Tata Code of Conduct applicable to the Company and its employees. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors. Both these codes are available on the Company's website.

At the Meeting of the Board of Directors of the Company held on February 16, 2015, the Directors approved and adopted the Governance Guidelines on Board Effectiveness ("Guidelines"). These Guidelines are based on the Tata Group's deep belief in values, ethical conduct of business, commitment to social responsibility, respect for all stakeholders and sound corporate governance practices. The same are based on current and emerging best practices from both within and outside Tata companies and have been prepared keeping in view the provisions of the Companies Act, 2013 ("Act").

GUIDELINES ON CORPORATE GOVERNANCE BY THE RESERVE BANK OF INDIA

In terms of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by the Reserve Bank of India, as amended from time to time, ("Directions"), housing finance companies are required to frame their internal guidelines on corporate governance with the approval of Board of Directors. The Company shall ensure compliance with and implementation of provisions prescribed in the Directions. In pursuance of the aforesaid Directions, the Company has framed the following internal Guidelines on Corporate Governance.

BOARD OF DIRECTORS

The Board of Directors along with its Committees shall provide leadership and guidance to the Company's Management and direct, supervise and control the performance of the Company.

As per the Company's Articles of Association, the Board's strength is required to be a minimum of three to a maximum of twelve directors.

The Board of Directors of the Company shall have an optimum combination of Executive, Non-Executive, Independent and Woman Directors, as per the Guidelines / Regulations applicable to the Company.

Pursuant to provisions of the Act, a Director shall not hold the office of Director in more than 20 companies and the maximum number of directorships in public companies shall not be more than 10. Further, pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 ("SEBI LODR"), directors of the Company shall additionally ensure that:

- he / she shall not be a Director in more than seven equity listed entities
- whole-time director / managing director shall serve as an independent director in not more than three equity listed entities.

None of the Directors on the Company's Board shall be a Member of more than 10 Board Committees and Chairperson of more than 5 Board Committees (Committees being Audit Committee and Stakeholders Relationship Committee) across all public companies in which they are Directors.

All the Directors shall make the necessary annual disclosure regarding their change in concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including shareholding, directorships and committee positions and shall intimate changes as and when they take place.

The Directors shall act in accordance with the duties as provided under the Act and the Independent Directors shall abide by the Code for Independent Directors under Schedule IV of the Act and SEBI LODR

The Board shall periodically review Compliance Reports of all laws applicable to the Company prepared by the Company as well as steps taken by the Company to rectify instances of non-compliance.

BOARD MEETINGS

Meetings of the Board of Directors shall be held at least four times a year, such that not more than one hundred and twenty days shall intervene between two consecutive meetings.

CODE OF CONDUCT

The Company shall adopt the Tata Code of Conduct for its employees including the Managing Director and a Code of Conduct for its Non-Executive Directors and Independent Directors. The same shall be posted on the Company's web-site.

COMMITTEES OF THE BOARD

To focus effectively on the issues and ensure expedient resolution of diverse matters, the Board shall constitute a set of Committees with specific terms of reference / scope. The Committees shall operate as empowered agents of the Board as per their Charter / terms of reference. The minutes of the meetings of all Committees of the Board shall be placed before the Board for discussions / noting.

Details of the various Committees are as under:

1. Audit Committee

The Audit Committee shall function as per the Audit Committee Charter (Annexure – A)

2. Nomination and Remuneration Committee

The Nomination and Remuneration Committee shall function as per the Nomination and Remuneration Committee Charter (Annexure – B)

3. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee shall function as per the Corporate Social Responsibility Committee Charter (Annexure – C)

4. Risk Management Committee

The Risk Management Committee shall function as per the Risk Management Committee Charter (Annexure – D).

5. Lending Committee

The Lending Committee shall function as per the Lending Committee Charter (Annexure – E)

6. Information Technology Strategy Committee

The Information Technology Strategy Committee shall function as per the Information Technology Strategy Committee Charter (Annexure – F)

7. Stakeholders Relationship Committee

The Stakeholders Relationship Committee shall function as per the Charter for the Stakeholders Relationship Committee (Annexure – G)

MEMBERS

Members shall be informed of details regarding the appointment or re-appointment of a Director.

DISCLOSURES

The Company shall make the disclosures required to be made under the Act and the Rules framed there under, the Guidelines issued by the National Housing Bank (“NHB”) / Reserve Bank of India (“RBI”), SEBI LODR and such other laws and regulations as may be applicable to the Company.

MD/CFO CERTIFICATION

The Managing Director and the CFO shall make the necessary certifications regarding the Financial Statements, internal controls, etc. to the Board.

COMPLIANCE OFFICER

The Board of Directors shall designate a Compliance Officer to ensure compliance with applicable laws.

POLICIES ADOPTED BY THE COMPANY

The Company shall adopt such policies, as may be required to adopt under the Companies Act 2013, SEBI LODR, the Guidelines issued by RBI / NHB, and such other laws and regulations as may be applicable.

The policies adopted may be reviewed by the Board from time to time.

Tata Capital Housing Finance Limited - Board Audit Committee Charter

The role of the Audit Committee shall flow directly from the Board of Directors' oversight function on corporate governance which holds the Management accountable to the Board and the Board accountable to the shareholders. Acting as a catalyst in helping the Company achieve its objectives, the Audit Committee's review function will include the financial reporting process, the system of internal financial controls, the audit process, the Company's process for monitoring compliance with laws and regulations and the Tata Code of Conduct.

Authority

The Audit Committee shall act and have powers in accordance with the terms of reference which shall include the following:

- To investigate any activity within its terms of reference
- To seek information from any employee
- To obtain outside legal or other professional advice
- To secure attendance of outsiders with relevant expertise, if it considers it to be necessary
- To have full access to information contained in the records of the Company

Composition

- The Audit Committee shall have minimum three Members, all being Non-Executive Directors, of which atleast 2/3rd of the Members shall be Independent Directors.
- All Members of the Audit Committee shall be financially literate and at least one Member shall have accounting or related financial management expertise.
- The Chairperson of the Audit Committee shall be an Independent Director.
- The Company Secretary shall act as Secretary to the Audit Committee Meetings.

Meetings

- The Audit Committee shall meet periodically, but at least 4 times a year and not more than 120 days shall elapse between two successive Meetings.
- One Meeting shall be held before the annual accounts and quarterly/ half-yearly accounts / financial results are presented to the Board.
- The quorum for Meetings of the Audit Committee shall be either two Members or one-third of the Members of the Audit Committee, whichever is greater, with atleast two Independent Directors.
- The Chief Financial Officer, Internal Auditor and a Representative of the External (Independent) Auditors should be requested to be present as invitees for the Meetings of the Audit Committee. However, such persons shall not have the right to vote.
- The Audit Committee may invite such of the executives, as it considers appropriate (particularly, the Head of the Finance Function), to be present at the Meetings of the Audit Committee. Such persons shall not have the right to vote. On occasions considered necessary the Audit Committee may also meet without the presence of any executive of the Company.
- The Auditors of the Company and the Key Managerial Personnel shall have a right to be heard at the Meetings of the Audit Committee when it considers the Auditors' Report but they shall not have the right to vote.

Attendance at General Meetings

The Chairperson of the Audit Committee shall be present at the Annual General Meeting of the Company to answer shareholders' queries. However, in case of Extraordinary General Meeting(s) ("EGM") the Chairperson of the Audit Committee, in his/her absence, may authorize any other Member of the Committee to attend the EGM to answer shareholders' queries.

Responsibilities

The Audit Committee shall have discussions with the Auditors periodically about internal financial control systems, the nature and scope of audit, including the observations of the Auditors and review the quarterly and year-to-date and annual financial statements and / or financial results before submission to the Board and recommend the same to the Board for its consideration and also oversee compliance of internal financial control systems. In addition, the responsibilities of the Audit Committee shall include the following:

Financial Statements

- Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are true, fair, correct, sufficient and credible.
- Reviewing with the Management the quarterly and year-to-date Financial Statements and the Auditors' Report thereon before submission to the Board, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement in the Board's Report in terms of Section 134 (3) (c) of the Companies Act, 2013
 - Changes, if any, in accounting policies and practices and reasons for the same
 - Major accounting entries involving estimates based on exercise of judgment by the Management
 - Modified opinion(s) in the draft Auditors' Report, if any
 - Significant adjustments made in the financial statements arising out of audit findings
 - The going concern assumption
 - Compliance with Accounting Standards
 - Compliance with the listing, and other legal requirements concerning financial statements
 - Scrutiny of inter-corporate loans and investments
 - Disclosure of contingent liabilities
 - Disclosure of any related party transactions as per the relevant Accounting Standards, the Companies Act, 2013 and Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time.
 - The effect of regulatory and accounting initiatives as well as off- balance-sheet structures, on the financial statements.
 - Company's press releases, as well as financial information and earnings guidance, if any, provided to analysts and rating agencies.
 - Reviewing and evaluating the Company's financial and risk management systems.

Review and Examination of Information

- Internal audit reports relating to internal control weaknesses.
- Financial Statements and draft Auditors' Report thereon, including the draft limited review report of the Auditors.
- Review the Report of Statutory Auditors made under in the Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021
- Management Discussion and Analysis of financial condition and results of operations.
- Reports relating to risk management and compliance with applicable laws.
- Management letters / letters of internal control weaknesses issued by the Statutory / Internal Auditors.

Internal Control

- Evaluation of the internal financial controls, accounting policies, etc. with the Management, External and Internal Auditors, and to review the adequacy of internal financial control systems.

Risk Based Internal Audit ("RBIA")

- Reviewing the Internal Audit Report and action taken thereon.

- Reviewing the adequacy and performance of the RBIA function, including the Internal Audit Charter, the structure of the internal audit department, approval of the RBIA plan and its execution, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
- The Head - Internal Audit shall have a direct and independent line of reporting to the Audit Committee and administratively to the Managing Director.
- Reviewing the appointment, removal and terms of remuneration of the Head - Internal Audit.
- Discussing with the Internal Auditor any significant findings and follow-up thereon.
- Reviewing the findings of any internal investigations carried out by the Internal Auditor into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Reviewing and monitoring the performance and effectiveness of the Internal Audit process.
- Appointment of Auditors to undertake such audits as may be directed by the Audit Committee of the Holding Company / Audit Committee of the Company / law / Board, from time to time.
- The Head – Internal Audit with the Chief Internal Auditor shall meet the Audit Committee of the Board without the presence of Management once in every financial year.

Information Systems (“IS”) Audit

- Exercising oversight of IS Audit (part of the overall Internal Audit function) of the Company and ensuring that Information Systems Audit of the internal systems and processes is conducted at least once in two years to assess operational risks.
- Review high and moderate issues highlighted related to Information Technology (“IT”) / Information Security / Cyber Security and provide appropriate direction and guidance to the Management.
- Approve Information Security (IS) Audit Policy of the Company and review it annually.
- To approve engagement of any external service provider for IS audit services, where skills are lacking within the IA function. The responsibility and accountability for such external IS audits would continue to remain with the competent authority within Internal Audit function.

External Audit

- Recommending to the Board the appointment / re-appointment and removal / replacement of the Statutory (External) Auditors, fixation of the remuneration and terms of appointment of the Auditors and also approval for payment for any other services rendered by the Auditor, as permitted by law. While considering the appointment of the statutory auditor, the committee shall consider any order or pending proceedings relating to professional matters of conduct against the proposed auditor before the Institute of Chartered Accountants of India or any other competent authority or any Court.
- Discussing with the Statutory Auditors before the audit commences, the nature and scope of audit as well as post-audit discussion to ascertain any areas of concern.
- Reviewing and monitoring the Auditor’s independence and performance and the effectiveness of the audit process.

Subsidiary companies (if any)

- The Audit Committee may recommend the adoption of policies, procedures and processes laid down by it to the Audit Committee of its subsidiaries, if any. Further, the Audit Committee may review the critical issues that may be referred by the Audit Committees of material subsidiaries, if any, to the Audit Committee of the Company.
- Reviewing the financial statements of the subsidiaries, if any, in particular the investments made by the subsidiary companies.
- Overseeing compliance with legal and regulatory requirements, including the Tata Code of Conduct (“TCoC”) for the Company and its material subsidiaries.
- Overseeing financial reporting controls and processes for material subsidiaries.

Fraud

- All cases above Rs. 1 crore are required to be monitored and reviewed by the Audit Committee.
- Additionally, a report containing details of attempted frauds involving an amount of Rs. 25 lakh and above shall be placed before the Audit Committee of the Board for its noting.

Defaults

- Looking into the reasons for substantial defaults / delays in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

Others

- Audit Committee may consider and adopt the policies, procedures and processes laid down by the Audit Committee of the Holding Company. Further, critical issues may be referred by the Audit Committee to the Audit Committee of the Holding Company.
- Recommending the appointment of Chief Financial Officer to the Nomination and Remuneration Committee / Board of Directors, after assessing the qualifications, experience and background, etc. of the candidate.
- Reviewing the functioning of and compliance with the Company's Whistle Blower Policy.
- Reviewing, with the Management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency with regard to monitoring the utilisation of proceeds of a public or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter.
- Reviewing the valuation of undertakings or assets of the Company, wherever it is necessary and the appointment of Registered Valuers.
- Reviewing on an annual basis, the utilization of loans and/ or advances from/investment by the Company in its subsidiary(ies) exceeding Rs. 100 crore or 10% of the asset size of the subsidiary, if any, whichever is lower, including existing loans / advances / investments.
- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.
- Review the Statement of deviations, if any, indicating the utilization of issue proceeds of the listed non-convertible debentures.

Compliance

- Reviewing the Compliance policy of the Company at least annually and oversee its implementation. Amendments, if any, in the Policy shall be subject to the approval of the Board.
- Review on an annual basis progress in rectification/ implementation of recommendations pointed out in various audits and RBI Inspection reports.-
- Review the compliance risk on a quarterly basis based on monitoring and testing results.
- Approve the risk-based compliance testing and monitoring plan
- Reviewing the process for communicating the TCoC to Company personnel and for monitoring compliance therewith. Obtaining regular updates from the Management and Company legal counsel regarding compliance matters.
- In consultation with the Nomination and Remuneration Committee (NRC), review and recommend the appointment/re-appointment, removal, transfer and terms of remuneration as part of performance appraisal of the Chief Compliance Officer to the Board for their consideration.
- The Chief Compliance Officer shall meet the Audit Committee of the Board without the presence of Senior Management, including the Managing Director, once in every quarter.

Reporting Responsibilities

- The Audit Committee shall recommend to the Board, the quarterly, half yearly and year-to-date and annual Financial Statements and Financial Results after reviewing the same.
- The Audit Committee will update the Board, periodically.
- The Board's Report shall disclose the composition of the Audit Committee, brief description of the scope of the Audit Committee Charter, names of the Members and the Chairperson of the Audit Committee and brief details of Meetings and attendance at Audit Committee Meetings.
- The recommendations of the Audit Committee on any matter relating to financial management, management discussion and analysis of financial condition and result of operations after its review, including the Auditors' Report, shall be binding on the Board.
- If the Board does not accept the recommendations of the Audit Committee, it shall disclose the same in the Board's Report, together with the reasons therefor.

Responsibilities under the Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices

- Setting forth the policies relating to and overseeing the implementation of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("Regulations"), as amended from time to time and the Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices ("Code");
- Taking on record such reports as may be required from the Compliance Officer under the Code;
- Deciding penal and disciplinary action in respect of violation of the Regulations / Code; and
- Reviewing compliance with the provisions of the Code, at least once in a financial year and to verify that the systems for internal control are adequate and are operating effectively.

Other Responsibilities

- Monitoring the effectiveness and reviewing the implementation of the Anti-Bribery and Anti-Corruption Policy, considering its suitability, adequacy and effectiveness.
- Performing activities and carrying out functions as contained in the Framework for Related Party Transactions adopted by the Board
- Performing other activities related to this Charter as may be requested by the Board of Directors.
- Carrying out additional functions as contained in any regulatory requirements applicable to the Company or in the terms of reference of the Audit Committee. Instituting and overseeing special investigations as needed.
- The Chairperson of the Committee shall confirm annually to the Board that all responsibilities outlined in this Charter have been carried out.

Review of Committee Charter

- The adequacy of this Charter shall be reviewed and reassessed by the Board of Directors from time to time, as it may deem appropriate (based on changes that may be brought about due to the regulatory framework or otherwise).

Sitting Fees

- Members of the Committee shall receive such sitting fees, if any, for their services as Committee Members as may be determined by the Board at its sole discretion.

Committee Evaluation

The Committee shall undergo an annual self-evaluation of its performance and report the result to the Board. Indicative areas for evaluation as part of this exercise include:

- Degree of fulfilment of key responsibilities,
- Adequacy of Committee composition,
- Effectiveness of meetings,
- Committee dynamics,
- Quality of relationship of the Committee with the Board and the Management.



Board Committee Charter

Nomination and Remuneration Committee Charter

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1. Principles and Objectives

- 1.1. The Nomination and Remuneration Committee ("Committee") of the Board of directors ("Board") of Tata Capital Housing Finance Limited ("the Company") will report to the Board and shall:
- Support the Board in matters related to setup and composition of the Board, its Committees and the leadership team of the Company comprising Key Managerial Personnel ("KMP") and the Senior Management Personnel (as defined herein).
 - Carry out the evaluation of every Director's performance and support the Board and Independent Directors, as may be required, in evaluation of the performance of the Board, its Committees and individual Directors
 - Support the Board in matters related to remuneration of Directors, KMPs, Senior Management Personnel and other employees.
 - Extend oversight on the familiarization programme for Directors.
 - Extend oversight on the HR philosophy, HR and People strategy and key HR practices.

2. Composition

- 2.1. The Committee shall comprise of three or more Directors, out of which, at least two third shall be Independent Directors.
- 2.2. All Directors of the Committee shall be Non-Executive Directors.
- 2.3. The Chairperson of the Committee shall be an Independent Director.
- 2.4. The Chairman of the Board (whether Executive or Non-executive) may be appointed as a Member of the Committee but shall not chair the Committee.
- 2.5. The Chief Human Resources Officer of Tata Capital Limited may assist the Committee as required and may attend the meetings of the Committee as per requirement on invitation.
- 2.6. The Company Secretary of the Company shall act as the Secretary to the Committee and will be responsible for taking adequate minutes of the proceedings and reporting on actions taken in the subsequent meeting.
- 2.7. Representatives from Group Human Resources may attend the meetings of the Committee as per requirement on invitation.

3. Meetings and Quorum

3.1. The Committee shall meet as often as needed to discuss matters. However, the Committee shall meet at least once in a year.

3.2. The quorum for a meeting of the Committee shall be either two members or one third of the members of the committee, whichever is greater, including at least one independent director in attendance.

4. Authority and Power

The Committee shall have the power to:

- Investigate any matter within the scope of this Charter or as referred to it by the Board.
- Seek any information or explanation from any employee or director of the Company.
- Invite such executives, as it considers appropriate to be present at the meetings of the Committee.
- Ask for any records or documents of the Company.

The Committee may also engage (on reasonable terms acceptable to the Board and at the expense of the Company) independent consultants and other advisors and seek their advice on matters related to discharge of its responsibilities.

5. Responsibilities

The responsibilities of the Committee shall include the following:

5.1. **Board Composition and Succession related:**

- Recommend to the Board the setup and composition of the Board.
- This shall include *“Formulation of the criteria for determining qualifications, fit & proper status, positive attributes and independence of a director”*. This also includes periodical review of composition of the Board with the objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender and experience.
- Scrutinise the declarations received from the proposed / existing Directors to undertake a process of due diligence to determine the suitability of the person for appointment / continuing to hold office as a Director on the Board and decide on the acceptance or otherwise of the Directors and ensure “Fit and Proper” status of Directors at the time of appointment and on continuing basis.
- Support the Board in matters related to the setup, review and refresh of the Committees.
- Devise a policy on Board diversity.
- For every appointment of an independent director, to evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person

recommended to the Board for appointment as an independent director shall have the capabilities identified in such description.

- Shall ensure that there is no conflict of interest in appointment of directors on the Board of the Company, KMPs and Senior Management and the independence of the directors is not subject to potential threats.
- Recommend to the Board, the appointment or reappointment of Directors. For the purpose of identification of prospective Directors, the Committee may be supported by Group Human Resources, use the services of an external agencies, if required. The Committee shall consider candidates from a wide range of backgrounds having due regard to diversity and the time commitments of the candidates.
- As NRC of the parent/ holding company, may recommend to the Board of the parent/ holding Company, how the Company will vote on resolutions for appointment of Directors on the Boards of its material subsidiary companies, if any.
- Recommend to the Board, the appointment and changes in the following positions / functions, irrespective of the managerial grade:
 - Key Managerial Personnel (KMP)
 - Managing Director
 - Chief Financial Officer; and
 - Company Secretary.
 - Senior Management Personnel: As per Section 178 of the Companies Act, 2013 and as per Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, officers and personnel of the Company who are members of its core management team, excluding the Board of Directors comprising of all members of the management one level below the Managing / Executive Director, including the functional heads, by whatever name called.
- The Committee shall consult the Audit Committee of the Board before recommending the appointment of the Chief Financial Officer, the Head – Internal Audit and the Chief Compliance Officer. The Committee shall consult Risk Management Committee of the Board before recommending the appointment of the Chief Risk Officer.

5.2. **Evaluation related:**

- The Committee shall specify the manner and criteria for effective evaluation of performance of Board, its Committees and individual Directors including Independent Directors to be carried out either by the Board, by the Committee or by an independent external agency. The Committee shall support the Board and Independent Directors, as may

be required, in the evaluation process and shall also review its implementation and compliance.

- Oversee the performance review process for the KMPs and the Senior Management Personnel with the view that there is an appropriate cascading of goals and targets across the Company.
- Recommend to the Board as to whether to extend or continue the term of appointment of the independent director, inter alia, on the basis of the report of performance evaluation of independent directors.

5.3. **Remuneration related:**

- Oversee the framing, review, implementation and recommend to the Board for its approval the Remuneration Policy for the Directors, KMPs, the Senior Management Personnel and other employees.
- Review of the Compensation structure i.e. design of annual and long-term compensation plan (including share linked instruments, mix of cash and share linked instruments, deferred payment plans which may be subject to malus/ claw back arrangements, etc.)
- While formulating such a policy, the Committee shall ensure that:
 - The Policy has the necessary provisions as required under the applicable laws and regulations.
 - the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
 - compensation levels are supported by the need to retain earnings of the Company and the need to maintain adequate capital;
 - relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - remuneration to Directors, KMPs and the Senior Management Personnel involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals
- The NRC may work in close co-ordination with Risk Management Committee to achieve effective alignment between compensation and risks;
- On an annual basis, recommend to the Board, the remuneration, in whatever form payable to Directors, KMPs and Senior Management Personnel of the Company. This includes review and recommendation of actual payment of annual and long-term incentives for MD/ EDs, KMPs and the Senior Management Personnel.
- Review matters related to remuneration and benefits payable upon retirement and severance to MD/ EDs, KMPs and the Senior Management Personnel.
- Review matters related to voluntary retirement and early separation schemes for the Company.

- Provide guidelines for remuneration of Directors on material subsidiaries, if any.
- As NRC of the parent/ holding company, recommend to the Board of the parent/ holding company how the Company will vote on resolutions for remuneration of directors on the Boards of its material subsidiary companies, if any (as may be applicable).
- Assist the Board in fulfilling its Corporate Governance responsibilities relating to remuneration of Board, KMPs and the Senior Management Personnel. This includes review and approval of any information related to Directors, KMPs, the Senior Management Personnel and their remuneration to be presented in the Annual Report or other external communications (statutory or otherwise).

5.4. **Board Development related:**

- Oversee familiarization programmes for Directors.

5.5. **Review of HR Practices**

- Review the efficacy of HR practices including those for leadership development, rewards and recognition, talent management and succession planning (specifically for Board, KMPs and the Senior Management Personnel).

5.6. **Attendance at General Meetings:**

In accordance with the provisions of the applicable laws, the Chairperson of the Committee or in his/her absence, any other Member of the Committee, so authorised by him/her on his/her behalf shall attend the general meetings of the Company to address the shareholders' queries.

5.7. **Other functions:**

- Perform other activities related to the Charter as requested by the Board, from time to time.
- Recommend commission payable to the Directors, subject to the prescribed limits and approval of the shareholders.
- Perform such other duties and responsibilities as may be consistent with the provisions of the NRC charter.

6. Reporting

The Committee will periodically report to the Board on various matters that it has considered.

7. Committee Evaluation

The Committee shall undergo an annual self-evaluation of its performance and report the result to the Board. Indicative areas for evaluation as part of this exercise include:

- Degree of fulfilment of key responsibilities,
- Adequacy of Committee composition,
- Effectiveness of meetings,
- Committee dynamics,
- Quality of relationship of the Committee with the Board and the Management.

8. Review of Charter

The adequacy of this Charter shall be reviewed and reassessed by the Board of Directors from time to time, as it may seem appropriate (based on the changes that may be brought about due to the regulatory framework or otherwise).

9. Compliance with the Charter

The Chairman of the Committee shall confirm annually to the Board that all responsibilities outlined in this Charter have been carried out.

10. Subsidiary Companies (if applicable)

Subsidiary companies of the Company shall also form Nomination and Remuneration Committee, as applicable under law. The Committee shall share with its subsidiary companies, such policies and practices as would enable the Boards and the NRCs of those companies to harmonise their policies and practices with those of the parent Company. If required, it shall also provide any assistance that such subsidiaries may require.

Note:

The term “material subsidiary” shall have the same meaning assigned to this phrase under the applicable law.

TATA CAPITAL HOUSING FINANCE LIMITED

CHARTER FOR THE CORPORATE SOCIAL RESPONSIBILITY COMMITTEE OF THE BOARD OF TATA CAPITAL HOUSING FINANCE LIMITED

1. Applicability

Setting up of a Corporate Social Responsibility Committee (“CSRC”) of the Board is required in terms of Section 135 of the Companies Act, 2013 (“Act”), the Rules framed thereunder (“CSR Rules”) and Schedule VII to the Act as amended from time to time.

2. Composition

The CSRC shall comprise three or more Directors, out of which, at least one Director shall be an Independent Director and one shall be a Non-independent Non-executive Director.

3. Meetings and Quorum

3.1 The CSRC shall meet at least once a year.

3.2 The quorum for Meetings of the CSRC shall be one third of the members of the Committee or two members, whichever is higher.

3.3 The Company Secretary shall act as Secretary to the CSRC. The Secretary will, *inter alia*, keep minutes of the proceedings of Meetings of CSRC and report the actions taken on matters arising out of earlier meetings.

4. Role and Powers

The Committee shall have the powers to:

- Formulate and recommend to the Board, a Corporate Social Responsibility (“CSR”) Policy which shall include the guiding principles for selection, implementation and monitoring of activities to be undertaken by the Company as specified in Schedule VII to the Act, or any amendment thereto (“CSR Activities”) as well as for formulation of the annual action plan by the Company.
- Formulate and recommend to the Board an Annual Action Plan in pursuance of the CSR Policy and in accordance with the applicable Rules. Recommend alteration in such Plan to the Board of Directors, at any time during the financial year, based on the reasonable justification to that effect.
- Recommend the amount of expenditure to be incurred on CSR activities.
- Monitor the CSR Policy of the Company from time to time and institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company.
- Oversee the Company’s conduct with regard to its corporate and societal obligations and its reputation as a responsible corporate citizen.
- Oversee activities impacting the quality of life of the beneficiaries of the CSR projects.
- Carry out such other functions as may be delegated by the Board from time to time.

TATA CAPITAL HOUSING FINANCE LIMITED

5. Reporting

- 5.1 Progress reports on CSR activities to be circulated to the Board of Directors on a quarterly basis
- 5.2 The Company's Board's Report shall include an Annual Report from the CSRC on CSR, containing such details as provided in the Annexure to the CSR Rules as also the details about the CSR Policy developed and implemented by the Company on CSR initiatives taken during the year.

6. Compensation

The Members of the CSRC shall receive such sitting fees, if any, for their services as Committee members as may be determined by the Board at its sole discretion.

7. Review of Committee Charter

The adequacy of this Charter shall be reviewed and reassessed by the Board of Directors from time to time, as it may seem appropriate (based on changes that may be brought about to the regulatory framework or otherwise).

8. Compliance with the Charter

The Chairperson of the Committee shall confirm annually to the Board that all responsibilities outlined in this Charter have been carried out.

9. Committee Evaluation

The Committee shall undergo an annual self-evaluation of its performance and report the result to the Board. Indicative areas for evaluation as part of this exercise include:

- Degree of fulfilment of key responsibilities,
- Adequacy of Committee composition,
- Effectiveness of meetings,
- Committee dynamics,
- Quality of relationship of the Committee with the Board and the Management.

CHARTER FOR THE RISK MANAGEMENT COMMITTEE OF BOARD OF TATA CAPITAL HOUSING FINANCE LIMITED

The Risk Charter of the organization aims at defining roles and responsibilities of the Risk Management Function for sound Risk Management.

Setting up of Risk Management Committee (“RMC”) of the Board is required in terms of Regulation 21 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and Para 50 of the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021.

Risk Management: Philosophy

- To build profitable and sustainable business with conservative risk management approach.
- To have risk management as an integral part of the organization’s business strategy.
- To undertake businesses that are well understood and within acceptable risk appetite.
- To manage the risks proactively across the organization.
- To adopt best risk management practices with resultant shareholder value creation and increased stakeholder confidence.
- To develop a strong risk culture across the organization.

TCHFL Risk Management Committee Oversight structure



CHARTER FOR THE RISK MANAGEMENT COMMITTEE OF BOARD OF TATA CAPITAL HOUSING FINANCE LIMITED

Risk Management Organization:

The Board of Directors oversee the Company's risk management processes and controls, while management is charged with the day-to-day management of the Company's risks.

- ✓ The Board sets, approves the strategic plans and objectives for Risk Management and Risk Philosophy.
- ✓ The Board shall be responsible for framing, implementing and monitoring the risk management plan.
- ✓ Risk Management Committee of the Board approves and reviews compliance with policies implemented by the organization and risk assessment of the organization (including emerging risks).

Risk Management Committee of the Board (RMC):

The purpose of the Committee is to assist the Board in its oversight of various risks including (i) Credit Risk (ii) Liquidity and Interest Rate Risk (iii) Operational Risk (Process, HR, Technology and Fraud) (iv) Strategic Risks (including emerging and external risks) (v) Compliance and Reputation Risk (compliance risk and reputation risk are covered through compliance risk management charter).

- Approves and reviews compliance with risk management related policies, monitors breaches / triggers of risk tolerance limits and directs action.
- Reviews and analyzes risk exposure related to specific issues and provides oversight of risk across organization.
- Reviews reports of significant issues prepared by internal risk oversight functional groups, including risk exposure related to specific issues, concentrations and limits excesses.
- Nurtures a healthy and independent risk management function in the company.
- Inculcates risk culture within the organization.
- Approves the Enterprise wide Risk Management (ERM) framework.
- Formulate, monitor and oversee implementation of the risk management policy(ies) which shall include:
 - (a) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
 - (c) Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.

CHARTER FOR THE RISK MANAGEMENT COMMITTEE OF BOARD OF TATA CAPITAL HOUSING FINANCE LIMITED

- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems and periodically review risk management policies atleast once in two years, including by considering changing industry dynamics and evolving complexity.
- Review the appointment, removal and terms of remuneration of the Chief Risk Officer.
- The RMC shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.
- have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

Business Risk Assessment

The RMC shall evaluate the adequacy of the risk management system of the Company. To obtain reasonable assurance with respect to the Company's risk management practices, the RMC shall periodically review:

- the nature and extent of the risks facing the Company, the industry and the economy as a whole;
- the extent and categories of risk which it regards as acceptable for the Company to bear;
- the likelihood of the risks concerned materializing;
- the Company's ability to reduce the risks that do materialize;
- the costs of operating particular controls relative to the benefit thereby obtained in managing the related risks;
- consider the risk of management's ability to overlook / override the internal control systems;
- review with the Company's Legal Head and solicitors about the various legal matters which may have an impact on the financial statements and functioning of the Company; and
- Discuss with the Management, the Company's policies with respect to risk assessment and risk management, including appropriate guidelines to govern the process, as well as the Company's major financial risk exposures including policy for foreign exchange and derivative transactions and the steps Management has undertaken to control them.

Composition

The Committee shall comprise of Chairman, Managing Director and atleast two Non-Executive Director as members including atleast one Independent Director. The Chairperson of the Committee shall be a Non-Executive Director.

Meetings and Quorum

The Committee shall meet at least once in a quarter.

The quorum of the Committee meetings shall be two members or one-third of the members of the Committee, whichever is higher, including atleast one member of the Board of Directors.

CHARTER FOR THE RISK MANAGEMENT COMMITTEE OF BOARD OF TATA CAPITAL HOUSING FINANCE LIMITED

The Committee may invite such of the executives, as it considers appropriate to be present at the meetings of the Committee. However, Chief Risk Officer- TCHFL shall be permanent invitee to the Risk Management Committee meeting.

The Committee shall invite the members of the Audit Committee at the meeting of the Committee wherein the points under the Business Risk Assessment would be considered, at least once in a year. The Company Secretary shall act as the Secretary to the Committee Meetings. The Secretary will keep adequate minutes of the proceedings and report on actions taken in the subsequent meeting.

Reporting

The Committee will periodically report to the Board on various matters that it has considered and inform the Board about the nature and content of its discussions, recommendations and actions to be taken.

Compensation

Members of the Committee shall receive such sitting fees and/ or commission, if any, for their services as Committee members as may be determined by the Board.

Review of Committee Charter

The adequacy of this Charter shall be reviewed and reassessed by the Board of Directors from time to time, as it may seem appropriate (based on changes that may be brought about to the regulatory framework or otherwise).

Compliance with the Committee Charter

The Chairperson of the Committee shall confirm annually to the Board that all responsibilities outlined in this Charter have been carried out.

Committee Evaluation

The Committee shall undergo an annual self-evaluation of its performance and report the result to the Board. Indicative areas for evaluation as part of this exercise include:

- Degree of fulfilment of key responsibilities,
- Adequacy of Committee composition,
- Effectiveness of meetings,
- Committee dynamics,
- Quality of relationship of the Committee with the Board and the Management.

CHARTER FOR THE RISK MANAGEMENT COMMITTEE OF BOARD OF TATA CAPITAL HOUSING FINANCE LIMITED

Risk Management Department

The Board shall put in place policies to safeguard the independence of the CRO. In this regard, the CRO shall have direct reporting lines to the MD / RMC of the Board. In case the CRO reports to the MD, the RMC/ Board shall meet the CRO without the presence of the MD, at least on a quarterly basis. The Roles and Responsibilities of the Chief Risk Officer- TCHFL is attached herewith as Annexure A.

The following committees (internal / board) will have responsibilities as outlined below as a part of comprehensive risk management:

- A. Audit Committee:** The Audit Committee shall overview the Internal Financial Controls and the Risk Management Systems.
- B. Asset Liability Management Committee (“ALCO”):** ALCO shall review the Liquidity Risk and Interest Rate Risk on a regular basis and suggest necessary actions based on its view and expectations on the liquidity and interest rate profile. The constitution and the role and powers of ALCO are laid down in the Asset Liability Management Policy as approved by the Board.
- C. Lending Committee (“LC”):** The constitution and the role of the LC would be as per the Delegation of Authority (“DOA”) and LC charter as approved by the Board.
- D. Management Credit Committee (“MCC”):** The constitution and the role of the MCC would be as per DOA as approved by the Board.
- E. Credit Committee (“CC”):** The constitution and the role of the CC would be as per DOA as approved by the Board.

F. Operational Risk Management Committee (“ORMC”):

ORMC is the oversight committee for operational risk. The constitution, meeting and quorum requirements and the role and responsibilities of the ORMC would be as per the ORM Policy.

G. Fraud Risk Management Committee (“FRMC”):

FRMC is the oversight committee for fraud risk. The constitution, meeting and quorum requirements and the role and responsibilities of the FRMC would be as per the FRM Policy.

- H. Information and Cyber Risk Management:** Information Security policy is designed to protect Information and Information Systems from unauthorized access, use, disclosure, disruption, modification, or destruction in order to provide Confidentiality, Integrity, Availability, Authenticity while, the Cyber Security policy is designed to Prevent, Detect, Respond and Recover in an effective

CHARTER FOR THE RISK MANAGEMENT COMMITTEE OF BOARD OF TATA CAPITAL HOUSING FINANCE LIMITED

manner, from Cyber Attacks arising out of the various threat vectors, with the sole objective of building Organizational Resilience.

Technology Risk management is carried out as per the guidance under the 'Information Technology Framework for HFCs – Guidelines' for Housing Finance Companies. Security Operations Center (SOC) is established for security incident and events management (SIEM). Vulnerability and Risk assessments are carried out on an annual basis. The assessment process is common across Information Risk as well as Cyber Security Risks. The results of the assessments are shared with the respective stakeholders and placed at the ORMC and RMC for review.

CHARTER FOR THE RISK MANAGEMENT COMMITTEE OF BOARD OF TATA CAPITAL HOUSING FINANCE LIMITED

Annexure A

Key Responsibilities of the Role:

- The Chief Risk Officer (CRO) is responsible for enabling the efficient and effective governance of significant risks to the business of the TCHFL and its various segments.
- CRO is responsible for the company's risk management practices evaluating, managing and reporting the external and internal risks to the organization.
- CRO shall be involved in the process of identification, measurement and mitigation of risks. All credit products (retail or wholesale) shall be vetted by the CRO from the angle of inherent and control risks. The CRO's role in deciding credit proposals shall be limited to being an advisor.

Major Deliverables:

- Define the Risk Policy for the company and obtain due approvals for the same from the Risk Committee of the Board / Board of Directors, as applicable. The Risk Policy to cover strategic, reputational, operational, financial, cyber and compliance-related risks.
- Assist the business team in identification of markets, products and processes in-line with the Risk Policy of the company.
- Identify and analyze risks related to broader loan portfolio and ensure portfolio quality.
- Establish risk thresholds for various risks factors and exposures (e.g. borrowers' limits, exposure limits, customer category, ticket size, etc.) in partnership with the business.
- Develop the systems for risk analysis of credit proposals, risk documentation and loan approval process.
- Vote on loan proposals when invited as a member of a credit committee.
- Develop qualitative and quantitative risk models for assessing risk and report the performance on risk parameters to the Executive Management and the Board.
- Build early warning signals for key risk parameters.
- Leverage technology to predict risk outcomes.
- Build and implement cybersecurity strategy.
- Strategize and implement fraud risk management framework.
- Working effectively with the business to institutionalize best practices for risk management.
- Embed a culture of informed risk-taking through training, communication and promotion of agreed risk frameworks.

TATA CAPITAL HOUSING FINANCE LIMITED

CHARTER FOR THE LENDING COMMITTEE OF THE BOARD OF DIRECTORS OF TATA CAPITAL HOUSING FINANCE LIMITED

1. Objective

The Lending Committee ("Committee") of the Board of Directors ("Board") of Tata Capital Housing Finance Limited ("Company") shall approve financing proposals related to lending / investment business of the Company.

2. Composition

The Committee shall comprise the Managing Director and at least three Non-Executive Directors, one of which shall be an Independent Director, as Members.

3. Meetings and Quorum

3.1. The Committee shall meet as may be required.

3.2. The quorum for Meetings of the Committee shall be any two members, such that at least one of them is an Independent Director.

However, under exceptional circumstances, the Meeting may be held without the presence of an Independent Director with the prior permission of Chairman of the Board and Managing Director of the Company.

3.3. The Company Secretary shall act as Secretary to the Committee. The Secretary will, *inter alia*, keep minutes of the proceedings and report on actions taken in the subsequent meetings.

4. Role and Powers

The Committee shall have the powers to:

- a) Approve financing proposals related to Developer Funding / Construction Finance above Rs. 80 crore.
- b) Approve financing proposals related to Retail Housing Finance above Rs. 20 crore.
- c) Approve financing proposals related to Structured Finance above Rs. 80 crore.
- d) Approve financing proposals related to Securitisation including PTC above Rs. 100 crore for individual transaction per Originator/ Originator Group and total amount exceeding Rs. 250 crore in a financial year.
- e) Approve financing proposals related to Co-lending above Rs. 500 crore of cumulative exposure against one co-lending partner and on-boarding of new co-lending partner.
- f) Approve financing proposals related to Cross Product Exposure at entity level above Rs. 80 crore.
- g) Carry out such other functions as may be delegated by the Board from time to time.

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5. Reporting

The Committee will periodically report to the Board on various matters that have been referred to the Committee.

6. Compensation

The Members of the Committee shall receive such sitting fees, if any, for their services as Committee Members as may be determined by the Board at its sole discretion.

7. Review of Committee Charter

The adequacy of this Charter shall be reviewed and reassessed by the Board of Directors from time to time, as it may seem appropriate (based on changes that may be brought about to the regulatory framework or otherwise).

8. Compliance with the Charter

The Chairman of the Committee shall confirm annually to the Board that all responsibilities outlined in this Charter have been carried out.

9. Committee Evaluation

The Committee shall undergo an annual self-evaluation of its performance and report the result to the Board. Indicative areas for evaluation as part of this exercise include:

- Degree of fulfilment of key responsibilities,
- Adequacy of Committee composition,
- Effectiveness of meetings,
- Committee dynamics,
- Quality of relationship of the Committee with the Board and the Management.

TATA CAPITAL HOUSING FINANCE LIMITED

CHARTER FOR THE INFORMATION TECHNOLOGY STRATEGY COMMITTEE OF THE BOARD OF DIRECTORS OF TATA CAPITAL HOUSING FINANCE LIMITED

1. Applicability

The Reserve Bank of India had issued 'Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices' on November 7, 2023 ("Master Directions") with a view to consolidate the instructions relating to Information Technology (IT) Governance and Controls, Business Continuity Management and Information Systems Audit.

In accordance with the requirements of the Master Directions, the Information Technology ("IT") Strategy Committee ("Committee") of the Board of Directors ("Board") of Tata Capital Housing Finance Limited ("Company") is constituted.

2. Objectives

The Committee shall carry out review and amend the IT strategies in line with the Corporate Strategies, Board Policy Reviews, Cyber Security Arrangements and any other matter related to IT Governance. The deliberations of the Committee may be placed before the Board. The Committee shall work in partnership with other Board Committees and Senior Management to provide inputs.

3. Composition

- 3.1 The Committee shall have minimum three Members and comprise of the Managing Director and not less than 2 Non-Executive Directors, of which at least one shall be an Independent Director.
- 3.2 The Chairperson of the Committee shall be an Independent Director of the Company and have substantial IT expertise in managing/ guiding information technology initiatives and the Members of the Committee shall be technically competent.

Note:

- 1. "Substantial IT expertise" means the person has a minimum of seven years of experience in managing information systems and/or leading/ guiding technology/ cybersecurity initiatives/ projects. Such a member should also understand the business processes at a broader level and the impact of IT on such processes.
- 2. Technically competent means the ability to understand and evaluate information systems and associated IT/ cyber risks.

4. Meetings and Quorum

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- 4.1 The Committee shall meet at least on a quarterly basis.
- 4.2 The quorum for the meetings of the Committee shall be either two members or one-third of the members of Committee, whichever is higher.
- 4.3 The Committee may invite such of the executives, as it considers appropriate, to be present at meetings of the Committee. However, the following shall be permanent invitees to Meetings of the Committee:
 - a) Ms. Aarthi Subramanian, Director, Tata Capital Limited ("TCL"), the holding company and Group Chief Digital Officer, Tata Sons Private Limited, the ultimate holding company;
 - b) Chief Information Officer (TCHFL)
 - c) Chief Technology Officer (TCL);
 - d) Chief Risk Officer, (TCL and TCHFL)
 - e) Chief Operating Officer - IT, Digital, Operations & Marketing (TCL);
 - f) Chief Information Security Officer (TCHFL and TCL); and
 - g) Technology Head - Strategic Initiatives & IT Governance (TCL)
- 4.4 The Company Secretary shall act as Secretary to the Committee. The Secretary will, *inter alia*, keep minutes proceedings of Meetings of the Committee and report the actions taken on matters arising out of earlier meetings.

5. Roles, Responsibilities and Powers

The Committee shall have the following roles, responsibilities and powers:

- a. To ensure that the organization has put an effective IT strategic planning process in place.
- b. To guide in preparation of IT Strategy and ensure that the IT Strategy aligns with the overall strategy of the organization towards accomplishment of its business objectives.
- c. To satisfy itself that the IT Governance and Information Security Governance structure fosters accountability, is effective and efficient, has adequate skilled resources, well defined objectives and unambiguous responsibilities for each level in the organization.
- d. To ensure that the organization has put in place processes for assessing and managing IT and cybersecurity risks.
- e. To ensure that the budgetary allocations for the IT function (including for IT security), cyber security are commensurate with the organization's IT maturity, digital depth, threat environment and industry standards and are utilized in a manner intended for meeting the stated objectives.
- f. To review, at least on an annual basis, the adequacy and effectiveness of the Business Continuity Planning and Disaster Recovery Management of the Company

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(limited to operational resilience focusing on People, Processes and Systems associated with the IT, IS, information/ cyber security controls and operations).

- g. To decide on representation from business and IT functions, etc., into the Information Security Committee ("ISC") and oversee the activities of ISC at least on quarterly basis.
- h. To review cyber security risks/ arrangements/ preparedness of the organization at least on a quarterly basis.
- i. Review the assessment of IT capacity requirements and measures taken to address the issues.
- j. To approve documented standards and procedures relating to access to information assets.
- k. To approve the minimum Recovery Time Objective (RTO).
- l. Approve the policy providing guidance across IT Outsourcing Lifecycle for all existing and prospective IT outsourcing arrangements to evaluate risk and materiality of outsourcing arrangements, including outsourcing within the Group.
- m. Set up a suitable administrative framework of Senior Management for implementation, oversight, and assurance functions for IT Outsourcing policy.
- n. Evaluate and provide exception approval pertaining to conflict-of-interest cases.
- o. Adoption of any new methods as well as identification of the Cloud Service Provider (CSP) shall be approved by the respective IT Strategy Committee.
- p. To review the IT / Information Systems Audit ("IS") report.
- q. To do any or all things that may be done by the Board of Directors in accordance with the RBI IT Directions, as amended from time to time.
- r. To do such other things related to IT as may be recommended by the Board of Directors to the Committee.

6. Reporting

The Committee will periodically report to the Board on various matters that have been referred to the Committee.

7. Compensation

Sitting Fees for the Meetings of the Committee shall be paid to the Independent Directors and the Non-Executive Directors (other than Managing Director or employees of Tata Capital Limited and its subsidiaries) as approved by the Board of Directors of the Company for any Committee constituted by the Board. Sitting fees shall not be paid to the Permanent Invitees for the Committee Meetings.

8. Review of Committee Charter

The adequacy of this Charter shall be reviewed and reassessed by the Board of Directors from time to time, as it may seem appropriate (based on changes that may be brought about to the regulatory framework or otherwise).

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9. Compliance with the Charter

The Chairperson of the Committee shall confirm annually to the Board that all responsibilities outlined in this Charter have been carried out.

10. Committee Evaluation

The Committee shall undergo an annual self-evaluation of its performance and report the result to the Board. Indicative areas for evaluation as part of this exercise include:

- Degree of fulfilment of key responsibilities,
- Adequacy of Committee composition,
- Effectiveness of meetings,
- Committee dynamics,
- Quality of relationship of the Committee with the Board and the Management.