

POLICY FRAMEWORK TO PROMOTE DIVERSITY ON COMPANY'S BOARD OF DIRECTORS

1. PURPOSE

The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**") mandate listed entities to devise a policy on diversity of board of directors. This Board Diversity Policy ("**Policy**") sets out the approach to diversity on the Board of Directors ("**Board**") of Northern Arc Capital Limited ("**Northern Arc**" or the "**Company**").

2. SCOPE

This Policy applies to the Board of Northern Arc. This Policy sets out the approach to ensure transparency in the nomination process and diversity of the Board in terms of thought, experience, knowledge, perspective and gender in the Board in accordance with the Listing Regulations and other laws, rules and regulations, as applicable.

3. POLICY FRAMEWORK

Northern Arc recognizes the importance of a diverse Board and believes that a truly diverse Board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender. Northern Arc believes that a diverse Board will contribute to the achievement of its strategic and commercial objectives, including to:

- a) Drive business results;
- b) Make corporate governance more effective;
- c) Enhance quality and responsible decision making capability;
- d) Ensure sustainable development; and
- e) Amplify the reputation of Northern Arc.

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 also consider the benefits of diversity (including but not limited to the attributes listed above) in identifying and recommending persons for Board membership, as well as in evaluating the Board and its individual members.

Further, 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 relate to such person's ability to perform as a Board member.

To ensure the above, the Committee shall:

- assess the appropriate mix of diversity, skills, experience and expertise required on the Board and assess the extent to which the required skills are represented on the Board.
- make recommendations to the Board in relation to 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.

The Board shall have an optimum combination of executive, non-executive and independent directors in accordance with requirements of the Articles of Association of the Company, the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the statutory, regulatory and contractual obligations of Northern Arc.

4. RESPONSIBILITY AND REVIEW

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

5. AMENDMENT TO THE POLICY

The Policy will be amended as and when needed with the approval of the Committee.

6. DISCLOSURE

The necessary disclosure, if any, about the Policy will also be made as per the requirements of the Listing Regulations and the Companies Act, 2013, as amended.
