



BOARD DIVERSITY POLICY
NPCI/NQMS/BOARD SECRETARIAT/PO-09

Document History

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Background

The Board is an essential element of an organisation that serves as the cornerstone of strategic decisions. NPCI endorses the principle of balanced Board with diverse skills, experience, and perspectives and considers it a key asset in its success. Accordingly, in alignment with Section 178 of the Companies Act, 2013 ("the Act") NPCI has adopted the Board Diversity Policy, voluntarily incorporating relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The policy highlights the importance of individuals who collectively bring a balanced blend of skills, experiences, and perspectives. NPCI acknowledges the significance of diversity

Purpose

The Board Diversity Policy ('the Policy') sets out the approach to diversity on the Board of National Payments Corporation of India ('NPCI' or 'the Company').

Policy statement:

This policy on Board Diversity has been formulated to ensure that the NPCI Board is diverse and comprises of an appropriate combination of Executive and Non-Executive Directors, Independent Directors as well as Woman Director(s) with diverse backgrounds including gender, knowledge, skills, industry experience, and perspectives, to ensure a healthy deliberation for decision making and actions by the Board.

The said policy has been framed to set out the approach towards diversity on the Board of the Company.

NPCI recognises and fully embraces the critical role that a diverse Board plays in its success. The Company believes that a diverse Board composed of individuals with varied expertise and perspectives is integral to ensure that NPCI fulfils its objectives and builds a sustainable competitive advantage. It is paramount to have an optimal combination of skills, expertise, and experiences to ensure that the Board, as a collective body, is equipped to guide the business and strategy of the Company.

While all Board appointments are fundamentally merit-based, the diversity of Board in aggregate will immensely strengthen its ability to steer the Board in guiding the Company successfully through various geographies.

Nomination and Remuneration Committee ("Committee") shall be responsible for reviewing and recommending the appointment of new Directors to the Board. In reviewing and determining the

Board's composition, the Committee will consider factors such as merit, skill, expertise, experience, gender, age, residency, etc .

The Committee shall address Board vacancies through a structured approach, prioritising candidates with diverse backgrounds and relevant industry expertise. Additionally, the Committee may consider the appointment of professionals from various specialised domains, including but not limited to Human Resources, Finance, Law, Information Technology, Corporate Strategy, Innovations, Marketing, Business Development, International Business, Operations Management or any other professional area. This ensures the Board benefits from a well-rounded skill set and facilitates the seamless succession of any outgoing Director with similar expertise. Accordingly, the Committee shall:

- Review the appropriate mix of diversity, skills, experience, and expertise required on the Board and review the extent to which the required skills are represented on the Board;
- Make recommendation to the Board in relation to the appointments, and maintain an appropriate mix of diversity, skills, experience and expertise on the Board, and;
- Periodically review and report to the Board, requirements, if any, in relation to diversity on the Board, as and when required.

The Board shall have an optimum combination of Executive, Non-executive and Independent Directors in accordance with the Articles of Association of NPCI, the Companies Act 2013, RBI framework and any other applicable statutory and regulatory obligations.

Responsibility and review of the Policy

The Committee shall review the Policy annually or as it may deem fit and recommend appropriate revisions to the Board.