FAMILIARISATION PROGRAM FOR INDEPENDENT DIRECTORS

Objective

The Companies Act, 2013, read with the rules thereunder, as amended (the "Companies Act") read with Regulation 25(7) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations") places increased responsibilities on independent directors of the Company. In order to enable the independent directors to fulfil their responsibilities efficiently and effectively, a familiarisation program ("Program") has been put in place by the HDB Financial Services Limited ("Company") to assist them understand details about the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc.

Familiarisation process and details

The appointment of Independent Director is formalised through a letter of appointment. This letter of appointment sets out terms and conditions covering inter alia role, responsibility and duties of the Independent Director.

The Company conducts orientation programs / presentations / training sessions, periodically at regular intervals, to familiarise the independent directors with the strategy, operations and functions of the Company.

Such orientation programs / presentations / training sessions provide an opportunity to the independent directors to interact with the senior leadership team of the Company and help them to understand the Company.

On an ongoing basis, business presentations are made to the Board / various committees of the Board, during the Board Meetings/ Committee Meetings which generally are held at least four times in a year, where Independent Directors get an opportunity to interact with Senior Management Personnel. The presentations, inter alia, cover updates on regulatory, business environment, risk management, Company policies, business strategies, management structure, key policies, management development and succession planning, quarterly and annual results, budgets, review of Internal Audit, and other relevant issues, etc.

Independent Directors get an opportunity to interact with senior management during Board /Committee meetings, off-sites and through normal communication channels.

The programs / presentations also familiarise the independent directors with their roles, rights and responsibilities.

Details of Familiarisation Programme

The details of familiarisation programmes imparted to Independent Directors during FY 2021-22 is given hereunder:

- Strategy meets of the Board were held to discuss various matters including future prospects, to decide strategies, etc.
- The Independent Directors of the Company have attended two days "CAFRAL Virtual Learning Program on Governance."
- The Independent Directors were apprised on the emerging issues on fraud.

- The Independent Directors were also apprised on regulatory provisions of Prevention of Sexual Harassment at the Workplace Act (POSH) and processes followed by the Company in respect of the same.
- During the year, one new Independent Director was appointed on the Board. The session was conducted by the Company to familiarize the newly inducted Independent Director about the nature of the business, operations and her role and responsibilities etc.

The details of familiarisation programmes imparted to Independent Directors during FY 2022-23 is given hereunder:

- The Independent Directors have attended session on "Information Security" arranged by the Company. The session was regarding cyber security awareness to give the Board Members insight on current cyber security incidents, basic cyber security guidelines, trends in cyber security, etc.
- A session was arranged by the Company to apprise the Board Members regarding the growtsh opportunities for the Company.
- Strategy meet of the Board was held to discuss various matters including future prospects, to decide strategies, etc.
- Branch visit was arranged for the Director.

The details of familiarisation programmes imparted to Independent Directors during FY 2023-24 is given hereunder:

- A session on "Information Security – Cyber Security Awareness" arranged by the Company for Independent Directors.
- A strategy meeting of the Board were held to discuss various matters, including future prospects and strategic planning.
- A branch visit was arranged for the Director.
- During the year, one new Independent Director was appointed to the Board. A session was conducted by the Company to familiarize the newly inducted Independent Director about the nature of the business, operations, and his roles and responsibilities.

The details of familiarisation programmes imparted to Independent Directors during FY 2024-25 is given hereunder:

- The Independent Directors have attended session on "Information Security" arranged by the Company. The session was regarding cyber security awareness to give the Board Members insight on current cyber security incidents, basic cyber security guidelines, trends in cyber security, etc.
- Two new Independent Directors were appointed to the Board. A session was conducted by the Company to familiarize the newly inducted Independent Directors about the nature of the business, operations, and their roles and responsibilities.
- The Independent Director of the Company has attended two days RBI conference for MD&CEO, Head of Audit Committee of Board of NBFC.
- Discussion on Code of Conduct for Directors and SMPs, Business strategies, opportunities, emerging trends & Company's performance, Information security – Cyber Security Awareness was conducted in various board meetings.

The details of familiarisation programmes imparted to Independent Directors during FY 2025-26 is given hereunder:

- A strategy meeting of the Board were held to discuss various matters, including future prospects and strategic planning.
- Discussion on Code of Conduct for Directors and SMPs, Business strategies, opportunities, emerging trends & Company's performance, Information security – Cyber Security Awareness was conducted in various board meetings.

- Independent Directors were briefed on Artificial Intelligence and its strategic role in enhancing NBFC growth.
- Program on roles and responsibilities of Directors in Key Committees of Banks, NBFCs & FIs.
- Program on Master Class on Board Governance, organised jointly by IMD Global Board Center, Switzerland and Excellence Enablers, India
- A session on “Information Security – Cyber Security Awareness” arranged by the Company for Independent Directors.
- An Independent Director has attended a certification programme on "IT & Cyber Security" arranged for NBFC Board Members by the IDRBT (Institute for Development and Research in Banking Technology).

The details of familiarisation programmes imparted to Independent Directors during FY 2026-27 (till date) is given hereunder:

- Discussion on Code of Conduct for Directors and SMPs, Business strategies, opportunities, emerging trends & Company’s performance, Information security – Cyber Security Awareness was conducted in various board meetings.

- An Independent Director has attended a certification programme on "IT & Cyber Security" arranged for NBFC Board Members by the IDRBT (Institute for Development and Research in Banking Technology).

No of Programmes/ Meetings attended by the Independent Directors							**No. of hours spent by the Independent Directors**						
During the FY 21-22	**During the FY 22-23**	**During the FY 23-24**	**During the FY 24-25**	**During the FY 25-26**	**During the FY 26-27 (till date)**	**From April 1, 2021 till date (Cumulative)**	**During the FY 21-22**	**During the FY 22-23**	**During the FY 23-24**	**During the FY 24-25**	**During the FY 25-26**	**During the FY 26-27 (till date)**	**From April 1, 2021 till date (Cumulative)**
6	5	4	8	12	4	39	70	50.35	80	116	273.25	85	675