

## **DISCLOSURE ON FAMILIARISATION PROGRAMMES FOR INDEPENDENT DIRECTORS**

In terms of the Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the Bank is required to familiarize the Independent Directors, through various programmes about the listed entity, including the nature of the industry in which the listed entity operates; business model of the listed entity; roles, rights, responsibilities of independent directors and any other relevant information.

Further Regulation 46(2)(i) of the listing regulations stipulates that the listed entity shall disseminate the details of familiarization programmes imparted to Independent Directors in their website and a web link thereto shall also be given in the Annual Report.

The familiarization programmes intends to provide an introductory orientation to the newly inducted Directors and training programmes to Directors with the business, operations and compliances of the Bank, external compliance requirement and further to provide them an insight to their expected roles and responsibilities in the Bank.

### **Induction programme for new Directors:**

Induction programmes will be conducted by the Bank for the newly co-opted Directors covering areas relating to board governance, finance and accounts, compliance, inter audit, human resources, operations etc., Further the inducted Directors are also briefed on their obligations under the various policies/code and on the terms of reference of the various Committees of the Board of Directors of the Bank.

A formal letter of appointment is issued to the newly appointed Director containing, inter alia, the terms and conditions of appointment stating the roles, rights and responsibilities in line with the requirements of Companies Act, 2013 and RBI guidelines. Along with the letter of appointment, a welcome kit containing the Brief History of the Bank, Memorandum and Articles of Association, Copy of Code of Conduct to Directors and Senior Management, Criteria of Independence applicable to Independent Directors, deed of covenant, Do's and Don'ts for the Directors of the Bank as per Reserve Bank of India Circular, Copy of Internal Code of Conduct for Prevention of Insider Trading, Copy of Internal Code of Conduct for dealing in securities of other Listed or to be Listed entities, Copy of Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, Copy of the Audited Accounts for that FY, Asset and Liability Products of the Bank in brief, Copy of Credit Policy of the Bank, are provided to every Director inducted on the Board.

New Directors are also briefed on their obligations under various polices/ code and on the terms of reference of the various committees of the Board of Directors of the Bank. Further the new Director meets the Chairman of the Board, the Managing Director & CEO and the Members of the

Senior Management of the Bank, who brief the new Director on the different aspects of business, regulatory environment and other issues regarding the operations of the Bank.

The Independent Directors of the Bank are provided every opportunity to familiarize themselves with the strategy, industry overview, performance, key regulatory developments and on their role, rights and responsibilities as a Director.

### **Familiarization Programme:**

Directors are encouraged and offered the opportunity to attend external training programs to supplement their expertise in specific areas.

An exclusive meeting of the Board of the Bank is convened on an annual basis, which includes update on performance review, future strategy, risk management system, emerging developments in the Banking sector, digital initiatives of the Bank, budgetary projections etc., all the senior management personnel make presentations in the meeting. Presentations and updations are made at Board meetings which covers performance review, strategy and key regulatory developments of RBI, SEBI and MCA etc.,

Overview of the Familiarization Programmes imparted for Directors of the Bank are as under:

### **For the FY 2023-24:**

Sl.	Details of Training Programme	Subject covered	Program conducted by	Training period	No of hours spent / days
1.	Program on Governance and Assurance for Directors on Boards of Banks	1. Governance and Assurance Functions in Banks, FIs and NBFCs – Role and Responsibilities of the Board 2. Managing non-financial risks – Oversight functions of the Board 3. Governance Challenges in use of Advanced Technologies 4. Ethical Performance, Conflict Resolution and Value Oriented Strategic Decisions 5. KYC / AML Measures – Regulatory Perspective	CAFRAL Mumbai	17.11.2023	8 hours

Sl.	Details of Training Programme	Subject covered	Program conducted by	Training period	No of hours spent / days
2.	Virtual Program on “Know Your Customer (KYC) and Anti Money Laundering (AML)”	<ol style="list-style-type: none"> <li>1. KYC &amp; AML Risk Management</li> <li>2. KYC &amp; AML Regulatory Framework</li> <li>3. Supervisory Observations and Expectations on KYC and AML</li> <li>4. Key Aspects of Transaction Monitoring</li> <li>5. Central KYC Registry and Compliance</li> <li>6. KYC / AML Compliance: International Perspective.</li> </ol>	CAFRAL Mumbai	23.02.2024	7 hours
3.	Virtual programme on “Interest Rate Risk in Banking Book (IRRBB) and Liquidity Risk management”	<ol style="list-style-type: none"> <li>1. To discuss the criticality of robust management of IRRBB and recent RBI guidelines on the subject</li> <li>2. To explain RBI’s expectations from Boards on IRRBB and liquidity risk management</li> <li>3. To develop broad expertise of Board members in approving and analyzing Risk appetite framework and ensuring effective implementation of risk management framework for IRRBB and Liquidity Risk.</li> </ol>	CAB, RBI, Pune	04.03.2024 & 05.03.2024	7 hours

**For the FY 2022-23:**

Sl.	Details of Training Programme	Subjects Covered	Program Conducted by	Training Period	No of hours spent / days
1	Program on Governance and Assurance for Directors on	<ol style="list-style-type: none"> <li>1. Risk Based Supervision-Assessment of Governance Standards and Assurance Functions</li> <li>2. Corporate Governance</li> </ol>	CAFRAL, Mumbai	05.01.2023	8 Hours

Sl.	Details of Training Programme	Subjects Covered	Program Conducted by	Training Period	No of hours spent / days
	Boards of Banks	<p>Framework in Banks, FIs and NBFCs- Role of Independent Directors</p> <p>3. Ethical Performance and Value Oriented Decision-making</p> <p>4. Strategic Issues &amp; Behavioural Dynamics in Board Functioning</p> <p>5. Governance Challenges in use of Advanced Technologies in Financial Intermediation</p>			
2	Certification Programme in IT and Cyber Security for Board Members	<p>a) Principles of Cyber Security</p> <p>b) IT/Cyber Security Governance</p> <p>c) IT/Cyber Risk</p> <p>d) Cyber Risk Mitigation</p> <p>e) Data Sensitivity/Privacy Issues</p> <p>f) Cyber Security</p> <p>g) Operation Centre</p> <p>h) Cyber Insurance</p> <p>i) Internal Audit framework.</p>	IDRBT, Mumbai	01.03.2023 to 02.03.2023	16 Hours

**For the FY 2021-22:**

Sl.	Details of Training Programme	Subjects Covered	Program Conducted by	Training Period	No of hours spent / days
1	Customized Programme on Risk Management for Top Management of Tamilnad Mercantile Bank (IDRBT)	<p>1. Operational Risk Management</p> <p>2. Strategic Planning in Banks – Business &amp; Technology Perspective</p> <p>3. Market Risk and Credit Risk Management – I</p> <p>4. Market Risk and Credit Risk Management – II</p> <p>5. Cyber Security from Hardware perspective</p> <p>6. Treasury Operations ALM in</p>	IDRBT, Hyderabad	28.02.2022 to 01.03.2022	16 Hours

		Banks under Basel III 7. Credit Recovery in Banks 8. Cyber Forensics in Banks 9. Block chain Technologies			
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**For the FY 2019-20:**

Sl.	Details of Training Programme	Program Conducted by	Training Period	No of hours spent / days
1	Workshop on Role and Functioning of Audit Committee of the Board (ACB)	NIBM, Pune	25.04.2019 to 26.04.2019	16 Hours
2	Programme for Non-Executive Directors on the Boards of Banks	CAFRAL, Goa	14.10.2019 to 15.10.2019	16 Hours
3	Certification Programme in IT and Cyber Security (IDRBT)	IDRBT, Hyderabad	05.03.2020 to 06.03.2020	16 Hours

**For the FY 2018-19:**

Sl.	Details of Training Programme	Program Conducted by	Training Period	No of hours spent
1	Master class for Directors' programme leading to Certified Corporate Directorship	Institute of Directors, Visakhapatnam	13.04.2018 to 15.04.2018	27 Hours
2	Programme in IT and Cyber Security for Board Members	IDRBT, Hyderabad	04.10.2018 to 05.10.2018	16 Hours
3	Programme in IT and Cyber Security for Board Members	IDRBT, Hyderabad	03.12.2018 to 04.12.2018	16 Hours
4	Programme on Strategic Leadership in Banking Business in a Digital Economy	IIM, Calcutta	25.02.2019 to 27.02.2019	28 Hours