



**Policy on directors appointment including criteria for determining qualifications, positive attributes, independence of a director:**

The Board has adopted comprehensive Governance Guidelines for Tata Companies which inter alia provides policy/framework for a) Role of the Board, Chairman, Directors, b) Board composition, c) Criteria for appointment of directors (Executive, non-independent and independent), d) Criteria for independence e) remuneration of directors, f) Code of conduct for executive/non-independent and independent directors, g) Board, Committee and Director evaluation process and questionnaire format.

As laid down in the aforementioned Governance Guidelines, it is the responsibility of the Nomination and Remuneration Committee to develop competency requirement for the Board based on the industry and strategy of the Company. The Board composition analysis is made with an in-depth understanding of the Company, including its strategies, environment, operations, financial condition and compliance requirement. The guidelines put in place a transparent board nomination process and the appointment of directors are made keeping in view to bring in diversity of thought, experience, knowledge, perspective, age and gender. Non-executive directors bring an external view and judgment on the issues of strategy, risk, performance, capital and other resources, key appointments and business conduct. The guidelines prescribe that retired MD/ED/employees are not invited to join the Board of the company as non-executive directors. However, such person may continue as non-executive director of its subsidiaries/ joint venture/associates/fellow subsidiaries and other Tata Companies. All non-independent non-executive directors are liable to retire by rotation and they are to be selected through a formal process by the Nomination and Remuneration Committee and confirmed by the Board.

A director is considered to be an independent director if he meets the criteria for independence as laid down under the Companies Act, 2013 and Listing Regulations. The Governance Guidelines prescribe that while recommending appointment of an Independent Director, the Nomination and Remuneration Committee shall consider the manner in which the function and domain expertise of the individual contributes to the overall skill-domain mix of the Board. Independent directors appointed are thought/practice leaders in their respective functions/domain.