

Novartis India Limited

Board Diversity Policy

1. INTRODUCTION

As prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (“SEBI Listing Regulations”), one of the key functions of the Board of a listed company is to ensure existence of a transparent board nomination process with a focus on diversity of thoughts, varied experience, industry knowledge, broader perspective, integrity and gender representation.

2. PURPOSE & OBJECTIVE

The basic essence of the Policy is to provide a framework for leveraging on the differences within the expertise of the Board, offering a broad range of perspectives that are directly relevant to the business. A diverse Board will include and make good use of the differences in the skills, knowledge, industry experience, background, race, gender and other qualities of the individual members as a whole. All appointments to the Board will be made on merit, in the context of skills as required for the areas of our business operations, management and key expertise in the fields of research & innovation, general management, finance & risk management, corporate governance & compliance, global healthcare and technology & digital perspective.

The Company believes that a diverse Board will amongst others –

- a. enhance the quality of decisions making and ensure better business performance;
- b. encourage diversity of perspectives thereby fuel creativity and innovation;
- c. complement and expand the skills, knowledge and experience of the Board as a whole;
- d. provide better Corporate Governance.

3. POLICY STATEMENT

The Board of Directors has approved and adopted Board Diversity Policy, on the recommendation of the Nomination and Remuneration Committee (“NRC”), in compliance with the requirements under the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

The Company recognizes and embraces the importance of a diverse Board in its success. In designing the Board’s composition, Board diversity has been considered from a number of aspects, including but not limited to cultural and gender, age, geographical background, regional and industry professional experience, skill and knowledge.

The Company believes that a diverse Board will contribute to the achievements of its strategic and commercial objectives, including to:

- drive business results

- make corporate governance more effective
- enhance quality and responsible decision-making capability
- ensure sustainable development
- enhance the reputation of the Company

4. RESPONSIBILITY AND REVIEW

This Policy should be read together with the 'Nomination and Remuneration Policy' approved by the Board of Directors of the Company. The NRC is responsible for reviewing and assessing the composition and performance of the Board, as well as identifying appropriately qualified persons to occupy Board positions. The NRC will discuss and agree annually all measurable objectives for achieving diversity of the Board and recommend them to the Board for adoption.

5. DISCLOSURE OF THE POLICY

The Policy will be published on the Company's website www.novartis.in. The necessary disclosures, if any, about the Policy shall be made in the Corporate Governance Report annually as per the SEBI Listing Regulations and other applicable regulatory, statutory requirements.

This policy is approved by the Board of Directors on July 27, 2022, as recommended by the Nomination and Remuneration Committee.