

## Nuvama Wealth Finance Limited

(formerly known as Edelweiss Finance & Investments Limited)

### SUCCESSION PLAN FOR CEO

The Securities and Exchange Board of India (SEBI) pursuant to Regulation 17(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) has mandated that the board of directors of a listed entity should satisfy itself that plans are in place for orderly succession for appointment to the board of directors and senior management. Further, the Board of Directors have been entrusted with the function of selecting, compensating, monitoring and, when necessary, replacing key managerial personnel and overseeing succession planning. This is to ensure that there is no adverse effect on stakeholders’ interest due to sudden or unplanned gaps in leadership and transition of key executives is smooth and successful.

Accordingly, Nuvama Wealth Finance Limited (“Company”) is required to put in place a plan for orderly succession for appointment of the CEO, the board of directors and senior management. Towards the same, the NR Committee (reference to point no.2 of Terms of NRC) is entrusted with the role to evaluate the skills, knowledge, and experience of the candidates recommended and based on such evaluation, recommend to the Board for appointment of the Key personnel as listed herewith.

This succession plan (‘Succession Plan’) has been formulated for the appointment of the CEO, Directors on the Board, Key Managerial Personnel (‘KMPs’) and Senior Management members.

In this regard, The Company’s objective is to detail the process and strategy for replacement planning or passing on of the leadership roles defined in the scope. The Company follows a two-pronged approach towards the same:

- 1) **Identification of Talent from within** – Through this approach the Company desires to identify and develop, potential leaders from within who can move into the leadership roles of CEO and senior management when they become vacant. The Company has a defined Talent Management process through which it identifies and assesses the potential capability of internal resources basis their current performance, future potential, and skills. Post identification of this talent, defined engagement, development & growth plans are drawn, and the successors are plotted for critical roles, like the **CEO** and other Senior Management members. Such talent is then groomed through a development and coaching process to take on larger responsibilities for the future. In event of a possible transition, the Company may identify an internally groomed candidate basis the suitability of the person, through a due diligence of their functional and leadership requirements of the role in question. This process is periodically reviewed by a defined Panel to ensure succession plans for the dynamic leadership needs of the Company are in place.
- 2) **Identification of the Talent from Market-** In event an internal resource does not meet the requirement of the role, the Company will assess the availability of suitable candidates. To fill up the vacancy at the **CEO**, Board, Key Managerial Personnel and Senior Management levels, the Company carries out due diligence processes based on educational qualifications, experience, age, health, leadership quality and track record to determine the suitability of the person. The Company, if required, utilises the services of professional search firms / director’s database to assist in identifying and evaluating potential candidates. In the event of any unexpected occurrence in respect of any Senior Management team member, the next person as per the organization chart (as far as practicable) takes an interim charge of the position.

The current appointed CEO has assumed office w.e.f. 1<sup>st</sup> April 2020. The Company will commence the succession planning in the first quarter FY22-23 to provide a clear path of identification, grooming and development of the identified resource/s. The Company will also define the deliverables of the role of the CEO and outline the measures for performance review. Whilst the Company will invest in development of the identified resource towards the succession of the role of the CEO, it may also evaluate an extension of term of the current CEO basis the performance against the requirements and defined objectives of the role.

This plan shall be subject to review, by the NRC as and when necessary due to regulatory changes or otherwise. Any amendment to this Policy shall be discussed with the NR committee and recommended for approval to the Board of Directors of the Company.