

CODE &
FAMILIARISATION FOR
INDEPENDENT
DIRECTORS

CODE FOR INDEPENDENT DIRECTORS
(As per Schedule IV of the Companies Act, 2013)

The Code is a guide to professional conduct for independent directors. Adherence to these standards by independent directors and fulfilment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and companies in the institution of independent directors.

I. Guidelines of professional conduct

An independent director shall:

- 1.1 uphold ethical standards of integrity and probity;
- 1.2 act objectively and constructively while exercising his duties;
- 1.3 exercise his responsibilities in a bona fide manner in the interest of the company;
- 1.4 devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- 1.5 not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- 1.6 not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- 1.7 refrain from any action that would lead to loss of his independence;
- 1.8 where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
- 1.9 assist the company in implementing the best corporate governance practices.

II. Role and functions

The independent directors shall:

- 2.1 help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- 2.2 bring an objective view in the evaluation of the performance of board and management;
- 2.3 scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- 2.4 satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- 2.5 safeguard the interests of all stakeholders, particularly the minority shareholders;
- 2.6 balance the conflicting interest of the stakeholders;

- 2.7 determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;
- 2.8 moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

III. Duties

The independent directors shall—

- 3.1 undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- 3.2 seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company;
- 3.3 strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- 3.4 participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- 3.5 strive to attend the general meetings of the company;
- 3.6 where they have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
- 3.7 keep themselves well informed about the company and the external environment in which it operates;
- 3.8 not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board; pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;
- 3.9 ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- 3.10 report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- 3.11 acting within their authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- 3.12 not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

IV. APPOINTMENT

- 4.1 The Appointment of Independent Directors is for a term as may be approved by Board of Directors of the Company on the recommendation of Nomination and Remuneration Committee, subject to the approval of members.
- 4.2 As an Independent Director, the provisions for retirement by rotation at each Annual General Meeting shall not apply on Independent Director.
- 4.3 The Independent Director may be re-appointed on the recommendation of Nomination and Remuneration Committee, subject to approval of Shareholders.

V. ROLE, DUTIES AND RESPONSIBILITIES

- 5.1 They shall perform their duties, whether statutory or fiduciary faithfully, efficiently and diligently to a standard commensurate with both the functions of their role as an Independent Director and knowledge, skills and experience.
- 5.2 They are requested to acquaint themselves with the Company's operations and businesses and update themselves regularly.
- 5.3 They will exercise their powers in their role as an Independent Director having regard to the relevant obligations under prevailing law including Companies Act, 2013, SEBI (LODR), 2015 as amended from time to time.
- 5.4 By their acceptance of this appointment as an Independent Director, they confirm that they are able to devote sufficient time to meet the expectations of their role.
- 5.5 During their appointment (except in the proper and normal performance of their duties as an Independent Director) or at any time after completion of their tenure, they shall not make use of or divulge to any person, any confidential information relating to the Company, any Related Party or any stakeholder of the Company without the prior written consent of the Board.
- 5.6 During their appointment to use all reasonable endeavors to prevent the publication or disclosure of any confidential information relating to the Company, any Related Party or any stakeholder of the Company.
- 5.7 They shall abide by the 'Code for Independent Directors' as outlined in Schedule IV to section 149(8) of the Companies Act, 2013 and duties of directors as provided in the Companies Act, 2013 (including Section 166).
- 5.8 Unless specifically authorised to do so by the Board, they will not enter into any legal or other commitment or contract on behalf of the Company.

VI. LIABILITIES

- 6.1 Though the Board as a whole is collectively responsible for promoting the success of the Company by directing and supervising its affairs in a responsible and effective manner, in their capacity as an Independent Director they will be held liable in respect of such acts of omission or commission by a company which had occurred with their knowledge, attributable through Board processes and with their consent or connivance or where they have not acted diligently.
- 6.2 Any breach of duties specified or expected of them as an Independent Director may expose them to penal consequences as specified under the Companies Act, 2013 or any applicable law in force.

VII. REMUNERATION

- 7.1** As Independent Directors, they shall be paid sitting fees for attending the meetings of the Board and the Committees of which they are members. The sitting fees for attending each meeting of the Board and its Committees would be as determined by the Board from time to time which shall not exceed Rs 1,00,000.
- 7.2** In addition to the sitting fees, commission that may be determined by the Board may also be payable to them. In determining the amount of this commission, the Board supported by the Nomination and Remuneration Committee may consider performance of the Company and their performance as evaluated by the Board.
- 7.3** The Company may pay or reimburse to the Director such expenditure, as may have been incurred by them while performing their role as an Independent Director of the Company. This could include reimbursement of expenditure incurred by them for accommodation, travel and any out-of-pocket expenses for attending Board/ Committee meetings, General Meetings, court convened meetings, meetings with shareholders/creditors/management, site visits, induction and training (organized by the Company for Directors) and in obtaining, subject to the expense being reasonable, professional advice from independent advisors in the furtherance of their duties as Independent Directors.

VIII. INDUCTION

Where Independent Director so require, the Company Secretary and Compliance Officer shall arrange for Independent Director to participate in an induction program that includes:

- Meetings with major shareholders;
- Meetings with members of senior management;
- Visits to key premises and branches; and
- An induction pack of information concerning the company, its constitution, relevant laws and regulations.

IX. CONFLICT OF INTEREST

- 9.1** By accepting appointment as an Independent Director, they confirm that, apart from those interests disclosed in writing to the Board, they have no existing causes of likely conflict of interest with the business of the Company. In particular, they confirm that they do not serve as a director of any company in any jurisdiction which carries out any activities which compete with any business carried on by the Company. They are required to immediately disclose any such conflict or potential conflict to the Chairman / Managing Director / Company Secretary, immediately.
- 9.2** During their appointment they may not, without the prior agreement of the Board, accept a Directorship of a Company that is, or provide their services to any person who is, a competitor of the Company. The Board's consent will not be granted if such appointment or involvement would, in the opinion of the Board, conflict with or be likely to interfere with their appointment as an Independent Director.

X. TERMINATION

- 10.1** Appointment as an Independent director may be terminated by either party by giving atleast 30 days prior notice.

10.2 Appointment as an Independent director shall be terminated immediately in the following cases:

- a. they are appointed to the Board of Directors of any other competitor of the Company in any jurisdiction without the prior consent of board of directors.
- b. they incur any disqualifications specified under section 164 of the Companies Act, 2013 or any other provisions contained therein, or by virtue of an order of the Court/ Tribunal of competent jurisdiction in any proceeding unless an appeal is preferred by them against the order of the Court / Tribunal.
- c. they breach the terms & conditions on which they are appointed.

XI. CONFIDENTIALITY

Independent director shall maintain confidentiality of all information received by him, in whatever form during his tenure.

XII. AMENDMENT

The Board of Directors of LGT Business Connexions Limited may amend this code from time to time.

XIII. APPROVAL

This policy is being approved at the meeting of the Board of Directors dated January 18, 2025.

POLICY FOR FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTOR

I. PREAMBLE

- 1.1** This Policy shall be called the “**Policy for Familiarization Programme for Independent Director of LGT Business Connexions Limited** (the “Company”).
- 1.2** The Policy is made in compliance with **Regulation 25(7)** of the SEBI (LODR) Regulations, 2015 which stipulates that the Company shall familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes.
- 1.3** The policy has been approved by the Board on January 18, 2025.

II. PURPOSE OF THE POLICY

The Policy is made with an objective to adopt an organized programme for orientation and training of Independent Directors at the time of their joining so as to facilitate them to understand the Company – its operation, industry and the environment in which it functions, their roles and responsibilities and to keep informed the directors on a continuing basis on any significant changes therein so as to be in a position to take well-informed and timely decisions.

III. APPLICABILITY

The above Programme will be conducted for new and continuing Independent Directors of the Company. Apart from Independent Directors, Non-Executive Directors are also eligible to attend the familiarization programmes.

IV. FAMILIARIZATION PROCESS

4.1 AT THE TIME OF APPOINTMENT

- A familiarisation pack is handed over to the new inductee, which includes the Company’s corporate profile, its vision, mission and value statement, the company’s organisational structure, the Company’s history and milestone, latest annual report, Code of Conduct for Directors and senior management and Code of Conduct for Prevention of Insider Trading along with a summary on do’s and don’ts pertaining to Insider Training. It also includes the details of nature of industry and the external environment in which company operates.
- A detailed appointment letter incorporating the role, duties and responsibilities is issued to the Independent Director for his/her acceptance.
- They will also be introduced to Secretarial Head for understanding the shareholding pattern, Board Structure, Board committees the Board Committees and their functions, policies applicable to the director, their roles, responsibilities, duties, rights as a director and the laws applicable to the company, their monitoring and compliance process and the Finance Head for understanding the financial and other related aspects of the company.

4.2 REGULAR FAMILIARIZATION

The Company through its Managing Director / Executive Director / Key Managerial Personnel will conduct programmes / presentations periodically to familiarize the Independent Directors with the strategy, operations and functions of the Company.

- Such programmes /presentations provide an opportunity to the Independent Directors to interact with the Senior Management of the Company and help them to understand the Company's strategy, business model, operations, service and product offerings, markets, organization structure, finance, human resources, technology, quality, facilities and risk management and such other areas as may arise from time to time.
- The programmes/presentations also familiarise the Independent Directors with their roles, rights and responsibilities.
- When a new Independent Director comes on the Board of the Company, a meeting will be arranged with the Managing Director & Group CEO, Chief Financial Officer to discuss the functioning of the Board and the nature of the operation of the Company's business activities.

V. AMENDMENT

- 5.1** The provisions of this Policy can be amended/ modified by the Board from time to time and all such amendments/ modifications shall take effect from the date stated therein. All Directors and Senior Management Personnel shall be duly informed of such amendments and modifications.
- 5.2** The Company shall upload its familiarization program on its website and a web link for the same shall be provided in the Company's Annual Report.
- 5.3** As and when the familiarization program is conducted the same will be disclosed on the website with the following details:
- a. Number of programs attended by independent directors (during the year and on a cumulative basis till date).
 - b. Number of hours spent by independent directors in such programs (during the year and on a cumulative basis till date).
 - c. Other relevant details.

VI. POLICY REVIEW

In case of any subsequent changes in the provisions of the Act or any other regulations which makes any of the provisions in the policy inconsistent with the Act or SEBI LODR Regulations, then the provisions of the Act or SEBI LODR Regulations would prevail over the policy and the provisions in the policy would be modified in due course to make it consistent with law.

This policy shall be reviewed by the Board of directors as and when any changes are to be incorporated in the policy due to change in regulations or as may be felt appropriate by the Committee. Any changes or modification on the policy shall be done with the approval of Board of Directors only.

Date: January 18, 2025

Place: Chennai

Note: Approved in the meeting dated January 18, 2025