



BOARD DIVERSITY POLICY



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Board Diversity Policy

1. Background:

Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") mandates listed entities to devise a policy on diversity of Board of Directors. This Policy on Board Diversity ("Policy") sets out the approach to ensure adequate diversity in its Board of Directors ("Board").

2. Purpose:

The Policy on Diversity of Board (the "Policy") aims to set out the approach to achieve diversity on the Board of Directors (the 'Board') of the Company. Building a Board of diverse and inclusive culture is integral to the success of PAE Limited (the "Company").

The Board considers that its diversity, including gender diversity, is a vital asset to the business.

Inclusive and diverse Board allows more wider perspectives to be integrated when brainstorming, problem solving and developing new ideas for the growth of company business.

3. Applicability:

The policy shall be applicable for members of the Board of Directors of PAE Limited. It does not apply to diversity in relation to employee of the Bank.

4. Principles relating to diversity:

In order to ensure that the Board is endowed with appropriate balance of skills, experience and diversity of perspectives, the Bank shall confirm to the following principles relating to Board Diversity:

1. The Board shall collectively possess the necessary qualifications commensurate with size, complexity and risk profile of the Bank.
2. Decisions pertaining to appointment/ re-appointment, elevation and remuneration of Directors shall be based on their skills, experience, expertise, contributions during deliberations at meetings of the Board and adherence to corporate governance norms as reflected in the outcomes of their performance evaluation;
3. The Board shall be represented by members from diverse educational background including but not limited to accountancy, agriculture and rural economy, banking, co-operation, economics, finance, law, small-scale industry, information technology, core industries, infrastructure sector, payment and settlement systems, human resources, risk





management & business management and such other matters the special knowledge or and practical which in the opinion of the Board would be in the business interest

4. Adoption of best practices to ensure fairness and equality and transparency whilst appointing Directors and ensuring zero tolerance for discrimination based on caste, creed, gender, ethnicity, religion, disability, colour or otherwise.

5. Monitoring and Reporting:

The Nomination and Remuneration Committee ('Committee') is responsible for reviewing and assessing the composition and performance of the Board, as well as identifying appropriately qualified persons to occupy Board positions.

The Committee will ensure that no person is discriminated against on grounds of religion, race, gender, pregnancy, childbirth or related medical conditions, national origin or ancestry, marital status, age, sexual orientation, or any other personal or physical attribute which does not speak to such person's ability to perform as a Board member

- I. The Nomination and Remuneration Committee is (among other things) responsible for:
 - a. Formally assessing the appropriate mix of Diversity, skills, experience and expertise required on the Board and assessing the extent to which the required skills are represented on the Board
 - b. Making recommendations to the Board in relation to Board succession, including the succession of the Chairman, to maintain an appropriate mix of Diversity, skills, experience and expertise on the Board.
 - c. Ensure that Board have an optimum combination of executive, non-executive and independent directors in accordance with requirements of the Articles of Association of Company, the Companies Act, 2013, Listing Regulations and the statutory, regulatory and contractual obligations of the company
 - d. Reviewing and reporting to the Board in relation to Board Diversity.
- II. The Nomination and Remuneration Committee will report to the Board on;
 - a. Initiatives undertaken by the Committee in relation to board Diversity and to achieve the measurable objectives.
 - b. Progress in achieving the Measurable Objectives and to make recommendations to the Board on the same.

6. Review:

The Nomination and Remuneration Committee will review this Policy periodically and recommend appropriate revisions to the Board.





7. Disclosure of the Policy:

The Policy will be uploaded on the Company's website for public information. The necessary disclosure about the policy will also be made as per the requirements of the Listing Regulations and the Companies Act, 2013.

