

CYIENT

Cyient Limited

Manual on Corporate Governance

April 2022

Approved by the Board on 21 April 2022

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SECTION 1: INTRODUCTION

A. GROUP COMMITMENT TO CORPORATE GOVERNANCE

The Company values the adoption of high standards of corporate governance to assist the Board of Directors ("Board") in the exercise of its responsibilities. The Company has laid down these guidelines to ensure that its governance philosophy and all applicable statutory and legal obligations are adhered to, in letter and spirit, in the best interests of its stakeholders. Effective corporate governance is essential to the Group companies, to help reduce risks, improve transparency, and build trust and a positive reputation among associates, customers, shareholders, and the public at large.

The Board is responsible for ensuring that the Company meets its objectives and achieves sustainable growth in market value while staying committed to making a difference to the industries it serves, and the long-term interests of its stakeholders. Board members continuously strive to lead the Company into the next phase of growth and business excellence and are at the core of its corporate governance practices. The Board, in this manual, has summarized the Group's thinking and approach towards corporate governance practices in a structured framework to enable the Company achieve its vision, mission and to attain sustainable growth.

This Manual should be read in line with the policies of the Company approved by the Board from time to time (links to the Policies of the Company are provided in **Annexure A**). This Manual is intended as a 'living document' in the context of changing regulations and emerging best practices towards enhancing the Group's governance. This Manual supplements and complements the Company's values, vision, mission, and Memorandum and Articles of Association by setting forth principles of good and transparent governance.

The corporate governance standards established (updated from time to time) by the Board and the Company provide a structure within which directors and management can effectively pursue the Company's objectives for the benefit of its stakeholders. These guidelines are framed in conjunction with Company's Memorandum of Association and Articles of Association ("AOA"), the charters of the committees of the Board and applicable

laws/ regulations / guidelines in force for the time being in India other jurisdictions, as applicable.

Explanation – For the purpose of these guidelines the term “Management” includes, Executive Directors, Key Managerial Personnel (“KMP”) so appointed under the CA 2013 and Senior Management as defined under LODR.

B. VALUES AND VISION OF THE COMPANY

Our Values

The Company is guided by the values ‘FIRST’ i.e. Fairness, Integrity, Respect, Sincerity and Transparency across all our relationships with clients, stakeholders and associates. We strongly believe that our vision can be achieved by maintaining the highest standards of corporate ethics and good governance practices keeping our core values intact.

- 1. Fairness** – The company offers equity and solidarity where the associates and our customers experience an unbiased environment, irrespective of their cultural backgrounds. We believe in providing an environment that motivates associates and customers to achieve their personal and organizational goals.
- 2. Integrity** – The company cultivates the development of high professional standards and values. In all dimensions of work, we align our actions and words and deliver what we promise. The company is committed to its moral and ethical values and the laws of the land.
- 3. Respect** – The Company believes that the most productive environment is where associates are valued and treated with respect and dignity.
- 4. Sincerity** – We commit to present a workplace, which establishes professionalism, dedication towards quality, cost, delivery, and value systems, and speaking and acting truly about the company’s vision and realistic goals. The company has always demonstrated utmost reliability and accountability for all its commitments and promises and strives for the same going ahead.
- 5. Transparency** – An open-door policy. The company believes that fair and open communication is the key to success. The company believes in transparent billing

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processes and ensures the availability of relevant information required for cooperation and collective decision-making. Encouraging feedback from vendors, customers, associates help build a trustworthy company We are focused on verticals including aerospace & defense, rail transportation, off-highway & industrial, power generation, mining, oil & gas, communications, utilities, infrastructure, geospatial and navigation, semiconductor, and medical technology & healthcare. We align closely with the business needs, goals, culture, and core values of our clients, and it reflects in the deep and long-standing relationships we share with some of the leading names in these

The Company is committed to leveraging knowledge and expertise to minimize business risks for customers and address their most pressing needs. As new technologies reshape industries, making this an exciting time for business, we embrace change and continuously align our focus to meet evolving customer and market dynamics.

Our Vision

“DESIGNING TOMORROW TOGETHER” - We believe in **“EMPOWERING TOMORROW TOGETHER”** - a tomorrow that is culturally Inclusive, Socially Responsible and Environmentally Sustainable through the practices of:

- a. Empowering customers to build disruptive, cutting-edge solutions.
- b. Innovation and delivering pioneering work.
- c. Enabling people to live better lives every day.
- d. Grit, resilience, and enduring commitment.

As a listed company involving public interest at large, the Company firmly believes that robust corporate governance policies and practices are critical to achieve its corporate goals and vision.

C. GROUP STRUCTURE

The Company's Group structure consists of 11 subsidiaries and 1 joint ventures with a global presence across 18 countries and with 16000+ associates and 240+ Customers. The Company's global presence across multiple countries and sizeable strength make it imperative to have a robust internal controls framework.

The group structure of the Company and the list of Subsidiaries and Joint Ventures is provided as **Annexure-B**.

The Board Composition of the Subsidiaries and Joint Ventures is provided as **Annexure-C**.

Note: The Bye laws /Articles of Association of each of the above subsidiaries and joint ventures are provided in **Annexure D**.

D. GOVERNANCE FRAMEWORK

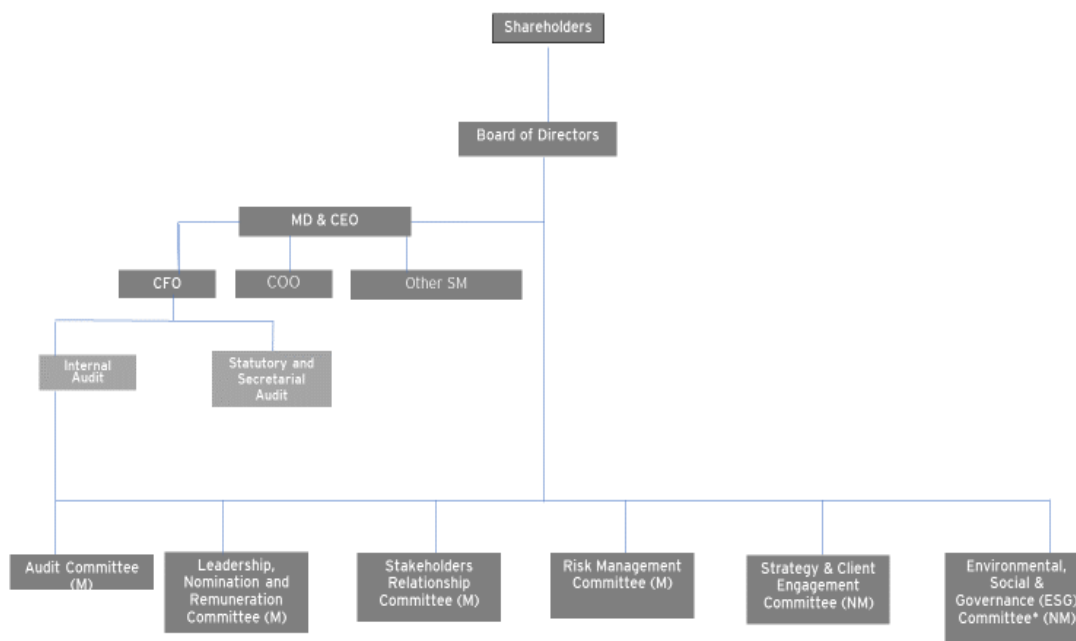
The governance framework of the Company consists of the following:

- a. Shareholders
- b. Board of Directors
- c. Senior Management – Chairman, Chief Financial Officer, Managing Director and Chief Executive Officer, Chief Operating Officer and Company Secretary
- d. Committees - Audit Committee, Leadership Nomination and Remuneration Committee ("LNRC"), Stakeholders Relationship Committee, Risk Management Committee, Environment, Social and Governance Committee, Strategy & Client Engagement Committee.

The governance system is organized according to the following organizational chart:

M – Mandatory Committees

NM – Non-mandatory Committees



*The ESG Committee will also deal with all matters pertaining to Corporate Social Responsibility and Diversity & Inclusion.

1. **Shareholders:** The Shareholders of the Company constitute the decision-making body, empowered to take the major decisions in the Company which include the following, along with other matters that are vital to the Company’s business interests and its shareholders’ interests:
 - a. To adopt the financial statements, Board’s report, and Auditor’s report of every financial year
 - b. To declare dividend
 - c. To appoint or remove a Director on the Board
 - d. To appoint or remove Statutory Auditors of the Company
 - e. To amend the charter documents – Memorandum and Articles of Association of the Company.

The Shareholders’ Meetings are held at a date, time and venue that do not hinder the access of shareholders; convened in the manner and within the terms prescribed under the CA 2013 and LODR and in the Company’s Articles of Association, with

appropriate advance notice so that the shareholders can evaluate the supporting material for a proper understanding of the topics in question. Each Shareholder has easy access to raise questions during their meetings and seek clarifications to take an informed decision.

2. **Board of Directors:** The Board of Directors comprising the executive, non-executive, IDs along with the Senior Management and Lead Independent Director are responsible for the fulfilment of the governance strategies and business objectives. The Board of Directors strives to achieve the standards set by the Company. They are empowered to take decisions on those matters, that are not subject to approval at Shareholders' meetings and those which exceed the powers of the management. The general principles on which the Board of Directors act, are honesty, integrity, transparency, and high ethical standards.
3. **Committees:** The Board of Directors has established various committees, either mandated under the statutes or independently, to assist the Board in achieving excellence and to seek advice on its performance. These Committees comprise the Board Members and cover multiple wings of the Board i.e., Finance, Audit, Nominations, Remuneration, Stakeholder Relationships, Risk Management, Strategy & Client Engagement, Environmental, Social & Governance, Diversity & Inclusion, and other Governance matters.
4. **Senior Management:** The management of the Company comprising the KMP, and other senior officials plays a crucial role in the day-to-day functioning and compliances of the Company.
5. **Risk Management Framework:** The Company has in place, a risk management framework established and approved by the Risk Management Committee. The Committee identifies and assesses all the risks that the organization faces with the help of a risk management framework which is capable of addressing those risks. The risk management framework is reviewed on a periodic basis to address and mitigate enterprise-wide risks.
6. **Internal Audit:** Internal Audit is an integral part of the Company's internal control system which aids the Audit Committee to discharge its functions and responsibilities adequately and effectively and also ensure that the internal processes and

procedures are adhered to. The Company has an internal audit plan in place, which is reviewed by the statutory auditors in consultation with the Audit Committee. The Audit Committee reviews audit reports submitted by the internal auditors. Suggestions for improvement are considered, and the Audit Committee follows up on the implementation of corrective actions. The Committee also meets the company's statutory auditors to ascertain, inter alia, their views on the adequacy of internal control systems in the company and keeps the Board of Directors informed of its key observations from time to time. The statutory auditors also independently audit the internal financial controls over financial reporting of each financial year.

7. **External Audit:** The Audit Committee recommends, for approval of the Board of Directors (and to be confirmed by the shareholders, a duly accredited external auditor, known as the Statutory Auditor, who shall undertake an independent audit and shall provide an objective assurance on the way in which the financial statements have been prepared and presented. The Statutory Auditors are appointed as per the applicable laws and regulations and all applicable rules of rotation are to be complied with, by the Company. The independence of the external auditors is effectively maintained by the Company.
8. **Secretarial Audit:** The Company also appoints an external Secretarial Auditor in accordance with the applicable regulations. The Secretarial Auditor undertakes Secretarial Audit for evaluation, forming an opinion and to report to the Shareholders as to whether, the Company has complied with the applicable laws comprising various statutes, rules, regulations, guidelines, followed the board processes and to also report on existence of a compliance management system. The Secretarial Audit report forms part of the Annual Report of the Company.
9. **Codes and Policies:** The Company has adopted a 'Code of Conduct' for its Board of Directors and senior management personnel in order to strengthen the corporate governance practices. The company has several policies guided by the 'Code of Conduct' which include code of conduct for Directors and Senior Management, code of conduct for prevention of insider trading, and code of practices and procedures for fair disclosure of unpublished price sensitive information. Other policies including our Board Diversity policy, policy for determination of materiality, policy on related party transactions, anti-corruption policy, data privacy policy, whistle blower policy, etc. strengthen our corporate governance system.

E. ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) AGENDA

The Company believes that for global businesses, providing innovative and sustainable solutions to customers and establishing resilient business models that integrate Sustainability/Environment Social and Governance (ESG) aspects across the value chain are critical needs. In defining the Company's ESG framework, mega trends, industry drivers, global frameworks and the national agenda have been analyzed and the Company has engaged with external and internal stakeholder groups emphasizing emerging Sustainability/ESG risks and opportunities. The Company has adopted a framework with three key pillars i.e., Responsible – Equitable – Accountable in alignment with stakeholder perspective (materiality assessment), global frameworks (Sustainable Development Goals), sector trends and also its business objectives.

This framework shall be supported by an effective ESG Governance mechanism enabling robust governance, transparency thereby establishing a conducive environment ensuring no compromise on ethics and values amidst dynamic externalities including pandemics and natural calamities. The governance mechanism is a three-tier framework which constitutes the following:

- a. The existing 'Board of Directors' shall act as the apex committee providing leadership on the organization's sustainability agenda and future goals,
- b. The 'ESG Committee' which shall own the sustainability goals / targets and steer the sustainability agenda of the organization and
- c. Lastly the 'Working Group' which shall be responsible for overall implementation of sustainability programs / initiatives for their respective functions.

The three-tier governance framework shall be well equipped with adequate and systemic implementation of corporate policies, systems and procedures.

Board's Role in ESG

As overseers of risk and stewards of long-term enterprise value, the Board shall have a vital oversight role in assessing the organization's environmental and social impacts. They

shall also be responsible for understanding the potential impact and related risks of ESG issues on the organization's operating model. The Board's role shall include:

- a. **Understanding ESG** - Articulating a Statement of purpose for the corporation and measuring 'purpose' together with profitable growth, Being aware and well-informed that sustainability/ESG has become a major, mainstream governance topic that encompasses a wide range of issues, including a company's long-term durability as a successful enterprise, climate change and other environmental risks and impacts, systemic financial stability, management of human capital, labor standards, resource management, and consumer and product safety, and consider how the company presents itself with respect to these matters, Being educated on the key ESG issues facing the company and be able to converse comfortably on those issues that matter or present significant risks, Receiving regular briefings on relevant ESG matters and the company's approach to handling them.
- b. **Implementing ESG as part of business strategy** - Working with management to identify which ESG issues are most pertinent to the company's business and key stakeholders and to oversee implementation of appropriate policies and processes for assessing, monitoring, and managing material ESG risks and opportunities, considering sustainability/ESG dimensions as an integral part of annual strategy review, Strengthening their risk oversight role on ESG-related risks.
- c. **Reporting on ESG** - Being informed of the company's approach to dealing with investor requests for ESG-related engagement, external disclosure and reporting of the company's ESG performance using recognized standards and frameworks.

F. GOVERNANCE IMPLEMENTATION

1. **Effective Date:** This Manual has been adopted by the Board of Directors and is effective from 21 April 2022.
2. **Disclosure:** This shall also be available for inspection by any shareholder of the Company at the registered office during business hours and shall also be available as a print version, if requested. This Manual is also easily accessible on the website of the Company. The availability on the Company's website and in print will be noted in the Company's annual report to its shareholders.

3. **Limitation**: In case of any conflict between this Manual and the applicable Acts, Regulations or any other statutory enactments or rules, the provisions of such laws for the time being in force, to the extent applicable to the Company, shall prevail over this Manual.
4. **Review & Amendments**: This Manual will be reviewed by the ESG Committee and the Board on a periodic basis and in any event, at least once a year and if the Board thinks fit, this Manual will be amended from time to time. Such amendments/modifications shall be subject to the unanimous approval of the Board and shall be intimated to all stakeholders concerned.
5. **External review**: The Company will engage an external independent professional, to review the Company's adherence to this Manual, on an annual basis. The report of such professional will be reviewed by the ESG Committee and any observations/recommended actions will be closely monitored.

G. GOVERNANCE DURING CRISIS

In the event of an unforeseen exigency, Corporate Governance, assumes an even more significant role in ensuring the best possible outcomes for all stakeholders. At this time, it is important for the Board to:

- a. Stay focused to the purpose, values, principles, and culture of the organization
- b. Ensure the organization is agile and responsive to the changing systems and regulations
- c. Keep a pulse on changing stakeholder expectations
- d. Prioritize employee well-being as instrumental to organizational well-being
- e. Activate business continuity plan/ crisis management plan
- f. Strengthen stakeholder communication and engagement
- g. Review the need to make commitments, financial and otherwise, to respond to a specific situation

Crisis shall be any event which is fast evolving to an unstable condition involving an impending abrupt or significant change that requires urgent attention and action to protect life, safety of employees, assets, business continuity with profitable growth, reputation,

and environment. An incident may be categorized as a crisis if one or more of the following impacts occur:

- a. Large scale impact on health and safety of employees and community;
- b. Inability to provide service to our clients in key geographies;
- c. Significant plunge in share price;
- d. Sustained reputational damage;
- e. Significant loss of confidence by key stakeholders;
- f. Unavailability of leadership

The Board shall be responsible for overseeing the management of crisis events to ensure the impact is minimal and shall directly manage the crisis arising out of governance events. The Board shall assess the response and advise the management for any additional mitigation actions. Upon the end of crisis, they should assess the learnings from the crisis, that needs to be implemented.

SECTION 2: BOARD OF DIRECTORS

A. BOARD COMPOSITION

The Company is committed to ensure that it has an eminent, credible, and diverse Board. While constituting the Board, the Company will look for integrity, fiduciary skills, and influence that would help build an enduring institution and to enable the Directors effectively and efficiently discharge their responsibilities individually and collectively. The Board will, from time to time, bring new perspectives to the management. Healthy Board discussions and debates are recognized as critical to help the executive team take effective and rational decisions. This will enable the Company to balance the immediate fundamentals while keeping an eye on the long term.

Board Size and type

1. The Size of the Board of the Company shall be as per the Memorandum & Articles of Association of the Company read with the CA 2013 and rules made thereunder, LODR and such other laws/ regulations in force for the time being, to the extent applicable to the Company.
2. The Company shall have at least ten directors at all times. The Company has a one-tier Board.

Board diversity and composition

1. Given the Company's global operations and culture, the LNRC has devised the Board diversity policy and will consider diversity of skills, knowledge, relevant industry experience, age, culture, nationality, ethnicity, race, gender, while nominating Board members. In identifying suitable candidates for appointment to the Board, the LNRC considers candidates on merit against objective criteria and with due regard for the benefits of diversity on the board.
2. The Company will have an optimum combination of executive, non-executive and IDs, with at least 1 woman ID. The Company shall endeavour to have at least one half of the Board as IDs.

3. The Company will have a designated Non-executive or Independent Chairman, who is not related to the MD or CEO. The roles of the Chairman and CEO will be clearly demarcated and be separate.
4. The Company will also have a lead independent director who will act as a liaison between the NEDs and the management and perform such other duties as the Board/IDs may decide. The Lead Independent Director shall preside as Chairman for the meeting of IDs held every year.

Appointment and Tenure

1. The Company shall ensure that approval of shareholders for appointment of a person on the Board of Directors is taken at the next general meeting or within three months from the date of appointment, whichever is earlier. The Board members will be elected individually and not by slate.
2. The tenure of the executive directors must not exceed 5 years at a time.
3. An ID shall hold office for a term up to 5 consecutive years and shall be eligible for reappointment for another term of up to five consecutive years on passing of a special resolution.
4. The age limit for the retirement of Independent Directors shall be on attainment of 70 years i.e., his/her office shall expire on his/her birthday.
5. At least two-thirds of the total number of directors of the Company (except IDs) shall be liable to retirement by rotation. At every annual general meeting, one-third of such of the directors liable to retire by rotation (rounded off to the nearest number) shall retire from office.
6. The Board may also consider the rotation of Committee members at certain set intervals periodically.

B. INDEPENDENT DIRECTORS (“IDs”)

Board Independence Statement

1. The IDs of the company must satisfy the conditions mentioned in the Board Independence Statement (enclosed as **Annexure E** to this Manual) prepared in accordance with the CA 2013, LODR and DJSI requirements.
2. The IDs will adhere to the Code of Conduct for IDs and duties and responsibilities as per the applicable law. The IDs will provide an annual confirmation to the Board that they are eligible to continue as IDs.
3. The Company will undertake Directors and Officers (D&O) insurance for all IDs, of such quantum and for such risks as may be determined by the Board. The Company may also extend the insurance to other Directors/ officers.
4. The Board, after the annual review of independence of each ID, shall affirmatively determine that the ID have no material relationship with the Company, subject to CA 2013, LODR, DJSI, any other applicable laws or regulations and will consider the continuance of IDs. The basis for any determination that a relationship is not material shall be disclosed in accordance with applicable rules and regulations.
5. Independent Directors’ office shall terminate or cease only in case of the following:
 - a. he/she voluntarily resigns,
 - b. the office was terminated for a cause (such as disqualification), and for other reasons based on applicable rules and regulations.

The vacancy shall be filled by the vote of at least a majority of the remaining Directors if still constituting a quorum, upon the recommendation of the LNRC.

C. BOARD ROLE, DIRECTOR DUTIES AND RESPONSIBILITIES

Board Role/ Mandate

The Board of Directors play the following role:

- a. The Board of Directors bears the primary responsibility for creating and enhancing the long-term shareholder value of the Company and ensuring that this objective is achieved in all its business activities.
- b. It is responsible for making statutorily identified decisions and for conducting oversight of the business and affairs of the Company and its management.
- c. It must ensure the Company's ability to satisfy the needs of its customers, sustain its leadership and competitiveness, and uphold its reputation in order to maintain long term success and viability as a business entity.
- d. The Board's mandate consists of setting the strategic business directions of the Company, appointing its senior executive officers, confirming its organizational structure, approving all major strategies and policies, overseeing all major risk-taking activities, monitoring the financial results, measuring, and rewarding the performance of management, and generating a reasonable investment return to shareholders. It shall also provide an independent check on management.
- e. It is the Board's responsibility to foster the long-term success of the Company, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the best interests of its stockholders and other stakeholders.
- f. The Board should formulate the Company's vision, mission, strategic objectives, policies, and procedures that shall guide its activities, including the means to effectively monitor Management's performance.

The Board will also carry out the functions laid down in the CA 2013 and the LODR.

Director Duties and Responsibilities

1. Every Director shall abide by the duties and responsibilities imposed under LODR and CA 2013. Every Director shall be aware of the Code of Conduct, Policies, Codes and Procedures of the Company and shall abide by them.
2. Every Director shall discharge his/ her fiduciary duties and Directors are expected to exercise their business judgment to act in what they reasonably and honestly believe to be the best interests of the Company and its shareholders, free from personal interests.
3. Every Director shall disclose all material information pertaining to any transaction to be undertaken by the Company as and when required.
4. Every Director shall attend the annual general meeting, except under unusual circumstances.
5. The Board members being Designated Persons under the Insider Trading policy of the Company shall ensure that all their trades in the securities of the Company are regulated as prescribed under the policy.

Other Board mandates

1. The Directors of the Company shall comply with the requirements of Regulation 17 and 26 of LODR and Section 165 and 203 of the CA 2013 with regard to Board/ Committee mandates (including alternate directorships) in other organizations.
2. The Company's Director shall not be a Director in more than six other equity listed entities and shall not serve as an ID in more than six other equity listed entities. The WTD/ MD of the Company shall serve as an independent director in not more than two other listed entities.
3. The Directors must ensure that their existing and planned future commitments do not materially interfere with their quality of service on the Company's Board/ Committees/ Management. Service on Boards/ Committees of other organizations shall be consistent with the Company's Code of Conduct.

4. Executive Directors are allowed to serve on the Boards of corporate or Government bodies whose interests are germane to the future of the IT and engineering service business or the key economic or academic institutions of the nation, or whose prime objective is to benefit society. IDs are expected not to serve on the Boards of competing companies. There are no other limitations except those imposed by law and good corporate governance practices.
5. Each Director shall inform the Company on an annual basis about the Board and Board Committee positions he/she occupies in other companies including Chairmanships and shall notify changes as and when they occur during the term of their directorship in the Company. None of the Directors on the Board shall be a member of more than ten Committees or Chairperson of more than five Committees across all the public companies in which they are Directors.

Minimum meeting attendance

1. The Company may require Directors to attend a minimum number of Board / Committee / general meetings, whether in person or through electronic means. Executive Directors shall attend all meetings and Non-executive Directors shall attend at least 75% of the Board and committee meetings.
2. The Company may also set expectations that the Directors should be well prepared for meetings, read material in advance, communicate any concerns or questions on the agenda before the meeting, etc.

Liabilities of Directors

Directors who willfully and knowingly indulge in any unlawful acts or who are guilty of gross negligence or bad faith in directing the affairs of the Company or acquire any personal or pecuniary interest in conflict with their duty, shall be liable jointly and severally for all damages that shall be caused to the Company and its stakeholders.

D. DIRECTOR QUALIFICATIONS

1. The LNRC shall specify the qualifications with regard to age, profile, expertise, experience, independence, etc., for appointment/ reappointment of Directors on the Board and Committees based on industry practice. These shall include the following:
 - a. Relevant industry experience as per Level 1 GICS classification
 - b. Minimum educational qualification
 - c. Expertise in management, accounting, finance, technology, leadership, risk management, planning, restructuring, etc.
 - d. Desirability of mix of age, gender, culture, etc.
 - e. Accountability, integrity performance standards, flexibility, communication, financial literacy, sufficient of time to perform responsibilities, physical /mental fitness, and industry knowledge.
 - f. Commitment to attend the minimum board and committee meetings, as defined by the Company.
 - g. Knowledge and willingness to understand and implement ESG
 - h. No disqualifications, as prescribed under Companies Act, 2013 incurred till the date of appointment.
2. In determining whether to recommend a Director for re-election, the LNRC shall also consider the Director's past attendance at meetings and participation and contributions to the activities of the Board.
3. The Company shall maintain and periodically update the chart or a matrix setting out the skills/ expertise/ competence of the Board of Directors, including a list of core skills/ expertise/ competence identified by the Board of Directors which is required as per industrial practice and those actually available with the Board at the time of preparing the list and names of Directors who have such skills/ expertise/ competence in the Board.

E. DIRECTOR TERMINATION

1. The LNRC shall recommend the removal of any Director on the Board, based on reasonable justification and the removal will be done as per the provisions of the CA 2013.

2. The LNRC shall specify, in detail, the criteria for disqualification of Directors, subject to the criteria specified under CA 2013 and other applicable rules and regulations.

F. BOARD MEETINGS

Schedule of Board meetings

1. The Company shall have at least 4 (four) Board meetings in a year i.e., 1 meeting for every quarter. The gap between two Board meetings shall not exceed 120 days.
2. The schedule of Board meetings shall be decided in October each year for the following calendar year and circulated to the Board members. The annual Board calendar is drawn up 4 to 6 quarters in advance together with a well thought out action planner. All tasks are scheduled in advance so that everyone concerned can plan their work systematically. This also enables better time management of and for the Board besides aiding their efficiency.
3. All meetings will be held at the registered office of the Company, unless otherwise decided. The Company shall make arrangements to enable Directors' participation virtually, through Video conferencing and any other audio-visual means.
4. In case of urgent matters, resolutions may be approved by circulation, in accordance with the CA 2013.

Notice and Agenda

5. Advance notice (7 days' prior notice as mandated by the Companies Act, 2013) and advance agenda and meeting materials (except UPSI) shall be provided to each Director in order to take an informed decision and also to raise queries and sought clarifications during the meeting.
6. A meeting of the Board may be called at shorter notice to transact urgent business, subject to the condition that at least one ID shall be present at the meeting. In case of absence of IDs Directors from such a meeting of the Board, decisions taken at

such a meeting shall be circulated to all the Directors and shall be final only on ratification thereof by at least one ID.

7. The management or any Director may suggest agenda items before the meeting and may also raise any additional matters to be discussed at the meeting.

Attendance and Quorum

8. Invitees such as representative of employees, CFO, etc., responsible for effective management of the operations of the Company may also be invited at the Board meetings where business decisions are proposed to be taken.
9. The Directors must devote their full time and attention for discharging their responsibilities at the Board meeting.
10. The quorum for the Board meeting shall be one-third of the total strength or three Directors, whichever is higher, including at least one ID.

Proceedings and Minutes

11. The voting power at the meetings and circulation of minutes will be in accordance with the CA 2013 and AOA of the Company.

G. DELEGATION OF AUTHORITY

1. The Board may, by a resolution passed at a meeting, delegate to any committee of Directors, the Managing Director, the manager, or any other principal officer of the company or in the case of a branch office of the company, the principal officer of the branch office, the following powers, on such conditions as it may specify: (a) to borrow monies (b) to invest the funds of the company (c) to grant loans or give guarantee or provide security in respect of loans.
2. The Board, in order to manage and supervise the business and management of the Company and also for efficient decision-making, may delegate its authority to the committees of the Board or to any KMP or officer of the Company.

3. In relation to the above, the Board will determine the matters which must be approved by the Board and matters which may be approved by the Committees / Management, without requiring further Board approval.
4. The Board will not delegate such powers and functions to the committees which are prohibited to be delegated under any applicable law or AoA of the Company.
5. The Company will have a detailed delegation of authority matrix and consider factors such as ease and efficiency of operations/ decision-making while devising this matrix. The DOA Matrix is provided as an **Annexure F** to the CG Manual.

H. BOARD COMMITTEES

1. The Board shall at all times, have the following committees:
 - a. Audit Committee
 - b. Leadership, Nomination and Remuneration Committee
 - c. Stakeholders Relationship Committee
 - d. Risk Management Committee
 - e. Strategy & Client Engagement Committee
 - f. Environment, Social, Governance Committee

Note: The ESG Committee will also deal with all matters pertaining to Corporate Social Responsibility and Diversity & Inclusion.

2. The Risk Management Committee shall aid the Board for identification, evaluation, and mitigation of strategic, operational, and external environment risks.
3. The Board may from time to time, constitute new committees or reconstitute existing committees, as it deems fit in fulfilling its responsibilities.
4. Any one or more of the Committees may also be combined into a single committee with combined responsibilities of one or more committees.

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5. The Board will provide mandates for terms of reference, roles, responsibilities, functions, composition, meetings, Chairperson, reporting for each of the committees from time to time, in accordance with the CA 2013 and LODR.
6. The Committee Charters/ links to the Charters are provided in **Annexure G** to this Manual.
7. The criteria for selection of committee members, independence, meetings, etc. shall be as applicable to the Board, to the extent possible.

I. DIRECTOR ACCESS (INFORMATION, MANAGEMENT, ADVISORS)

1. In order to fulfil their responsibilities, members of the Board of Directors shall have access to accurate, relevant, and timely information.
2. Directors shall be entitled to have access to all information and documents, including contracts, agreements, books and records etc., in order to act in the best interest of the Company and access to management (provided it does not interfere with the operation of the Company's ordinary course of business).
3. Also, the Board of Directors and Committees shall have the authority to appoint / seek opinion or reports from any internal or independent advisors/consultants, at the expense of the Company, for the performance of operations of the Company and to adhere to the legal requirements.
4. Overall, the Directors shall have access to all resources required for carrying on their duties and responsibilities.

J. DIRECTOR COMPENSATION

1. The compensation / remuneration to be paid to Directors shall be within the limits and subject to the approvals, envisaged under the CA 2013, LODR and other regulations that may be applicable from time to time.

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2. The Board believes that Director compensation should be based on time spent carrying out Board and Committee responsibilities and be competitive with comparable companies. The (variable) compensation of Executive Directors shall be directly linked to their evaluation done annually.
3. The form, either through cash or kind or through stocks, and the amount of compensation, shall be determined by the LNRC, in accordance with its charter and the LNRC Policy and approved by the Board of Directors.
4. The LNRC shall align the Board compensation with long term stakeholder interests.
5. No stock incentives shall be payable to IDs. However, fees for attending meetings and commission, if any, shall be fixed by the LNRC.
6. The Company may define the amount/ percentage of sitting fees/ commission to be paid to Directors.
7. No professional or consulting fee is payable to Non-Executive IDs. However, a commission may be payable to the Non-Executive IDs as may be recommended by the Compensation Committee and approved by the Board.
8. The compensation policy shall be reviewed and evaluated at least once in three years, taking into account, the compensation practices of the Company's peer group other market pay sources and market trends, and considering the best interests of the Company and its shareholders.

Mandatory Director Share Ownership

1. To align the interests of Directors and Shareholders, executive Directors should have a significant financial stake in the Company. Each Director will maintain shares equal in value to a minimum of three times the base annual salary payable to the Director (including stock options). Each Director must retain 50% of all net shares (post tax) that vest until the minimum share ownership requirement is achieved. Stock deferred under a non-qualified deferred compensation arrangement will count towards the minimum ownership requirement. The Board will evaluate whether exceptions should

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be made for any Director on whom this requirement would impose a financial hardship.

2. Directors and executive officers are prohibited from hedging their ownership of the Company's shares, including trading in options, puts, calls, or other derivative instruments related to Company shares or debt. Directors and executive officers are prohibited from purchasing the Company's shares on margin, borrowing against the Company's shares held in a margin account, or pledging the Company's shares as collateral for a loan.

K. DIRECTOR ORIENTATION / CONTINUING EDUCATION

1. The Board of Directors shall encourage continuing Director training to ensure that the members of the Board of Directors are kept up to date.
2. The Company shall familiarize the IDs through various programmes about the Company including the following: (a) nature of the industry in which the Company operates; (b) business model of the Company; (c) roles, rights, responsibilities of IDs; and (d) any other relevant information.
3. The Company has an initial orientation program for new Directors relating to business strategy, organization structure, Board procedure and policies, compliances to be adhered, introduction to KMPs, Company's governance policies, vision, mission and goals of the Company, operations and management, specifications to the industry, Committee roles, etc.
4. The Company will organize, at least, once in every year, a formal updation programme for the Directors to discuss about roles and responsibilities, changes in relevant laws, regulations, judicial or regulatory orders, and compliance requirements.

L. BOARD EVALUATION

1. The LNRC will formulate the criteria and specify the manner for effective evaluation of performance of the Board, its committees, and individual Directors to be carried

out either by the Board, by the LNRC or by an independent external agency and review its implementation and compliance.

2. The Company will carry out both peer & self-evaluation of Directors and independent third-party evaluation of the Board, its Committees and individual Directors annually.
3. The Company's evaluation process will also include feedback from the Non-Executive Directors to the Chairman and feedback on management support to the Board. The evaluation process will elicit responses from the Directors in a judicious manner - ranging from composition and induction of the Board to effectiveness and governance. Feedback on Board and Committee charters, strategy, risk management and quality of discussion and deliberations at the Board is also sought.
4. The evaluation of IDs shall be done by the entire Board of Directors which shall include:
 - (a) performance of the Directors; and
 - (b) fulfillment of the independence criteria as specified in these regulations and their independence from the management

In the evaluation, the Directors who are subject to evaluation shall not participate.

5. The IDs shall hold at least one meeting in a financial year without the attendance of non-IDs and members of management and shall: (a) review the performance of non-IDs and the Board as a whole; (b) review the performance of the Chairperson of the company, taking into account the views of Executive Directors and Non-executive Directors; (c) assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.
6. The LNRC will perform an evaluation of the CEO and the EDs will evaluate the KMPs annually, based on pre-determined KPIs such as performance of the business, accomplishment of long-term strategic objectives and TSR.
7. The evaluation will be used by the LNRC in the course of its decision relating to the compensation of Directors and KMPs.

8. The results of evaluation shall be discussed by the Chairman and the LNRC with the entire Board of Directors.
9. The Board, the Committees, Directors and KMPs shall be responsible to improve their performance based on the evaluation made.
10. Committee Self-evaluation: The Committees of the Board shall also perform self-evaluation with respect to the assessment of prescribed compliance and report the same to the Board.

M. STAKEHOLDER ENGAGEMENT

1. The Board will provide attention and take necessary and appropriate action for the written communications received from the stakeholders from time to time (Board may also delegate this to the Stakeholders Relationship Committee). The CEO and his or her designees should normally speak for the Company.
2. In order to protect Shareholders' rights, the Company will appropriately disclose to them all material relevant information affecting their investment decision, on a timely basis.
3. The Board will consider the impact of its actions on all stakeholders such as shareholders, specifically minority shareholders, employees, vendors, customers, community, environment, Government, etc. before making any decision.
4. The Board will designate an Investor grievance/ Investor relations officer to communicate and provide responses for the shareholders' queries.
5. Press releases, wherever mandated under LODR will be made by Marketing Team.
6. The Board or designated Committee will, on timely basis, assess the communications with stakeholders, timely responses provided and the manner of providing the same.

SECTION 3: MANAGEMENT

A. APPOINTMENT/ ELIGIBILITY CRITERIA OF SENIOR LEADERSHIP / KMPS

“Senior Management” shall mean the officers/personnel of the Company who are members of its core management team excluding Board members and will include members of management such as the Chief Executive Officer, Chief Financial Officer, Company Secretary, and other members of management one level below the Chief Executive Officer / Whole Time Directors (in case they are not already part of the Board).

KMPs shall, apart from Whole Time Directors include the Chief Executive Officer, Chief Financial Officer and Company Secretary.

LNR shall identify persons who are qualified to be appointed to specific Senior Management / KMP roles in accordance with the same criteria applicable for Directors.

In particular, the LNRC shall -

- a. identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as KMP or at Senior Management levels for the specific position that he / she is considered for and recommend to the Board, his/her appointment
- b. have the discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/ satisfactory for the position
- c. Recommend, to the Board with reasons recorded in writing, for removal of a KMP or Senior Management personnel. The reasons for removal could be either non-compliance with the code of conduct, violation of applicable laws, rules and regulations or non/under-performance in the designated role.

B. RESPONSIBILITIES OF MANAGEMENT/ KMPS

1. Management is responsible for operating the Company in an effective, ethical, and legal manner designed to produce value for the Company’s shareholders consistent

with the Company's policies and standards including this policy. Management is also responsible for enforcing and complying with mandatory provisions of the Company's policies and standards. Senior management is responsible for understanding the Company's income producing activities and the material risks being incurred by the Company and is also responsible for avoiding conflicts of interest with the Company and its shareholders.

2. In general, Senior Management and KMPs are responsible for the following -
 - a. Producing financial statements that represent a true and fair view of the financial condition of the company in line with applicable regulations and guidance.
 - b. Developing and presenting strategic business plans
 - c. Developing and presenting annual operating plans and budgets
 - d. Establishing an effective management and organization structure
 - e. Setting a strong ethical 'tone at the top' for compliance with applicable laws and the Company's policies
 - f. Developing, implementing, and monitoring an effective system of internal controls and procedures
 - g. Establishing, maintaining and evaluating the Company's 'disclosure controls and procedures' under applicable regulations (including those related to internal accounting).
3. The roles and responsibilities of the KMP is described hereunder.

CHIEF EXECUTIVE OFFICER (CEO)

The CEO is vested with operational responsibility for delivering the company's strategy. The CEO (with the support of other members of Senior Management / KMPs) has primary responsibility for communicating to the people working within the business, the expectations of the Board in relation to the company's culture, values, and behaviours, and for ensuring that the appropriate standards of governance permeate down to all levels of the organization. In particular, the CEO shall –

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- a. Have a comprehensive and granular understanding of the Company and its business. This is evidenced when making proposals and exercising judgement, particularly on matters of strategy.
- b. Appreciate that constructive challenge from Non-Executive Directors is an essential aspect of good governance and encourage non-executive colleagues to probe proposals, especially where issues of judgement are concerned.
- c. Be responsible for the day-to-day management of the Company and ensure that the Company and its subsidiaries, are managed in accordance with applicable laws and regulations, the Company's or subsidiaries' bye-laws and/or Articles of Association, as well as any other policies or instructions approved by the Board and relevant Committees.
- d. Be ultimately accountable for the Company's organizational and procedural controls.
- e. Be overall-in-charge for the management of the Company governed by the strategic direction and risk appetite approved by the Board of Directors.
- f. Be primarily accountable to the Board of Directors in championing the desired conduct and behaviour, implementing strategies and in promoting the interest of the Company.
- g. CEO shall have such other responsibilities as the Board of Directors may impose upon him.

CHIEF OPERATING OFFICER (COO)

The Chief Financial Officer shall assume the following responsibilities.

- a. Oversee the day-to-day operational matters related to the business of the Company
- b. Develop, in collaboration with the CEO and the Chief Financial Officer, an annual operating plan that supports the Company's long-term operations strategy
- c. Assist the CEO and the CFO in developing and overseeing the long-term business strategies of the Company
- d. Assist the CEO in maintenance of a satisfactory competitive position within the industry
- e. Keep the CEO informed in a timely and candid manner, of the conduct of the day-to-day operations of the Company towards the achievement of its established goals and of all material deviations from the goals or objectives and policies established by the Board

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- f. With respect to all operational matters, ensure timely communications, resolution of issues and project development
- g. Ensure the development of health and safety practices for the Company and oversee compliance with those practices
- h. Foster a corporate culture that promotes ethical practices, customer focus and service and encourages individual integrity
- i. Maintain a positive and ethical work climate that is conducive to attracting, retaining, and motivating a diverse group of high-quality employees at all levels
- j. Coordinate the sustainability strategies of the Company
- k. Assess and manage the principal risks of the Company's business within operations (proposals, projects, and staffing
- l. Assist the CEO in establishing an appropriate organizational structure
- m. Perform other functions related to the office of the COO or as may be requested by the CEO or the Board

CHIEF FINANCIAL OFFICER (CFO)

The Chief Financial Officer shall assume the following responsibilities.

- a. Own fiduciary responsibility for the financial health of the organization
- b. Manage the Company's financial performance by developing forecasts and monitoring ongoing performance against plans
- c. Provide strong, forward-looking analytical leadership
- d. Develop models and conduct analyses that identify critical trends, support strategic decision making and create forward visibility
- e. Drive change within the organization through robust financial analysis and strong business partnership
- f. Manage the production of reporting tools (bridges, scorecards, etc.) and key performance metrics to provide management insight into revenue and operating expense trends, track project spending, head count and potential risks/opportunities to forecast or plan
- g. Oversee the monthly variance analysis of actual operating, capital and project spending Vs plans, forecasts and prior year including responsibility for driving cost control
- h. Lead the Accounting and Finance teams to ensure both excellence in day-to-day service delivery and future needs

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- i. Partner with senior leaders to push the boundaries of current and future departmental goals and strategies. Clearly articulate the key drivers of the business.

COMPANY SECRETARY (CS)

The Company Secretary shall assume the following responsibilities-

- a. Report to the Board on the Company's compliance with the provisions of applicable laws and the rules made thereunder
- b. Provide to the Directors of the Company, collectively and individually, such guidance as they may require on their duties, responsibilities, and powers
- c. Facilitate the convening of meetings and attend Board, Committee and General meetings and maintain the minutes of these meetings.
- d. Obtain approvals from the Board, Shareholders, Government, and such other authorities as required under the provisions of applicable laws, represent the Company before various regulators, as may be required.
- e. Assist the Board in the conduct of the affairs of the company and in establishing corporate governance practices in line with regulatory requirements and peer and industry best practices
- f. Discharge such other duties as have been specified under applicable regulations or as may be assigned by the Board from time to time.

The Group Company Secretary shall assume overall responsibility for governance, compliance and reporting for entities within the group. He/ she shall be responsible inter-alia for ensuring standardization of compliance processes/ documentation, providing knowledge updates and periodic learning and development support under corporate laws for the Directors, management and compliance teams.

The chairman is responsible for leadership of the board and ensuring its effectiveness on all aspects of its role. The chairman lives and upholds the highest standards of integrity and probity inside and outside the boardroom, through setting clear expectations in terms of culture and values, as well as in terms of the style and tone of board discussions. The chairman runs the board and sets the agenda and he is pivotal in creating the conditions for overall board and individual director effectiveness.

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The role includes:

- a. setting a board agenda which is primarily focused on business, strategy, accountability, competitive performance and value creation;
- b. ensuring that issues relevant to this objective are reserved for board consideration, including determining the nature and extent of the significant risks the board is willing to embrace in the implementation of its strategy;
- c. making certain that an effective decision-making process is in place in the board, and that the board's committees are properly structured with appropriate terms of reference;
- d. encouraging the active engagement of all board members in board and committee meetings, drawing fully on their skills, experience, knowledge and, where appropriate, independence;
- e. building effective relationships founded on mutual respect and open communication - both inside and outside the boardroom - between the non-executive directors and executive team, in particular with regard to the identification and oversight of significant risks;
- f. developing, in particular, a productive working relationship with the CEO, providing support and advice while respecting executive responsibility;
- g. consulting the senior independent director on board matters consistent with regulations;
- h. ensuring effective processes are established relating to succession planning and the composition of the board, having regard to the benefits of diversity;
- i. taking the lead on issues of director development and acting on the results of board evaluation;
- j. ensuring effective communication with shareholders and other stakeholders and ensuring that all directors are made aware of the views of major investors.

A. EXECUTIVE COMPENSATION

The Company's philosophy around compensation for Senior Management and KMPs is founded on the following principles:

- a. Compensation structures will factor the specific goals / objectives (KPIs) linked to the relevant roles
- b. Annual compensation decisions will be based on a detailed performance evaluation of the individuals in the context of the agreed KPIs.

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- c. Compensation will be structured to incorporate a mix of fixed and variable components that will factor contribution to both short term and long-term goals of the organization, businesses, or functions that the individuals are responsible for.
- d. The Company will establish compensation structures that will enable it to attract and retain the best senior talent and will also consider peer group / industry benchmarks for this purpose.

The LNRC will assume responsibility for recommending and periodically reviewing Senior Management / KMP compensation. The LNRC is empowered for this purpose, to engage relevant skilled and experienced, external, independent compensation consultants.

Compensation of the CEO must be determined, or recommended to the Board for determination, by the LNRC. Based on consultation with the CEO, compensation for all other members of senior management must be determined, or recommended to the Board for determination, by the LNRC.

CEO compensation

The compensation of the CEO of the Company shall be determined and recommended by the LNRC after considering the aforesaid compensation principles. CEO compensation shall be in compliance with the limits prescribed under the CA 2013 and will be subject to shareholder approval.

The LNRC will consider various performance metrics including but not limited to factors such as revenue growth, profitability, EPS, Return on Invested Capital, Return on Assets, Return on Equity, ESG performance Vs goals, customer feedback, employee engagement levels etc. for determining CEO variable pay. The LNR will also consider additionally, the appropriateness of various mechanisms for alignment of compensation with long term performance.

B. MANAGEMENT DEVELOPMENT

The Board shall ensure that a satisfactory system is in effect for education and development of the senior and mid- level management throughout the Company. In addition, the LNRC, with input from the Key Managerial Personnel and other members of

management as appropriate, will review annually the Company's program for management development.

C. SUCCESSION PLANNING

1. The Board of Directors shall satisfy itself that plans are in place for orderly succession for appointment to the Board of Directors, Chief Executive Officer, and other Senior Management roles.
2. The succession plan of CEO, other KMPs and Senior Management shall be primarily dealt by the Board of Directors at an appropriate time and it shall also be responsible for overseeing identification and development of the Senior Management, based on the recommendation of the LNRC.
3. The LNRC shall work with the Chairman to plan for CEO succession (including interim succession) in the event of an emergency, unexpected occurrence or on resignation / retirement of the CEO.
4. Overseeing identification of skilled, experienced, and capable individuals who can potentially play Senior Management / KMP roles in the future is also another critical role to be played by the LNRC. To help meet this objective, the CEO and Chief HR Officer shall present succession plans on an annual basis to the LNRC which shall include candidates who have been nominated and evaluated for Senior Management / KMP roles and the LNRC shall in turn present the same annually to the Board.
5. The LNRC will validate that both internal and external candidates have been identified for the relevant roles. In the context of internal candidates, the Company's plans should also specifically include development of internal candidates with potential to play such Senior Management / KMP roles.
6. A primary responsibility of the Board is planning for CEO succession and overseeing identification and development of other members of the corporate Senior Leadership Team ("Senior Officers").
7. The Board works with the CEO and the senior executives for the human resources department to plan for CEO succession. The succession plan covers identification of

internal and external candidates, and development plans for internal candidates. The Board annually reviews the CEO succession plan. The criteria used to assess potential CEO candidates are formulated based on the Company's business strategies, and include strategic vision, leadership, and operational execution. The Board is committed to actively seek highly qualified women and individuals from minority groups to include in the pool of potential CEO candidates.

8. The Board maintains an emergency succession contingency plan should an unforeseen event such as death or disability occur that prevents the CEO from continuing to serve. The plan identifies the individuals who would act in an emergency and their responsibilities.
9. Succession planning may be reviewed more frequently by the Board as it deems fit to review.

SECTION 4: SUBSIDIARY MANAGEMENT

A. PARENT OUTLOOK

1. The Company is the parent company of the Group. The Company acknowledges that subsidiary governance is about balancing the group business objectives while recognizing the independence of subsidiaries. The Company has a heterogenous group of subsidiaries, step—down subsidiaries within India and across the globe.
2. The Board of Directors of the respective subsidiaries will have ultimate responsibility for control and management of the subsidiaries. The Company will ensure that there are designated people across the business and operating functions that monitor the business and operations of the respective legal entities in each jurisdiction.
3. The Company, through its Board/ KMPs will provide relevant oversight, guidance and make recommendations for the consideration of the Board of Directors/ KMPs of the subsidiaries from time to time. However, the authority and power of the Company's

Board and KMPs with respect to the subsidiaries (including with respect to operations of bank accounts) will be restricted.

4. Each subsidiary is a separate legal entity organized under the law of its country of incorporation and subject to that jurisdiction's domestic laws and regulations. The Board of Directors of each individual subsidiary shall give due consideration to all applicable laws and to the constitutional documents of the relevant company (Gard).
5. Subsidiaries are subject to the Company's overall governance principles, policies and standards and will also be required to adopt identified best practices. However, the Company will not be involved in the day-to-day management of the subsidiaries. In case of associates and joint ventures, the Company will consult with the partners and decide on the governance and management of such entities.
6. The Board is ultimately responsible for the group compliance and management. The Strategy Committee will have oversight of the group/subsidiaries and their performance. The Strategy Committee will also assess the group structure to provide strategic insights and enable the subsidiaries to set their business objectives, risk appetite and related limits (in collaboration with the audit and risk committees). Some responsibilities of the Board may be delegated to the CEO/ Compliance officer or the ESG Committee of the Company.
7. The Board/ Strategy Committee may deploy appropriate technology platforms/ tools to enable legal entity management and integrate systems, information, documents, and reporting tools, within the group.
8. The Company will formulate a policy for determining material subsidiaries. "Material subsidiary" shall mean a subsidiary, whose income or net worth exceeds 10% of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding FY.

B. FORMATION, REVIEW AND CLOSURE

1. Subsidiaries/ associates/ joint ventures may be set up for a variety of reasons as deemed fit by the Board from time to time. The Company may formulate a separate policy on subsidiary formation, rationalization, and closure.

2. The Board, before setting up a subsidiary, will disclose the intention/ purpose, proposed operations to its shareholders and relevant stakeholders. The Board (based on the recommendation of the Strategy Committee) will decide the entity form, name, Board/ Committee composition, capital and financial resources, organizational structure, registered office address, etc. prior to setting up the subsidiary.
3. In case of foreign subsidiaries, the Company will ensure that a majority of the Board members of such subsidiaries are resident outside India and that the Company's nominee Director, if any, is also resident outside India. Any one of the IDs of the Company will be appointed as Director on the Board of Directors of each material subsidiary.
4. The initial Director orientation and continuous training requirement / facilities would be applicable and extended to the Directors of the subsidiary companies also. As a standard procedure, before the Annual General Meeting each year, the Election & Governance Committee reviews the current composition of the group's various Boards and Committees to ensure that they each meet the overall eligibility criteria.
5. The Company will comply with the necessary approval requirements under the CA 2013, LODR and other applicable laws for formation and disinvestment / closure of subsidiaries.
6. The Board/ Strategy Committee will periodically review the existing subsidiaries from a strategic perspective and to conclude on their effectiveness/ redundancy and explore the need for rationalization/ closure.

C. OPERATIONS

1. The Company will set up a process for subsidiary governance. The Company's approval with respect to subsidiaries will be limited to discharging functions as a shareholder / in accordance with the applicable law.
2. The Company will strive to ensure that transactions between the Company and related parties within the group are at arm's length and avoid providing corporate

guarantees on operational matters to group companies, unless absolutely necessary and subject to necessary approval.

3. The Company will frame an annual compliance calendar along with annual compliance procedure for each of its subsidiaries and this will be reviewed by the Board in its first Board meeting held in each financial year.
4. The Company will set-up a process for periodic (quarterly) flow of information and regular, timely and accurate reporting from the subsidiaries (including a statement of significant transactions and arrangements) to avoid ad-hoc requests. However, the Company will not seek any information or data beyond its right as a shareholder. The Company will disclose all events or information with respect to subsidiaries which are material for the Company in accordance with the provisions of LODR.
5. The minutes of the Board meetings of the unlisted subsidiaries will be placed at the meetings of the Board of the Company on a quarterly basis. However, the corporate records, minute books, books of account, etc. of the subsidiaries will be kept at the registered/ corporate office of the subsidiary in in the jurisdiction.
6. The Committees of the Board of the Company will also be responsible for overseeing their respective functions in the subsidiaries. The Audit Committee of the Company will also review the financial statements, particularly the investments made by the unlisted subsidiaries on a quarterly basis.
7. The Company will obtain annual disclosures of interest from the Directors of the subsidiary companies, in a similar format as the prescribed Form MBP-1 in India.

Meetings and decision-making by subsidiaries

8. The bye laws of the subsidiaries will clearly elucidate the decision-making process and that the Company will not be involved in conducting the day-to-day business of its subsidiaries.
9. Majority of the Board meetings and shareholder meetings of foreign subsidiaries will be held outside India. In respect of any occasional meetings held in India, no

substantive business or significantly sensitive and important items having long term policy impact on the subsidiary will be considered in such meetings.

10. In case of meetings held through electronic mode, the place of the Board meetings, basis local law requirements and the place from where all the Directors are attending will be captured in the minutes of the subsidiaries. The subsidiaries will ensure that a majority of the Board meetings held through electronic means are not deemed to be held in India.
11. The quorum for the Board meetings would be in accordance with the local laws applicable to the subsidiaries. In case of foreign subsidiaries, Indian Directors/ KMPs will not by themselves be able to form quorum so that they can control the Board decisions.
12. The minutes of the Board meetings of subsidiaries will document the detailed discussions and decisions taken during the meetings along with the rationale, especially decisions on strategic and operational business matters such as capital structure, budgets, business development, risk management, etc. The subsidiaries will take independent decisions after considering the recommendations of the Company.
13. In case of foreign step-down subsidiaries where no independent Board meetings are held/ required to be held, the managerial and commercial decisions will be taken in the Board meetings of the immediate parent entities, outside India.
14. Routine matters may be approved through circular resolutions/ written consents of the Board and non-routine matters will be taken up in Board meetings of the subsidiaries. In case of circular resolutions, the place of signing of each Director will be mentioned. Indian Directors/ KMP will not by themselves be able to form the requisite majority to approve the circular resolutions, so that they can control the Board decisions.

D. ROLE AND RESPONSIBILITIES OF THE BOARDS OF THE SUBSIDIARIES

1. Review of periodic financial statements along with necessary analysis and key metrics (including operations update);
2. Approval of asset sale and write offs
3. Review and plan on any M&A transactions in the geo or entity concerned
4. Review of Geo-specific observations of internal auditors and/or statutory auditors
5. Review of local and other economic trends including any recommendations/information to the OC on finance, business and operations matters
6. Recommendations to the Board of the holding company regarding any new offices/locations to be setup
7. Update on HR matters, people related issues from the local senior management functionaries
8. Compliance updates

SECTION 5: ETHICS AND CODE OF CONDUCT

A. PROFESSIONAL SECRECY

1. The Board of Directors, Senior Management / KMPs shall maintain secrecy on all matters of business, strategy and operations of the Company and its subsidiaries. Training programs imparted by the Company will incorporate recommended mechanisms for maintaining secrecy.
2. Directors shall have a duty, even after they have ceased to hold office, not to disclose any information which they hold concerning the Company, the disclosure of which might be prejudicial to the Company's interests, except where such disclosure is required or permitted by law or is in the public interest.

B. CONFLICT OF INTEREST

1. The Board of Directors shall consider assigning a sufficient number of Non-Executive Board members capable of exercising independent judgement to tasks where there is a potential for conflict of interest.
2. Senior Management / KMPs shall make disclosures to the Board on all material, financial and commercial transactions, where they have personal interest that may have a potential conflict with the interest of the Company at large (conflict of interest relates to dealing in the shares of Company, commercial dealings with bodies, which have shareholding of management and their relatives etc.).
3. No employee (including KMPs) or Director or Promoter of the Company shall enter into any agreement for himself/herself or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company, unless prior approval for the same has been obtained from the Board of Directors as well as public shareholders by way of an ordinary resolution.

C. CODE OF CONDUCT

1. The Board of Directors will lay down a Code of Conduct for all Board members and the Senior Management / KMPs of the Company. The Code of Conduct will be in accordance with the Company's mission, vision, and objectives suitably incorporate the duties of IDs as laid down in the CA 2013. All members of the Board and Senior Management personnel / KMPs shall affirm compliance with the Code of Conduct on an annual basis.
2. The Company also, has in place, a code of conduct for all its vendors and employees.
3. The Codes of Conduct are enclosed as **Annexure A**.

SECTION 6: ANNEXURES

[Annexure A: Links to codes and policies of the Company](#)

Annexure B: Group structure of the Company

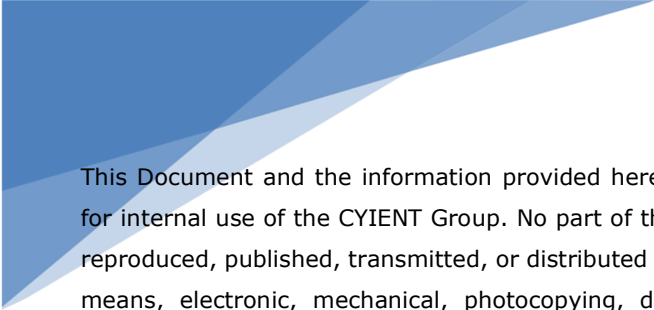
Annexure C: Board composition of subsidiaries and joint venture companies

Annexure D: Bye laws/Articles of Association of subsidiaries and joint venture companies

Annexure E: Board Independence Statement

Annexure F: Delegation of Authority Matrix

Annexure G: Committee Charters/ links to the Charters



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