



CORPORATE GOVERNANCE – *Internal Guidelines*

CITICORP FINANCE (INDIA) LIMITED

OWNED BY: CFIL MANAGING DIRECTOR

REVIEWED BY: COMPLIANCE, SECRETARIAL,
FINANCE, RISK AND MARKETS TEAM

CONTACT(s):
VIVEK GOMES/ SAMEER UPADHYAY
VIVEK.GOMES@CITI.COM/SAMEER.UPADHYA
Y@CITI.COM

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1.9 of FY 2024-25
1.10 of FY 2024-25
1.11 of FY 2025-26
1.12 of FY 2025-26
1.13 of FY 2025-26
1.14 of FY 2025-26
1.15 of FY 2025-26
1.16 of FY 2026-27



CITICORP FINANCE (INDIA) LIMITED

Internal Guidelines

Citicorp Finance (India) Limited (CFIL or the Company), in pursuance of the directions issued by RBI for Non-Banking Financial Companies (NBFCs), has adopted the internal guidelines on Corporate Governance.

A. Corporate Governance Mission

“CFIL aspires to the highest standards of ethical conduct in doing what we say, reporting results with accuracy and transparency and maintaining full compliance with laws, rules and regulation that govern the Company.”

The mission statement of CFIL is to serve as a trusted partner to our clients by responsibly providing financial services that enable growth and economic progress.

The corporate governance framework of the Company is based on the following key principles:

- Establishing strategic objectives and a set of corporate values that are communicated throughout the organization;
- Setting and enforcing clear lines of responsibility and accountability throughout the organization;
- Ensuring that board members are qualified for their positions, have a clear understanding of their role in corporate governance and are not subject to undue influence from management or outside concerns;
- Ensuring that compensation approaches are consistent with the Company’s ethical values, objectives, strategy and control environment;
- Ensuring an environment supportive of sound corporate governance.

The Corporate Governance Code will be reviewed at least once in a year.

B. Corporate Governance Structure

The Company has a well-defined and embedded governance structure, which fully supports the Corporate Governance mission and principles. It is further aligned to the Company’s goals and objectives and complies with all applicable laws and regulations.

The Governance structure can be broadly categorized as follows:

Board Level / Statutory- Ensuring full compliance with the various applicable laws and regulations, the Company has the following governance set up:

- Board of Directors
- Audit Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee

Business Level- It comprises of business level operating committee(s) to ensure full oversight over all business and operational risk. It comprises of the following Committees:



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- Risk Management Committee
 - Asset Liability Committee (ALCO)
 - Debenture Issuance & Allotment Committee
 - IT Strategy Committee

Details on the functioning, constitution and frequency of the above committees are attached in Annexure I.

Details of Committee members are attached in Annexure II.

C. Board of Directors

The core of our corporate governance practice is the Board of Directors, who oversee the conduct and functioning of management and the long-term interests of the stakeholders, consumers, employees, investors, creditors and the local community.

The Board of Directors' primary responsibility is to provide effective governance over the Company's affairs for the benefit of the stakeholders, its customers and employees. In all the actions taken by the Board, the Directors are expected to exercise their prudent business judgment in what they reasonably believe to be in the best interests of the Company. In discharging that obligation, Directors' may rely on the honesty and integrity of the Company's senior executives and its outside advisors and auditors.

The Board comprises of directors with blend of diverse expertise, high professionalism, independence and involvement enabling them to perform their duties in a responsible and efficient manner.

Constitution of Board

The total number of directors in the board shall be minimum 3 and shall not exceed 15 at any time.

The Board comprises of such number of directors whose appointment is in line with local laws and regulations. The directors appointed in the Annual General Meeting and would continue to hold the office unless he retires by rotation and not re-appointed or withdraw his consent to act as director/ resign or disqualified to be director on Board.

The Board is authorized to appoint new director during the year in compliance with the provisions of Companies Act and RBI Regulations. The director appointed during the year shall hold office up to the date of next annual general meeting or the last date, on which the annual general meeting should have been held, whichever is earlier.

Appointment and resignation of directors should be by passing a resolution approved by the majority of the board members.

The scope of work and membership of each Committee is described in Annexure I and II respectively and the updated list can also be obtained from the Company Secretary or authorized representative as and when required.

The Company shall induct Woman Director and Independent Director on the Board in accordance with applicable provisions under the Companies Act, 2013.

Composition

The Board should comprise of minimum two directors of the Board as Independent Directors or as otherwise specified in the Companies Act or rules framed thereunder.

A person to be appointed as Independent Director should fulfill all the criteria of Independent Director as laid down under Companies Act, 2013 and RBI Regulations.

Duties of Directors

The Directors of the Company are responsible for discharging the duties which are specified in provision of section 166 of the Companies Act, 2013 and includes –

1. A director of a Company shall act in accordance with the articles of the Company;
2. A director of a Company shall act in good faith in order to promote the objects of the Company for the benefit of its members as a whole, and in the best interests of the Company, its employees, the shareholders, the community and for the protection of environment;
3. A director of a Company shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment;
4. A director of a Company shall not involve in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company;
5. A director of a Company shall not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the Company;
6. A director of a Company shall not assign his office and any assignment so made shall be void;
7. If a director of the Company contravenes the provisions of this section such director shall be punishable with fine which shall not be less than one lakh rupees but which may extend to five lakh rupees.

Appointment of Director and Senior Management

The Board has constituted a Nomination & Remuneration Committee (NRC) which will undertake a process of due diligence to determine the suitability of the person for appointment / continuing to hold appointment as a Director, Independent Director on the Board based upon qualification, expertise, track record, integrity and other 'fit and proper' criteria and recommend to the Board on any appointment.

The NRC shall also deliberate to determine the suitability of the person as Senior Management (i.e. Senior Management as specified under Nomination Guiding Principles).

The NRC will also recommend a policy relating to the remuneration of the Directors, Independent Directors key managerial personnel and other employees.

The NRC also follows the RBI guidelines w.r.t appointment of Directors including Independent Directors issued from time to time.

Key Managerial Personnel (KMP): The Company is compliant with the provision of section 203 of the Act, pertaining to the appointment of Key Managerial Personnel i.e. the KMP includes:

1. Managing Director
2. Company Secretary and
3. Chief Financial Officer



Duties of Company Secretary as provided under provision of section 205 of the Companies Act, 2013

(1) To report to the Board about compliance with the provisions of this Act, the rules made there-under and other laws applicable to the Company;

- (a) to ensure that the Company complies with the applicable secretarial standards;
- (b) to discharge such other duties as may be prescribed.

(2) The provisions contained in section 204 and section 205 shall not affect the duties and functions of the Board of Directors, Chairperson of the Company, Managing Director or Whole-Time Director under this Act, or any other law for the time being in force.

Board Meetings

The meeting of the Board shall be convened at least once in each calendar quarter and minimum four meetings shall be held in a financial year with a maximum gap between two consecutive meetings of the Board shall not exceed 120 days. The quorum of the meeting shall be at least one third of the strength of the Board or 2 directors whichever is more and the participation of the directors by video conferencing or by other audio visual means shall be counted for the purposes of quorum.

The Standing Committees of the Board are the Nomination & Remuneration Committee, Audit Committee, Corporate Social Responsibility Committee, Risk Management Committee, Debentures Issuance & Allotment Committee, Asset Liability Committee and IT Strategy Committee.

Additionally, the Board may, from time to time, establish or maintain additional Committees or reduce/ dissolve any Committee, as necessary and appropriate.

The agenda of the meeting shall be circulated to the Board and Committee Members well in advance.

Further, all Committee Meetings shall be evidenced by Minutes of the Meeting (MOM) and drafts of the MOM will be circulated to the members for comments. The final MOM shall be presented for approval/ noting in the next meeting.

D. General Meeting

A Member may exercise his vote at a general meeting and shall be eligible to vote only once.

E. Finance

The Company has separate finance function. The unit is headed by senior executive who is generally a qualified Chartered Accountant and ensures an organizational culture of ethics, integrity, and compliance. The function is primarily responsible for preparation of the financial statements of the Company as per the applicable accounting framework and getting the same audited from external auditors. It also manages local regulatory financial reporting. The Control function also provides guidance and frames appropriate policies and procedures relating to accounting, MIS, controls etc.

He/She works effectively with the various businesses to instill an ethical foundation enabling them to enhance business performance.



F. Compliance

The Company's Compliance function embeds the above principles on corporate Governance. The Chief Financial Officer and Company Secretary, being a KMP, are also part of compliance function and ensure an organizational culture of ethics, integrity, as is more prescribed under the Companies Act. They work effectively with various businesses to instill an ethical foundation enabling them to enhance business performance, honor social and environmental responsibilities, and best serve their employees, clients, and stakeholders. It provides guidance and frames appropriate policies and procedures enabling the Company to establish and maintain a culture of integrity and prevent, detect, and resolve issues of business misconduct or noncompliance.

G. Ethics- Code of Conduct

The Citigroup Code of Conduct outlines the principles, policies and laws that govern the activities of the Company, and to which our employees and others who work with, or represent us directly or indirectly, must adhere. All employees of Citigroup Inc., its subsidiaries and their affiliates ("Citigroup") are required to read and follow the Citigroup Code of Conduct. The Citigroup Code of Conduct offers guidance for professional conduct under 3 main head which include the following key points:

1. How we do business

This would include Escalation of Business Concerns, Fair and Free Markets, Protecting CFIL Assets,

Anti-Bribery and Corruption, Anti-Money Laundering ("AML") Compliance, Suspicious Activity Reporting, Embargoes and Sanctions, Anti-Boycott laws, Antitrust and Fair Competition, Tied Business Dealings, Privacy and Security of Client Information, Fair treatment, Fiduciary Duties, Supplier Relationships, Commitment to the Environment, Continuity of Business, Financial and Tax reporting.

2. Our conduct in the workplace

This would cover Privacy for Citi's Workforce, Fair Employment Practices and Diversity, Discrimination and Harassment, Safety in the Workplace, Drug-Free Workplace, Communications, Equipment, Systems and Services, Safeguarding Personal, Proprietary and Confidential Information, Expense Management, Media Interaction and Public Appearances, Use of Citi Name, Facilities or Relationships, Information and Records Creation and Management, Insider Trading, Information Barriers, Personal Investments in Citi and Other Securities, Investigations, Required Employee Reporting, Undertaking to Repay Legal Expenses, Compensation Plans, Programs and Arrangements

3. Conflicts of Interest

This cover dealing in Gifts and Entertainment

- Accepting Gifts and Entertainment
- Giving Gifts and Providing Entertainment

Political Activities and Contributions, Charitable Contributions, Outside Business Activities, Corporate Opportunities, Related-Party Business Dealings, Personal Business Dealings

The Vigil Mechanism (Whistle Blower) Policy of the Company is in line with the provision of section 177(9) and (10) of the Companies Act, 2013 and rules made thereunder and other prescribed regulations of RBI. The directors and employees can approach to Nodal Officer or any other official as prescribed in the Vigil Mechanism (Whistle Blower) Policy of the Company.

The Vigil Mechanism Policy is available on the website of the Company at <https://www.citigroup.com/global/about-us/global-presence/india/cfil>.

H. External Statutory Audit Review

The Company has appointed external statutory auditors in line with the local laws in this regard. The auditors submit their report covering the following certifications:

- a) Proper books of account maintained
- b) Balance Sheet & Profit & Loss a/c in agreement with books of accounts & compliance with accounting standards
- c) Existing internal audit system is commensurate with size of Company & nature of business
- d) Regularity in deposition of statutory dues
- e) Timely repayment of dues to banks & debenture holders
- f) If RBI Regulations / norms have been complied with.

I. Mandatory Trainings

- a. To ensure requisite awareness for employees on compliance to Code of Conduct, the Company periodically requests employees to undergo relevant training programs specific to the employee's role/ department.
- b. Timely completion of the programs is mandatory as a condition of continued employment at Citigroup & failure to comply could lead to appropriate disciplinary actions

Key Mandatory Training Programs

- a) Anti-Money Laundering
- b) Compliance Orientation - India
- c) AML & Countering Terrorist Financing
- d) Anti-Money Laundering for CFIL employees India
- e) Escalation Training
- f) Improper Electronic Communication
- g) Anti-Bribery
- h) Code of Conduct
- i) Citi India Information Security
- j) Fraud Awareness
- k) Global Records Management

J. Fraud Monitoring

Fraud Monitoring and Reporting is done in accordance with RBI Master Directions and the same is covered in the Fraud Monitoring Policy approved by the Board of the Company.

K. Policies, Programs, Procedures and Codes

The Company has adopted the following policies/programs/procedures and codes which are subject to review at regular interval of time:

Sr. No	Policy Name
1	Investment Procedure
2	ALM Procedure
3	Strategic Equity Solutions (SES) Procedure
4	Chief Risk Officer (CRO) Procedure
5	Corporate Credit Procedure
6	Expected Credit Losses Program
7	Risk Appetite Statement
8	Risk Appetite Memorandum
9	Fraud Risk Management Policy
10	CFIL Policy on Related Party Transactions
11	Fit & proper Standard
12	Remuneration Guiding Principles
13	Corporate Governance - Internal Guidelines - CFIL
14	Archival Standard
15	Preservation of documents Standard
16	CFIL Pricing Policy
17	Outsourcing and Third Party Management Program
18	Citi Cyber and Information Security Policy (CCISP)
19	Citi Information Technology Management Policy (CITMP)
20	Enterprise Resilience Policy (ER Policy)
21	India CoB Plan
22	Citi Change Management Standard (CCMS)
23	Global Change Management Procedure (GCMP)
24	Identity Access Management (IAM) Standard
25	Records Management Policy
26	Fair Practice Code - CFIL
27	CFIL ICG AML Program Procedure
28	Vigilance Mechanism (Whistle Blower) Policy - CFIL
29	Corporate Social Responsibility Policy (CSR) - CFIL
30	Third Party Management Policy and Standards
31	CFIL Code of Conduct- SEBI
32	CFIL - ICRM Standard
33	Grievance Handling Process for CFIL Internal Ombudsman Office
34	Appointment of Statutory Auditors
35	CFIL - ICAAP Policy
36	CFIL Internal Audit Policy
37	Nomination Guiding Principles
38	Unclaimed Amount Policy
39	Enterprise Resilience Standards



L. Board and Committee Members attendance framework and Escalation Mechanism

It is the endeavor of the Company /Management to ensure active and regular participation of the members of the Board and its Committees. This is important to ensure robust debate and discussion in these forums.

To this end, following key steps are envisaged:

- a) Attendance sheet to be included as a standing agenda item in the Board and Committee meetings;
- b) Members are expected to attend a minimum of 75% of the Committee meetings held.
- c) Sub optimal attendance by Directors/members to be brought to the attention of the Managing Director.

Annexure I

Details on the constitution, quorum, periodicity, scope of work of the various Committees are enclosed below:

Committee	Description	Scope of work and other details
<i>Nomination & Remuneration Committee ("NRC")</i>	<u>Constitution/Membership</u> The membership of the committee shall consist of 3 or more non-executive directors out of which not less than one half should be Independent Directors and such other members as may be decided by the Board from time to time. <u>Periodicity & Quorum</u> The quorum for a meeting shall be either two members or one third of the members of the committee, whichever is higher, including at least one Independent Director in attendance. The chairperson of the Company (whether executive or non-executive) may be appointed as a member of the Nomination and Remuneration Committee but shall not chair such Committee. <u>Voting</u> Action taken by the Committee shall be by the affirmative vote of at least a majority.	<u>Mandate, Scope and Responsibility:</u> The NRC is formed as per the requirement of the Companies Act, 2013 and RBI Regulation. The primary role of the committee is: 1. To formulate criteria for determining qualification, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees, 2. To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance; 3. To decide whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors; 4. The Committee ascertains the "fit and proper" status of the existing as well as the proposed directors; 5. To take any other matter as required by the Board from time to time or as required under the Companies Act, 2013, or any rules framed there-under or under RBI Regulation or any other law for the time being in force and Nomination Guiding Principles or Remuneration Guiding Principles.

		6. To achieve effective alignment between compensation and risks, the NRC may work in close coordination with Risk Management Committee (RMC) of the Company. <u>Reporting and Escalation</u> The Committee meeting minutes shall be tabled in the Board Meeting for noting by the Board Members and also in the next Committee meeting. At the discretion of the Chair, and in compliance with the Citi Escalation Policy, the Committee can escalate any matter reviewed, along with the Committee's recommendation and advice for further consideration, to the Board.
<i>Audit Committee</i>	<u>Constitution/Membership</u> The membership of the committee shall consist of 3 or more directors out of which majority should be Independent Directors and such other members as may be decided by the Board from time to time. <u>Periodicity & Quorum</u> The Audit Committee shall meet at least four times in a financial year and not more than one hundred and twenty days shall elapse between two consecutive meetings. The quorum shall either be two members or one third of the members of the audit committee, whichever is higher, with at least one independent directors. Majority of members of Audit Committee including its Chairperson shall be persons with ability to read and understand, the financial statement. <u>Voting</u> Action taken by the Committee shall be by the affirmative vote of at least a majority.	The Audit Committee acts in accordance with the Audit Committee Charter.

<i>Debenture Issuance & Allotment Committee</i>	<u>Constitution/Membership</u> The membership of the committee shall consist of 2 or more members including Director / Managing Director, and such other members as may be decided by the Board from time to time. <u>Periodicity & Quorum</u> As and when required. The quorum for a meeting shall be any two members present in person, of which at least one shall be a director. <u>Voting</u> Action taken by the Committee shall be by the affirmative vote of at least a majority	<u>Mandate, Scope and Responsibility:</u> The Committee is formed basis authority given by the Board of Directors. 1. The role of the committee is to issue, allot and transfer debentures and ensure that at the time of issuance of debentures, all requisite resolutions are passed and necessary documentation is maintained; 2. It would carry out any acts relating to the issue allotment and transfer of the said redeemable non convertible debentures including decisions relating to application to the Company Law Board (CLB) or any other regulatory agency for seeking extension of time or any other related matter and authorizing anyone to appear before the CLB for any other matter relating to debenture issue, charge creation of registration of charge or any other regulatory agency on behalf of the Company; 3. To file petition(s), documents, affirm, execute and file affidavits, applications or any other documents or paper related to the same before the Company Law Board or any other regulatory agency for seeking extension of time and / or condonation of delay, if any, in allotment of the said non-convertible debentures disposal thereof, including make corrections and alterations in the petition and application. 4. Requisite documents, if any, related to Debenture holders as specified in Information Memorandum to be obtained. <u>Reporting and Escalation</u> The Committee meeting minutes shall be tabled in the Board Meeting for noting by the Board Members and also in the next Committee meeting. At the discretion of the Chair, and in compliance with the Citi Escalation Policy, the Committee can escalate any matter reviewed, along with the Committee's recommendation and advice for further consideration, to the Board.
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Asset Liability Committee (ALCO)	(I) Mandate and Scope The source of the internal management committees' authority and the decisions they are authorized to make is the Citigroup Board of Directors, which has delegated authority, individually, to each of the Citi Chief Executive Officer and the CBNA CEO, to create, modify and/or disband internal management committees as they deem necessary. Pursuant to such delegation, the CEO has authorized the creation of the Citigroup ALCO with its remit and subordinate committees as set forth in its charter. The establishment of the CFIL ALCO is authorized by the Citigroup ALCO and CFIL Board. The CFIL Asset and Liability Committee (CFIL ALCO or the "Committee") has been established for governing Liquidity Risk and Market Risk in the Non- Trading Book, and for monitoring and influencing the balance sheet, investment securities and capital management activities. The Committee oversees CFIL legal entity. The Committee covers the following risks as defined in the Enterprise Risk Management Framework: • Liquidity Risk: the risk that Citi will not be able to efficiently meet both expected and unexpected current and future cash flows and collateral needs without adversely affecting either daily operations or financial condition of Citi. Risk may be exacerbated by the inability of the firm to access funding sources or monetize assets and the composition of liability funding and liquid assets, and • Market risk (Non-trading): the impact of adverse changes in market variables such as interest rates, foreign exchange rates, credit spreads, and equity prices on Citi's net interest revenue (NIR), economic value of equity (EVE), or other accumulated comprehensive Income (AOI) as applicable to CFIL.	(II) Membership As at the date of the current version of this Charter, the Committee consists of the members listed in Appendix A. The Chair has the discretion to add or remove members consistent with the mandate, provided such changes in membership do not conflict with any minimum commitments made to the relevant regulator(s) or any relevant governance standards, including the Citi Governance Policy and the ALCO Standard. [Membership must be kept to a minimum to allow for efficient, focused, decision making but must include a voting member from IRM (Risk Team)] Alternate members who have been approved by the Chair are permitted to attend on behalf of members so long as they are sufficiently senior and can make decisions on behalf of the member. Members or their alternate members are expected to attend all Governance Committee meetings. Attendance of voting and non-voting members must be tracked and recorded. Attendance of members / alternate members below 100% must be escalated by the committee secretary to the chair(s), as soon as identified, to address and revisit the membership, if necessary. The Chair must attend at least 75% of meetings. Attendance by the Chairs delegate is not counted towards the 75% requirement. Meeting attendees are only permitted for the section of the meeting where they are presenting or providing subject matter expertise, and their attendance is not tracked. The Chair, Secretary, Coordinator, and all Members are expected to complete Governance training issued by the Citi Governance Policy Owner.
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(III) Key Responsibilities and Authority The Committee provides opportunities for the country leadership teams to discuss and drive business performance with a prudential balance sheet governance. The Committee, without limitation, shall perform the following functions and can carry out additional actions in furtherance of the mandate (Section I) as appropriate in light of changing business, legislative, or regulatory conditions. • Driving efficient and prudential Balance Sheet trends and mix optimization for each country legal entities; • Overseeing and influencing liquidity levels, structure, and metrics metrics in line with the Liquidity Risk Management Policy. • Approve the establishment, calibration, and retirement of liquidity risk limits and triggers, per entities categories requirements prescribed in the Liquidity Risk Management Procedure. • Review and approve liquidity requirements in accordance with the Liquidity Risk Management Policy, Liquidity Risk Management Procedures and in the Liquidity Management and Reporting Procedure and ensure that all applicable requirements stated therein are implemented and adhered to. • Approving the summary annual Funding and Liquidity Plan (FLP) and any horizontal liquidity reviews in line with the Liquidity Risk Management Policy, which includes the Contingency Funding Plan and the cadence of intraday liquidity monitoring. • Evaluating and monitoring	(IV) Reporting and Escalation A copy of the Committee’s meeting minutes and materials shall be provided to the CFIL ALCO. At the discretion of the Chair, and as a minimum in compliance with the Escalation Policy, Escalation Standard, Citi Governance Policy, Governance Committee Escalation Procedure, and ALCO Standard the Committee can escalate any matter reviewed, along with the Committee’s recommendation and advice for further consideration. When escalating matters, the Committee minutes must evidence consideration of (i) legal entity escalation channels, (ii) business and function escalation channels and (iii) where required, geographic escalation channels (country and cluster). a) Escalation to the CFIL ALCO. The Committee shall receive reports (specify reports or types of matters to be escalated) from subcommittees listed in Appendix B (if applicable – currently None). Matters escalated to this Committee are subject to the reporting thresholds in the Governance Policy, as applicable. In addition to the governance escalation the Committee receives reports and updates from ALCO sub- groups or task force teams (as applicable). b) Escalation by the CFIL ALCO. In addition to compliance with the Escalation Policy and Escalation Standard requirements, the Governance Policy escalation criteria and the ALCO Standard, the Governance Committee will verify that all matters meeting escalation criteria are promptly escalated or reported to the Committees by risk stripe, to the Funds Transfer Pricing Committee (FTPC), the Interest Rate and Foreign Exchange Risk Committee (IFRC), and the Funding and Liquidity Risk Committee (FLRC) and from there will be escalated to Citigroup ALCO as appropriate. Local entity Capital related matters are to be escalated to the Citigroup ALCO. Any events that have been reported to the local regulator should at least to be notified to the CFIL Board. (V) Governance a) Chair. The CFIL MD is the chair of the Committee and is responsible for the effective operation of the Committee in accordance with this Charter and for coordinating with other committees as needed and as per Section IV. The Chair shall preside at all meetings of the Governance Committee at which he or she is present. The chair can delegate tasks but remains accountable for the effective operation of the Governance Committee and is responsible for overseeing its performance.
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	local regulatory requirements impacting the Balance Sheet, including liquidity metrics, reserve requirements, market risk regulations, as well as status of related regulatory commitments. • Review and approve specific transfer pricing processes including approvals of relevant deposit Beta and transfer pricing vectors as per requirements of Citi's internal policy documents, including the Funds Transfer Pricing Standard. • Managing Interest Rate Risk of the Banking Book including monitoring interest rate exposures versus established limits and trigger as per requirements of Citi's internal policy documents, including the Non-Trading Market Risk Policy. • Monitoring third-party cost and value of funds trends against established targets and limits. • Driving dividend repatriation and monitoring local capital hedging and investment in adherence to the Legal Entity Capital Standard and the Annual Dividend Remittance Plan (ADRP) Procedure. • Oversee entity capital requirements, management, monitoring and ensure ongoing compliance and coverage in accordance with the Capital Policy, Legal Entity Capital Standard and the Annual Dividend Remittance Plan (ADRP) Procedure. • Approve any limits or thresholds as required in line with the requirements of the Limit and Threshold Management Policy. • Review and approve specific processes under the ICAAP framework including approvals of	b) Secretary. The Chair shall nominate an individual to serve as Secretary of the Committee, with sufficient time dedicated to that role and an appropriate level of relevant experience. The Secretary of the Committee is responsible for maintaining minutes and other records of its proceedings, in accordance with the Governance Committee Charter and Minutes and Agenda Standard and any applicable legal or regulatory requirements. The Secretary is responsible for promptly informing the GDMGO of any membership changes (including the role of Chair / Secretary / Coordinator) c) Quorum. A majority of the members / alternate members of the Committee shall constitute a quorum; provided that no such quorum shall be constituted unless the Chair or one of co-chairs (or delegate), Treasurer / alternate member and a Committee member from Finance Chief Risk Office / alternate member are in attendance. [quorum can include non-voting members if the chair decides to appoint them] d) Agenda. The Chair is accountable for the quality of the agenda of Committee meetings. Any member of the Committee can suggest to the Chair items for inclusion in the agenda. The Risk function (2nd Line of Defence) members have the right to review the agenda and to have a topic included in the agenda before it is finalised. The agenda shall be communicated to the members sufficiently in advance of each meeting to permit meaningful review, but no less than 1 working day before the meeting. e) Materials. The Committee Chair is responsible for the quality of the meeting materials. The secretary/coordinator should coordinate the preparation of the meeting materials. Materials should clearly explain the nature of the event/matter, impacted businesses, legal entities and functions, the key risks it presents, potential solutions, and actions required of the Governance Committee. Independent Risk Management has the right to review the materials and presentations before distribution. The materials and presentations shall be distributed to the members sufficiently in advance of each meeting to permit meaningful review, but no less than 1 working day before the meeting. f) Meeting Frequency. The Committee shall meet as frequently as it determines necessary but no less than a <u>minimum frequency of 10 times annually</u>, and the Chair can convene the Committee at any time, provided all members are given notice in advance. g) Voting. Action taken by the Committee shall be by the affirmative vote of at least a majority of the Committee members/alternate members constituting a quorum for the meeting, or by the written consent of a majority of the Committee Members in lieu of a meeting; provided that any action taken either in the Committee meeting or by written consent can be vetoed by a Committee member from Finance Chief Risk Office. If both a member and their alternate
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	relevant methodologies, overlays, economic capital assessments, stress forecasts, & submissions as per the requirements of Citi's internal policy documents, including the Global ICAAP Standard. • Evaluate the market environment to manage interest rate and foreign exchange exposures prudently. • Encourage active engagement among ALCO Committee members and presenters to enhance ALCO's oversight function and promote risk management in alignment with Citi's and CBNA's risk frameworks and appetites. • Provide guidance and, where appropriate, escalate issues around Liquidity, Non Traded Market Risk, and Capital to Citigroup ALCO Risk Stripe Subcommittees at the discretion of Country ALCO chair in line with the ALCO Escalation Reporting Criteria included in the Governance Policy. (VI) Performance and Charter Review The Governance Committee Chair will arrange for a review of the adequacy of the charter annually and a self- assessment against the terms of this charter no less than once per year and will take prompt action to remediate any deficiencies. The Chair will oversee and verify that remedial action plans are completed. The Governance Committee must approve any amendments to the charter. Amendments to the charter which alter the authority of the Governance Committee must also be approved by the Governance Committee from which it derived its authority.	member attend a Governance Committee meeting, only the members vote will be counted. h) Minutes. All Committee meetings will be evidenced by minutes and drafts of the minutes will be circulated to the members for comment as soon as practically possible. Final minutes will be presented for approval at or before the next meeting. Minutes should evidence credible challenge (to the extent it happened in the meeting), review activities and decision-making rationale. i) Telephonic and Videoconference Participation in Meetings. Meetings of the Committee can be held in person or by means of telephonic or video communications that allow all participants to listen and respond to other participants instantaneously. Committee meetings must not be voice-recorded for the purposes of minute taking, including through the use of the Zoom recording functionality.
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Appendix

Appendix A. CFIL ALCO Charter Membership and alternate members

- The Committee will be chaired by the [Entity MD - Vivek Gomes]
- Committee secretary [Mayur Sharma], [Alternate Member: Jyotika Lakhotia]
- Detailed list of members and alternate members

Appendix B. Subordinated Committees

- (Not applicable) Subordinate committee meetings listed below are subordinate committees of the [Insert Country] ALCO.
- Escalations must follow procedures stated in Section IV. Reporting and Escalation of the Country ALCO Charter Standard.

CFIL ALCO Charter Membership as of March 2026

Appendix A

As of the date of the current version of this charter, the Governance Committee consists of the following

Function / Position		
ALCO Membership - Voting Member	Name	Alternate Member
Chair – Managing Director	Vivek Gomes	N.A - Committee Chair can send Delegate
Chief Financial Officer (CFO)	Jay Savla	Bhavika Bhadra
Markets Treasury	Jyotika Lakhotia	Aman Kumar
Corporate Treasury (Secretary)	Mayur Sharma	Jyotika Lakhotia
Chief Risk Officer (CRO)	Swati Vatsa	Hridayesh Madhwani
Business Head	Minal Gandhi	Aman Kumar
Business Head	Aman Kumar	Deepan Bafna

Non-Members/ Invitees/Guests:
Compliance Officer
Business Heads
Company Secretary
Any subject matter specialists may be invited

Note:-

Any future changes to the above membership during the year shall be documented in the ALCO meeting minutes.

Risk Management Committee (“RMC”)	<u>Constitution/Membership</u>	<u>Mandate, Scope and Responsibility:</u>
	The establishment of the RMC is authorized by the Board of Directors. The membership of the committee shall consist of 3 or more members with majority of them being members of the board of directors, including at least one independent director. Delegates are permitted to attend on behalf of members on an exception basis so long as the delegate is of sufficient seniority and can make decisions on behalf of the member and delegate attendance is approved by the chair in writing before the meeting (to the extent possible). As of the date of the current version of this charter, the Governance Committee consists of the members listed in Annexure II The chair has the discretion to add or remove members consistent with the mandate, provided such changes in membership do not conflict with any minimum commitments made to the relevant regulator(s) or any relevant Governance Standards. <u>Attendance</u> Members are expected to attend a minimum of 75% of Committee meetings held which will be tracked and monitored through the minutes of meeting. Persistent nonattendance will be escalated by the committee secretary to the Chair, as soon as identified, to address and revisit the membership, if necessary. 75% attendance requirement must be calculated on rolling basis - only after having 12 months/meetings attendance tracking data. <u>Periodicity & Quorum</u> The committee shall meet on a quarterly frequency and can be held in person or by means of telephonic or video communications that allow all participants to listen and respond to other participants instantaneously.	The RMC is framed as per the requirement of RBI Regulation. The role of the Risk Management committee shall inter alia, include the following: (1) Formulation of risk management policy which shall include: (a) Framework for identification of internal and external risks specifically faced by the entity, in particular including credit risk, market risk, liquidity risk, operational risk, compliance risk, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee. (b) Measures for risk mitigation including systems and processes for internal control of identified risks. (c) Business continuity plan (d) Any other matter basis regulatory guidance. (2) To ensure that appropriate methodology processes and systems are in place to monitor and evaluate risks associated with the business of the Company. (3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems. (4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity. (5) To keep the board of directors informed about the nature and content of its discussion recommendations and actions to be taken. (6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee. Any member of the Governance Committee can suggest to the chair items for inclusion in the agenda. The Risk function members have the right to have a topic included in the agenda. The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.

	The quorum for a meeting, shall be either two members or one third of the members of the committee, whichever is higher, including at least one member of the board of directors in attendance. Delegates appointed by member and approved by chair will be counted toward Quorum Chairperson shall be a member of the board of directors and senior executives as mentioned in Annexure II, will be members of the committee. The chair can convene the Governance Committee at any time, provided all members are given notice in advance. <u>Voting</u> Action taken by the Governance Committee shall be by the affirmative vote of at least a majority [the chair may decide that the voting should be higher than via majority of the members] of the Governance Committee members and delegates constituting a quorum for the meeting or by the written consent of a majority of the Committee members in lieu of a meeting. <u>Material</u> The Committee Chair is responsible for the quality of the meeting materials. The secretary should coordinate the preparation of the meeting materials. Materials should clearly explain the nature of the event/issue, impacted [businesses and/or functions], the key risks it presents, potential solutions, and actions required of the Governance Committee. The materials and presentations shall be distributed to the members sufficiently in advance of each meeting to permit meaningful review, but no less than 1 working day before the meeting [the chair is responsible for setting a deadline, it can be sooner but no less than 1 working day before the meeting]. <u>Secretary...</u> The chair shall nominate an individual to serve as secretary of the Governance Committee. The secretary of the Governance Committee is responsible for maintaining minutes and other records of its proceedings, in accordance with the 'Governance Committee Charter and Minutes Standard' and any applicable <u>Agenda</u> The chair is accountable for the quality of the agenda of Governance Committee meetings. <u>Minutes</u> All Governance Committee meetings will be evidenced by minutes and drafts of the minutes will be circulated to the members for comment as soon as practically possible. Final minutes will be circulated to the Committee before next meeting. Minutes should evidence credible challenge (to the extent it happened in the meeting), review activities and decision making rationale. <u>Reporting and Escalation</u> The Committee meeting minutes shall be tabled in the Board Meeting for noting by the Board Members. At the discretion of the Chair, and in compliance with the Citi Escalation Policy, the Committee can escalate any matter reviewed, along with the Committee's recommendation and advice for further consideration, to the Board or franchise based governance committees. Further, currently RMC has no reporting sub-committees. When escalating matters, the Governance Committee minutes must consider of (i) legal entity escalation channels, (ii) product and function escalation channels and (iii) geographic escalation channels (country, cluster, and region). For liquidity, markets, compliance & operational risk related matters the CFIL RMC will coordinate with the relevant governance committee in the franchise for appropriate escalations in the regional governance committees as necessary. <u>Performance and Charter Review</u> The chair is responsible for the effective operation of the Risk Management Committee in accordance with this charter and for coordinating with other Governance Committees as needed. The chair shall preside at all meetings of RMC, at which he or she is present. The chair can delegate tasks but remains accountable for the effective operation of the RMC and is responsible for overseeing its performance. The Governance Committee chair will arrange for a self-assessment against the terms of this charter no less than once per year and will take prompt action to remediate any deficiencies. The chair will oversee and verify that remedial action plans are completed. In addition, the chair shall arrange for the review and assessment of the adequacy of the charter annually and the Committee must approve any amendments to the charter. Amendments to the charter which alter the authority of the Governance Committee must also be approved by the Governance Committee from which it
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	legal or regulatory requirements.	derived its authority. The charter review will be part of the annual review for Corporate Governance Code.
Corporate Social Responsibility Committee	<u>Constitution/Membership</u> The membership of the committee shall consist of 3 or more directors including at least one independent director. <u>Periodicity & Quorum</u> The Committee shall meet as required. The quorum for a meeting shall be the majority of the members being present. <u>Voting</u> Action taken by the Committee shall be by the affirmative vote of at least majority.	The committee shall act in accordance with the Corporate Social Responsibility (CSR) Policy of the Company.
IT Strategy Committee ("ITSC")	<u>Constitution/Membership</u> The membership of the committee shall consist as below – a) 3 Directors which includes one Independent Director b) Chief Information Officer and other members decided by the Board from time to time The meeting shall be chaired by Independent Director <u>Periodicity & Quorum</u> The Committee shall meet at quarterly frequency starting 01st April 2024. It is clarified that while there may be a gap of more than 90 days between 2 Committee meetings, it will be ensured that there is atleast 1 meeting every calendar quarter. The quorum for a meeting shall be minimum four members present in ITSC meetings <u>Voting</u> Action taken by the Committee shall be by the affirmative vote of at least a majority.	<u>Mandate, Scope and Responsibility:</u> The IT Strategy Committee is formed as per the RBI Regulation. The role of the ITSC is to: 1. approve IT strategy and policy documents and to ensure that the management has put an effective strategic planning process in place; 2. ascertain that management has implemented processes and practices that ensure that the IT delivers value to the business; 3. ensure IT investments represent a balance of risks and benefits and that budget are acceptable; 4. monitor the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources; 5. ensure proper balance of IT investments for sustaining NBFC's growth and becoming aware about exposure towards IT risks and controls; 6. institute an effective governance mechanism and risk management process for all IT outsourced operations; 7. carry out review and amend the IT strategies in line with the corporate strategies, board policy reviews, cyber security arrangements and any other matter related to IT Governance; 8. work in partnership with other Board committees and Senior Management.

9. The following are the responsibilities IS Steering Committee and IT Steering Committee that are subsumed into IT Strategy Committee. This is in line with the RBI's Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices (RBI/2023-24/107 DoS.CO.CSITEG/SEC.7/31.01.015/2023-24

IS Steering Committee:

- Cascading and facilitating the implementation of information security policies, standards and procedures to ensure that all identified risks are managed within our risk appetite. Cascading and monitoring local implementation of major information security projects and establishing priorities.
- Reviewing, approving and funding new initiatives or action plans to mitigate IS risks after assessing value-addition to business process.
- Assessing status of information security risk through periodic metrics, exercises conducted, awareness programme and actions taken on regulatory mandates.
- Reviewing the position of security incidents and various information security assessments and monitoring activities across the bank.
- Review of all open medium, high & above rated vulnerability assessment issues related to India applications and infrastructure systems.

The committee may also determine and review escalation topics to Regional or Global information security committees i.e. regional IS Governance forum and global Information Security Risk Operating Committee (ISROC).

IT Steering Committee:

- i) Assist the ITSC in strategic IT planning, oversight of IT performance, and aligning IT activities with business needs;
- (ii) Oversee the processes put in place for business continuity and disaster recovery;
- (iii) Ensure implementation of a robust IT architecture meeting statutory and regulatory compliance; and
- (iv) Update ITSC and CEO periodically on the activities of IT Steering Committee.

<i>Willful Defaulter Review Committee</i>	<u>Constitution/Membership</u> The membership of the committee shall consist of the MD/ CEO as chairperson with two independent directors or non-executive directors or equivalent officials serving as members. <u>Periodicity & Quorum</u> The committee shall meet in case of any instances of NPA and a proposal being received by the Identification Committee for Willful defaulter assessment. The quorum for a meeting shall be minimum two members present. <u>Voting</u> Action taken by the Committee shall be by the affirmative vote of atleast a majority.	Mandate, Scope and Responsibility: 1. The proposal of the Willful Defaulter Identification Committee along with the written representation received shall be considered by the Review Committee. 2. An opportunity shall be provided to borrower/ guarantor/ promoter/ director/ persons who are in charge and responsible for the management of the affairs of the entity for making a written representation to CFIL Board within 15 days of such a proposal from the Identification Committee. The Review Committee shall provide an opportunity for a personal hearing also to the borrower/ guarantor/ promoter/ director/ persons who are in charge and responsible for the entity. However, if the opportunity is not availed or if the personal hearing is not attended by the borrower/ guarantor/ promoter/ director/ persons who are in charge and responsible for the management of the affairs of the entity, the Review Committee shall, after assessing the facts or material on record, including written representation, if any, consider the proposal of the Identification Committee and take a decision within 30 days. 3. The Review Committee shall pass a reasoned order and the same shall be communicated to the borrower and other parties involved (promoters/ directors/ associated entities) by one of the Review Committee members (CFIL MD) to concerned parties within 5 days of such determination. The decision communicated to borrowers shall also identify the members of Review Committee. The decision of the Review Committee shall be final.
Special Committee of the Board for Monitoring and Follow-up of cases of Frauds (SCBMF)	<u>Constitution/Membership</u> The membership of the committee shall consist of a minimum of three members of the Board, consisting of the Chief Executive Officer and two Independent Directors. The Committee shall be headed by one of the Independent Directors. <u>Periodicity & Quorum</u> The committee shall meet on a quarterly basis in case of any instances of RFA/Fraud. The quorum for a meeting shall be minimum two members present. <u>Voting</u> Action taken by the Committee shall be by the affirmative vote of atleast a majority.	The Committee shall carry out the following responsibilities: 1. Review of recommendations made in respect of Forensic/other investigation Audit reports and Fraud determination, if any 2. Final decision with regard to Fraud classification based on Forensic/other investigation / audit reports and other facts of the case, if any 3. Monitoring and review of frauds, if any, on a quarterly basis 4. For governance purposes, review of report on the RFA accounts, if any Review of any findings of the statutory auditors with regard to any signs of fraud

Annexure II

Details on the constitution and members of various committees are enclosed below:

Nomination and Remuneration Committee (NRC)	Mr. Ponnappa Kakamada Changappa, Independent Director and Chairperson Mr. Rajesh Jogi, Independent Director Ms. Anuradha Choudhury, Director Secretary to the meeting: Company Secretary
Audit Committee	Mr. Rajesh Jogi, Independent Director and Chairperson Mr. Ponnappa Kakamada Changappa, Independent Director Mr. Vivek Gomes, Managing Director Secretary to the meeting: Company Secretary
Debenture Issuance and Allotment Committee	Managing Director Designated Dealer Chief Financial Officer Markets Treasury Head Operations Corporate Treasury Secretary to the meeting: Company Secretary
Asset Liability Committee (ALCO)	<u>Voting Members</u> Managing Director Chief Financial Officer Markets Treasury Chief Risk Officer Corporate Treasury (Secretary) Business Heads **Delegates / Alternate Members shall form part of the Quorum requirement Non-Members/ Invitees/Guests: Compliance Officer Company Secretary Any specialists from Citibank who may be invited to advise on ALCO matters Secretary to the meeting (also a Voting member): Corporate Treasury

Risk Management Committee	Voting Members Managing Director, Chairperson Ms. Anuradha Choudhury, Director Mr. Rajesh Jogi, Independent Director Compliance Officer Chief Risk Officer Permanent Invitees - CFIL Chief Financial Officer Head - SES or Loan against Shares portfolio Head - Corporate Lending Head - Small and Medium Segment Lending Head – Commercial Real Estate Portfolio Head - Treasury Operations Head - Legal and Litigation IT Strategy Officer Strategy and Governance Officer Internal Auditor Company Secretary Invitees- CBNA Chief Risk Officer, Citibank - India Head - Operational Risk Management Citi - India Market Risk Manager Citibank-India Representative of Risk Management team Secretary to the meeting: Chief Risk Officer (voting member) or as appointed by the chair
Corporate Social Responsibility Committee (CSR)	Mr. Rajesh Jogi, Independent Director and Chairperson Mr. Vivek Gomes, Managing Director Ms. Anuradha Choudhury, Non-Executive Director Secretary to the meeting: Company Secretary
Stake Holder Relationship Committee	Mr. Ponnappa Kakamada Changappa, Independent Director and Chairperson Mr. Vivek Gomes, Managing Director Ms. Anuradha Choudhury, Director Secretary to the meeting: Company Secretary
IT Strategy Committee	Mr. Ponnappa Kakamada Changappa, Independent Director Mrs. Anuradha Chaudhary, Director Managing Director, CFIL Chief Information Officer & Chief Technology Officer (CIO & CTO), CFIL Citi Technology Infrastructure (CTI) Head, Citibank Continuity of Business (COB) Head, Citibank Chief Information Security Office (CISO), Citibank *Permanent Invitees Business Information Security Officer Citi Technology Compliance, Citibank Secretary to the meeting: Chief Information Officer, CFIL



Willful Defaulter Review Committee	Mr. Vivek Gomes, Managing Director - Chairman Mr. Rajesh Jogi, Independent Director - Member Mr. Ponnappa Kakamada Changappa, Independent Director - Member Secretary to the meeting: Company Secretary
Special Committee of the Board for Monitoring and Follow-up of cases of Frauds' (SCBMF)	Mr. Ponnappa Kakamada Changappa, Independent Director - Chairman Mr. Rajesh Jogi, Independent Director – Member Mr. Vivek Gomes, Managing Director - Member Secretary to the meeting: Company Secretary