



For CHOLAMANDALAM MS GENERAL INSURANCE CO. LTD.

V. SURYANARAYANAN
Managing Director

**Cholamandalam MS General Insurance Company Limited
Policy for Board Nomination
June 2024**

**Approving Authority: Board of Directors
Version 2024.0**

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Table of Contents

Sr. No.	Particulars	Page No.
1	Background	3
2	Definitions	3
3	Qualifications	4
4	Positive Attributes	5
5	Independence Standards	6
6	Retirement	6
7	Review of the Policy	6

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1. Background:

- 1.1 The Nomination and Remuneration Committee (NRC) of the Board is responsible for identifying persons for initial nomination as directors and evaluating incumbent directors for their continued service.
- 1.2 The Policy comprises of the qualifications, positive attributes and independence criteria laid down by the Nomination and Remuneration Committee of Cholamandalam MS General Insurance Company Limited in terms of section 178(3) of the Companies Act, 2013, IRDAI (Corporate Governance for Insurers) Regulations, 2024 issued by Insurance Regulatory and Development Authority of India (IRDAI) and Master Circular on Corporate Governance for Insurers, 2024 to be considered for nominating candidates for Board positions/re-appointment of directors.

2. Definitions:

The following terms for the purpose of this policy shall carry the meaning:

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| 2.1 "Act" | Act shall mean the Insurance Act, of 1938. |
| 2.2 "Authority" or "IRDAI" | Authority or IRDAI shall mean the Insurance Regulatory and Development Authority of India established under sub-section 1 of Section 3 of the IRDA Act 1999; |
| 2.3 "Board" | Board shall mean the Board of Directors of Cholamandalam MS General Insurance Company Limited. |
| 2.4 "Company" | Company shall mean Cholamandalam MS General Insurance Company Limited. |
| 2.5 "Director" | Director shall mean, a director appointed to the Board of a Company. |
| 2.6 "Group" | Group shall have the same meaning as defined under Regulation 1(4), Part I of Schedule III of IRDAI (Actuarial, Finance and Investment) Regulations, 2024. |
| 2.7 "NRC" | NRC shall mean the Nomination and Remuneration Committee constituted under operation of section 178(3) of the Companies Act, 2013, IRDAI (Corporate Governance for Insurers) Regulations, 2024, and Master Circular on Corporate Governance for Insurers, 2024. |

3. Qualifications:

3.1. Personal Traits:

- 3.1.1 Highest personal and professional ethics, integrity and values;
- 3.1.2 Shares the values and beliefs of the Company;
- 3.1.3 Inquisitive and objective perspective, practical wisdom and mature judgment;
- 3.1.4 Demonstrates intelligence, maturity, wisdom and independent judgment;
- 3.1.5 Self-confidence to contribute to board deliberations, has a stature that other board members will respect his or her views.

3.2. Experience and Background:

- 3.2.1 Well accomplished in his / her respective field;
- 3.2.2 Demonstrated success at policy-setting and strategy development levels in a large organization (such as corporation, government, academic institution or profession);
- 3.2.3 Typically first level leadership position (i.e., Chair, CEO or President or equivalent) or second level (i.e., COO, CFO or head of a major subsidiary or line of business) unless the Board is seeking a particular skill set (e.g., technology, human resources management or financial expert);
- 3.2.4 Leadership role - at the time a potential director's initial candidacy is evaluated must either be current or very fresh and recent, and incumbent directors should continue to demonstrate a sophisticated understanding and current knowledge of complex business issues;
- 3.2.5 Proficiency and broad knowledge in the areas such as engineering, finance, marketing, corporate affairs, technology, law, human resources management, executive leadership etc. that complements the skills of current board members and proposed board role;
- 3.2.6 Absence of adverse events (e.g., bankruptcy affiliations, securities law sanctions, disqualifications under Companies Act 2013 or other applicable laws etc.) that either disqualify or require adverse disclosures.

3.3. Fit and proper:

- 3.3.1. The intangibles of demeanor, attitude and interpersonal skills that indicate the candidate will be an effective member of the Board of directors in a major company setting;
- 3.3.2. Should act on fully informed basis, in good faith, with due diligence and care and in the best interest of the Company and its stakeholders;
- 3.3.3. Should be able to exercise objective independent judgment on corporate affairs;

- 3.3.4. Special skills, expertise and background that contribute to the diversity of views and perspective of the Board as a whole;
- 3.3.5. With respect to Directors being nominated for Independent position, the candidate should comply with the "Independence qualifications" as defined by applicable laws;
- 3.3.6. Willingness to devote sufficient time to carry out the duties and responsibilities effectively, including attendance at meetings;
- 3.3.7. Willingness to undertake appropriate induction and regularly update and refresh his/ her skills, knowledge and familiarity with the Company;
- 3.3.8. Commitment to representing the long-term interests of the shareholders and balancing the interests of stakeholders;
- 3.3.9. Willingness to challenge management in a constructive manner while working effectively as a part of a team in an environment of collegiality and trust;
- 3.3.10. Adhere to the code of conduct of the Company;
- 3.3.11. Protecting the legitimate interests of the Company, its shareholders and employees and maintain confidentiality;
- 3.3.12. Meets the age criteria and applicable tenor restrictions placed by the Board;
- 3.3.13. Absence of an unacceptable number of other board commitments;
- 3.3.14. Absence of personal and business relationships/directorship that would pose a conflict of interest to the Board position;
- 3.3.15. Not being an agent or an intermediary or an insurance intermediary or a director on the Board of an intermediary / corporate agent of the Company, unless with the prior approval of IRDAI
- 3.3.16. Absence of unfair obstruction in the functioning of the Board/Committees.

4. Positive Attributes:

The positive attributes for a director would encompass:

- 4.1. Ethical Integrity and transparency;
- 4.2. Has/acquires sufficient knowledge in the Company's business and operations;
- 4.3. Demonstrate sound judgment gained through experience & expertise in management/ technical/ financial /governance or regulatory matters;
- 4.4. Foresight - ability to see and prepare for future, anticipate needs, opportunities and threats;
- 4.5. Managerial abilities required to lead and guide the management such as effective communication skills, cultural sensitivity, flexibility, team player, strategic thinking, balancing risk with opportunity, ability to juggle several

variables and make complicated decisions etc.

5. Independence Standards:

A Director is independent if the Board affirmatively determines that he meets the independence criteria provided under the applicable laws. In addition to applying these guidelines, the Board will consider all relevant facts and circumstances in making its determination relative to a director's independence. Two core objectives in selecting Board members and continued Board service are that the skills, experiences and perspectives of the Board as a whole should be broad and diverse, and the collective talent should blend together to be as effective as possible.

6. Retirement:

A Director shall be liable for retirement upon reaching the age of superannuation, which currently is 70 years, unless otherwise approved by the Board and shareholders as the case may be, subject to compliance of Companies Act, 2013 and IRDAI Guidelines.

7. Review of the Policy:

The NRC and the Board shall review the Policy:

- 7.1 at least once in every financial year, or
- 7.2 as and when the NRC and/or the Board considers it appropriate, or
- 7.3 as and when the underlying laws governing the Policy undergo any change.

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