

At PEL, we place great emphasis on maintaining a strong culture of governance within our organization, which has been shaped by our core values and is supported by clear policies and procedures for decision-making, risk management, and performance monitoring. This commitment also includes promoting ethical conduct and integrity among our leaders and staff, ensuring transparency through accurate and regular reporting, and actively engaging with our stakeholders to seek feedback and address their concerns. Our goal is to foster a culture of accountability and trust as we work towards fulfilling our mission of supporting the aspirations of a prosperous, empowered, and protected India.

ESG GOVERNANCE

To enhance the corporate governance, Sustainability and Risk Management Committee is set up to oversee the implementation of stricter controls and procedures, facilitate the shift towards a more sustainable economy, and encourage the adoption of technological advancements.

PEL has a ESG structure that is governed by the Sustainability and Risk Management Committee at the apex. This committee meets periodically to provide leadership, review progress on the sustainability goals and targets, and implement initiatives while tracking data and KPIs. The framework emphasizes the company's commitment to transparency, ethics, and accountability in ESG considerations.

Note

As on 31.03.2023, this committee was known as Risk Management Committee (RMC).

However, as on date, the role of the RMC has been widened to include Environment, Social and Governance (ESG) functions and its nomenclature changed to Sustainability and Risk Management Committee w.e.f. May 5, 2023

BOARD OF DIRECTORS

PEL's Board of Directors is dedicated to driving the company's vision, policies, and strategic goals, while also overseeing its overall performance, in line with the ethos of 'Doing Well and Doing Good.' The Board recognizes the value of diversity in its members and its role as the company's stewardship body. By leveraging different perspectives, experience, expertise, gender, and culture, the Board aims to maintain the company's competitive advantage and establish itself as a leading entity. PEL has a Board gender diversity of 36%.

ENTERPRISE RISK MANAGEMENT

PEL has an independent and dedicated Enterprise Risk Management (ERM) system to identify, manage and mitigate business risks. PEL also considers environmental, social, and governance-related risks to create a long-term impact for stakeholders.

Risk management, internal controls and assurance processes are embedded into all activities of the Company. PEL's ERM framework is designed by integrating Committee of Sponsoring Organisations of the Treadway Commission (COSO) framework at its core.

The Risk Management Group (RMG) uses internal models to evaluate credit, market, and concentration risks in its investments and loans. The RMG recommends plans to mitigate

these risks. The company has established enterprise-wide limits for lending and delegation of authority to manage transaction and portfolio-level exposure. Matrices for transaction-level approvals are also in place.

POLICIES

PEL aims to sustain its culture of integrity and transparency by regularly enhancing its governance practices including its policies and procedures.

The Company has adopted a robust Code of Conduct to ensure that business is conducted in an open and transparent manner, with trust and confidence. The company also has a Fair Practice Code which sets out our commitment to good, fair, and transparent business practices, and promote a consumer-friendly relationship with the customers.

Further, PEL has implemented following policies:

- Whistle-blower
- Related Party Transactions
- Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons in Securities
- Grievance redressal policy
- CSR policy.
- Nomination and remuneration policy
- Policy For Determining Material Subsidiaries

