



Utkarsh Small Finance Bank

POLICY ON BOARD DIVERSITY



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1. Background

Regulation 19(4) read with Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“Listing Regulations”) mandates that all listed entities devise a policy on diversity of board of directors.

It is in this context that the Policy on Board Diversity (“**Policy**”) is being framed and implemented.

2. Purpose & Objective:

Utkarsh Small Finance Bank Limited (the “**Bank**”) believes that diversity on its board of directors (“**Board**”) plays a very important role in enabling professional diversity and betters the decision-making process in the boardroom. The purpose and objective of this Policy is to comply with the Listing Regulations and ensure diversity of thought, experience, knowledge, perspective and gender on the Board. The Bank promotes social diversity and professional diversity in the boardroom.

The primary objective of this Policy is to provide a framework for having a diversified Board and set standards for having diversity.

3. Interpretation

Any words used in this Policy but not defined herein shall have the same meaning ascribed to it in the Articles of Association of the Bank, Listing Regulations and /or the Companies Act, 2013 or Rules made thereunder, each as amended.

In case of any dispute or difference upon the meaning/interpretation of any word or provision in this Policy, the same shall be referred to the Nomination and Remuneration Committee (“**Committee**”) and the decision of the Committee in such a case shall be final.

4. Board Diversity Policy

The Board shall have at all times, an optimum combination of executive, non-executive directors including independent and women directors in accordance with the Articles of Association of the Bank, Banking Regulation Act, 1949 and other guidelines/circulars issued by RBI such as Guidelines for Licensing of “Small Finance Banks” in the Private Sector dated November 27, 2014, Companies Act, 2013 and Rules made thereunder and the Listing Regulations, as amended.

The Bank believes that diversity in the composition of the Board is essential both from the perspective of bringing greater breadth to discussions that would enable better decision making and to fulfill the Bank’s responsibility as an enlightened corporate citizen in terms of gender equality and building a more inclusive society. The Bank will therefore seek to have a board composition that reflects diverse backgrounds, genders and experiences relevant for the business.



The NRC will from time to time set out the desired composition of the Board and will ensure that the nomination process enables seeking out and considering candidates reflecting the desired diversity. The NRC will be responsible for ensuring that the composition of the Board reflects the intended diversity.

The policy shall be made available on the website of the Bank under the section “Our Policies” on the link <https://www.utkarsh.bank/our-policies>.

5. Amendments & Updations:

This Policy may be amended, modified or supplemented from time to time, basis the annual review by the Committee, to ensure compliance with any modification, amendment or supplementation to the Listing Regulations or as may be otherwise prescribed by the Committee/Board from time to time, and recommend the necessary changes to the Board for its approval.