Document Version Controller

Document Name: Terms and Conditions of Appointment of Independent Directors			
Sr. No.	**Date of Creation/Change**	**Author/Reviewed by**	**Approved By**
1.	22/07/2026	Samrat Sanyal	Board of Directors

TABLE OF CONTENTS

IIFL FINANCE LIMITED

TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS

1. Appointment:

Appointment will be for a term of five years from the date of appointment unless terminated earlier or extended, as per the provisions of this letter or applicable laws **("Term")**. An Independent Director will not be liable to retire by rotation. Further, term of Appointment shall also be subject to the provisions Reserve Bank of India (Non-Banking Financial Companies – Governance) Directions, 2025, as may be amended from time to time.

Re-appointment for another term of maximum period of five years at the end of the current term shall be based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Board and the shareholders by way of Special Resolution. The re-appointment of an Independent Director would be considered by the Board based on the outcome of the performance evaluation process and owing to continuously meeting the independence criteria as mentioned in SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and provisions of the Companies Act, 2013.

2. Role, duties and responsibilities:

I. As member of the Board, the Independent Director along with the other Directors will be collectively responsible for ensuring the objectives of the Board which include:

   a) Ensuring the requirements under the Companies Act, 2013

   b) Responsibilities of the Board as outlined in the Corporate Governance requirements as prescribed by Stock Exchanges under Clause 49 of the Listing Agreement

   c) Accountability under the Directors' Responsibility Statement,

   d) Overseeing the maintenance of high standards of company's values and ethical conduct of business,

   e) Reviewing the business plan, model and monitoring the action plan,

   f) Overseeing the Company's contribution to enhancing the corporate social responsibility

   g) Act not in a manner that unfairly obstructs the functioning of the board and its committees

   h) Strive to attend all meetings of the board and its committees

II. You shall abide by the 'Code for Independent Directors' as outlined in Schedule IV to section 149(8) of the 2013 Act and duties of directors as provided in the 2013 Act (including Section 166) and in Regulation 25 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 , as may be applicable from time to time.

3. Time Commitment:

The Independent Director shall devote such time as is prudent and necessary for the proper performance of role, duties and responsibilities as an Independent Director.

4. Remuneration:

An Independent Director shall be paid sitting fees for attending the meetings of the Board and the Committees of which he/she is a member as fixed by the Board from time to time.

In addition to the sitting fees, he/she may be eligible for commission as may be decided by the Board subject to the necessary approval of the shareholders of the Company.

Further, the Company will pay or reimburse such reasonable travel, hotel or other related expenditure, as may have been incurred by the Independent Director while performing his/her role as an Independent Director of the Company. This will include reimbursement of expenditure incurred by the Independent Director for attending Board/ Committee meetings, Annual General Meetings, Extraordinary General Meetings, court convened meetings, meetings with shareholders/ creditors/ management, induction and training (organized by the Company for Directors) and in obtaining, subject to prior consultation with the Board, professional advice from independent advisors in the furtherance of your duties as an Independent Director.

5. Insurance:

The Company has obtained Directors' and Officers' Liability Insurance policy and Independent Directors will be covered under the same.

6. Code of Conduct:

Every Independent Director of the Company shall comply with the Code of Conduct for Non-Executive Directors (NEDs). For your reference, the Code of Conduct for Directors and Senior Management Personnel is available on Website of the company at https://www.iifl.com

The Company shall, conduct formal familiarization program for its Independent Directors.

7. Performance Appraisal / Evaluation Process:

As a member of the Board, performance of Independent Director as well as the performance of the entire Board and its Committees shall be evaluated annually. Evaluation of each director shall be done by all the other directors. The criteria for evaluation shall be determined by the Nomination and Remuneration Committee and disclosed in the Company's Annual Report.

However, the actual evaluation process shall remain confidential and shall be a constructive mechanism to improve the effectiveness of the Board / Committee.

8. Disclosures, other directorships and business interests:

During the Term, every Independent Director shall promptly notify the Company of any change in directorships and provide such other disclosures and information as may be required under the applicable laws. Independent Director shall also agree that upon becoming aware of any potential conflict of interest with the position as Independent Director of the Company, Independent Director shall promptly disclose the same to the Chairman and the Company Secretary. During the term, Independent Director agrees to promptly provide a declaration under Section 149(7) of the 2013 Act, every year and upon any change in circumstances within 20 days which may affect his/her status as an Independent Director.

9. Changes of personal details:

During the term, Independent Director shall promptly intimate the Company Secretary and the Registrar of Companies in the prescribed manner, of any change in address or other contact and personal details provided to the Company.

10. Termination:

Independent Director's directorship on the Board of the Company shall terminate or cease in accordance with law. Apart from the grounds of termination as specified in the 2013 Act, directorship may be terminated in case of violation of any provision of the Code of Conduct as applicable to Non-Executive Directors.

An Independent Director may resign from the directorship of the Company by giving a notice in writing to the Company stating the reasons for resignation and also to Registrar of Companies (RoC). The resignation shall take effect from the date on which the notice is received by the Company or the date, if any, specified by in the notice/ letter of resignation, whichever is later.

If at any stage during the Term, there is a change that may affect status as an Independent Director as envisaged in Section 149(6) of the 2013 Act or, Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Independent Director shall agree to promptly submit his/her resignation to the Company with effect from the date of such change.

11. Co-operation

In the event of any claim or litigation against the Company, based upon any alleged conduct, act or omission on Independent Directors part during his/her Term, the Independent Director agrees to render all reasonable assistance and co-operation to the Company and provide such information and documents as are necessary and reasonably requested by the Company or its counsel.

12. Miscellaneous

This letter represents the entire understanding, and constitutes the whole agreement, in relation to Independent Director appointment and supersedes any previous agreement between the Independent Director and the Company with respect thereto and, without prejudice to the generality of the foregoing, excludes any warranty, condition or other undertaking implied at law or by custom.

No waiver or modification of this letter shall be valid unless made in writing and signed by concerned Independent Director and the Company.

As per the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015the terms of this letter along with the detailed profile of Independent Director shall be disclosed on the website of the Company and the relevant stock exchange.