



XCHANGING SOLUTIONS LIMITED

BOARD EVALUATION POLICY

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1. Preamble

The Board of Directors (the “Board”) of Xchanging Solutions Limited (the “Company” or “XSL”), acknowledges its intention to establish and follow “good practices” in Board governance in order to fulfill its fiduciary obligation to all the stakeholders. It has adopted the following Policy and procedures with regard to board evaluation as defined below. The Nomination and Remuneration Committee will review and may recommend the amendments in this Policy to the Board from time to time.

This Policy is to regulate the evaluation of the Board (including the Independent Directors) based on the laws and regulations applicable on the Company.

2. Purpose

This Policy is framed as per requirement of Sections 134, 178, Schedule IV of the Companies Act, 2013 (“Act”) read with applicable Regulations under the Act and Clause 49 of the Listing Agreement entered by the Company with the Stock Exchanges and the purpose of the Board evaluation is to give all Board members an opportunity to evaluate and discuss the Board’s performance with candor and from multiple perspectives. The Board believes the evaluation will lead to a closer working relationship among Board members, greater efficiency in the use of the Board’s time, and increased effectiveness of the Board as a governing body.

3. Definitions

“**Board**” means Board of Directors of the Company.

“**Board Designee**” means “Chief Financial Officer” or “Company Secretary” or any other person as nominated by Nomination and Remuneration Committee from time to time.

“**Company or XSL**” means the Xchanging Solutions Limited.

“**Committee(s)**” means Committees of the Board.

“**Nomination and Remuneration Committee**” (**NRC**) means Nomination and Remuneration Committee of Board of Directors of the Company constituted under provisions of Companies Act, 2013 and the Listing agreement.

“**Policy**” means Board Evaluation Policy.

4. Evaluation Framework

4.1. The performance evaluation framework consists of three parts / categories as per below:

- Performance Evaluation of Committees
- Performance Evaluation of the Board as a whole
- Performance Evaluation of Individual Directors

4.2. As a Board member your role during evaluation will be as follows:

- Complete self-evaluation of the Committee(s) you are part of;
- Complete self-evaluation of the Board as a whole; and
- Take part in peer evaluation of all your colleagues on the Board

5. Evaluation Process

The Evaluation Process for all the aforesaid categories shall be carried out as follows:

- The evaluation process shall be carried out annually i.e. once in a financial year;
- The evaluation process shall be initiated each year by:-
 - The Chairman of the Committee(s) in case of performance evaluation of the Committee(s);
 - The Chairman of the Nomination and Remuneration Committee in case of performance evaluation of the Board as a whole; and
 - The Chairman of the Board in case of performance evaluation of individual directors.

The aforesaid processes shall be co-ordinated by Board Designee who will assist the respective chairman in the evaluation process.

- Format of Evaluation Forms shall be first placed before the NRC for their confirmation and thereafter shall be distributed by the Board Designee to each member.
- Committee(s) / Board members shall complete the forms and return them to the Board Designee.
- Board Designee will tabulate the results and share the summary report with the Committee(s) and the Board.

6. **Evaluation Criteria:** The NRC has recommended this Policy & evaluation criteria and the Board has adopted the same. These may be changed at any time by the Board on the recommendation of NRC.

7. **Effective Date of the Policy:** This Policy will come into effect from the date of approval of the same by the Board of Directors of Company.