INTERNAL GUIDELINES ON CORPORATE GOVERNANCE

OF

HOUSING AND UNDER DEVELOPMENT CORPORATION LIMITED (HUDCO)

Approved by the Board in Its 693rd Meeting held on 25.06.2026

INTRODUCTION

Housing and Urban Development Corporation Limited (HUDCO) is a Government Company under the aegis of the Ministry of Housing and Urban Affairs (MoHUA), Government of India. HUDCO is registered with the Reserve Bank of India as a Non-Banking Financial Company, categorized as Infrastructure Finance Company. HUDCO's equity shares and other securities are listed on BSE Limited and National Stock Exchange of India Limited.

Pursuant to RBI's norms for NBFCs viz., Reserve Bank of India (Non-Banking Financial Companies - Governance) Directions, 2025 ("NBFC-Governance Directions"), Company has framed these Internal Guidelines on Corporate Governance with the approval of its Board of Directors.

CORPORATE GOVERNANCE PHILOSOPHY

Corporate Governance has a pivotal role in steering a Company towards greater accuracy and transparency in management and control, ultimately building trust in the Company's ability to maximize value for all stakeholders. The Company believes in adopting the best practices that are followed in the area of Corporate Governance across the globe. HUDCO, a Navratna Central Public Sector Enterprise (CPSE) under the Administrative Control of Ministry of Housing and Urban Affairs, Government of India, has a strong legacy of fair, transparent and ethical governance practices in all its operations with special emphasis on financial prudence, accountability and enhancing customers satisfaction by safeguarding stakeholders' interest and maximizing their wealth by following the applicable laws, rules, regulations and guidelines on Corporate Governance issued by the Securities and Exchange Board of India (SEBI), Department of Public Enterprises (DPE) and other authorities from time to time. The Company's systems, policies and frameworks are regularly reviewed and upgraded to meet the challenges of a dynamic business environment.

GOVERNANCE STRUCTURE

The Governance structure at HUDCO comprises the Board of Directors, supported by various Committees, which shall follow a methodized process of collective decision-making. Further, matters requiring approval of the shareholders shall be taken to the general meeting / through postal ballot, as per applicable statutory requirements from time to time and in line with the Secretarial Standards.

The Board of Directors along with its Committees provide leadership and guidance to the Company's Management and direct, supervise and control the performance of the Company. The Board members are committed to ensure that the Company is in compliance with the highest standards of Corporate Governance.

The Board is supported by various Committees including:-

1. Audit Committee
2. Nomination & Remuneration Committee
3. Stakeholders Relationship Committee
4. Risk Management Committee

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5. Corporate Social Responsibility Committee
6. IT Strategy Committee
7. Committee to Review NPAs
8. Committee to oversee the Sustainable Development Activities including R&D

The terms of reference of all Committees shall be as per statutory requirements or as approved / amended by the Board from time to time, which would be available on the website and/or in the Annual Report of the Company. The Committees shall meet as often as required or as prescribed under law. The quorum, secretary, invitees etc. of various Committees shall be as per the statutory provisions or as decided by the Board from time to time. Further, minutes of all Committees shall be placed at the subsequent meetings of the Board.

In addition to the aforesaid Committees, the Board may constitute additional committees of Directors / Senior Officials, to look into specific operational matters from time to time.

CODE OF CONDUCT

The Company has a "Code of Business Conduct and Ethics for Board Members and Senior Management", which is applicable to all Directors, Key Managerial Personnel and Senior Management Personnel of the Company. The Code is aligned with the Company's mission / vision and objectives, and aims at enhancing ethical and transparent process in managing the affairs of the Company. The Directors, Key Managerial Personnel and Senior Management Personnel shall affirm compliance with the said Code on an annual basis.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has in place a Vigil Mechanism for its employees and Directors which provides for adequate safeguards against victimization of the persons who use such mechanism by making provision for direct access to the Chairman of Audit Committee. In addition, thereto, the Company has also adopted Whistle Blower Policy (PIDPI Resolution) issued by the Central Vigilance Commission.

OTHER POLICIES

In line with the statutory provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, DPE Guidelines on Corporate Governance for CPSE and RBI's norms for NBFCs, the Company has formulated various policies pertaining to Corporate Governance, including but not limited to Materiality of Related Party Transactions and Dealing with Related Party Transactions, Code for prevention of Insider Trading in securities of HUDCO, Code of Conduct and Ethics, Stakeholder Engagement Policy, Grievance Redressal Policy etc., which are available on the website of the Company.

DISCLOSURES

The Company is committed to make adequate and timely disclosures to all its stakeholders including regulators, statutory authorities, stock exchanges, shareholders, other security holders and general public, through the channels of communication stipulated by law.

HOUSING AND URBAN DEVELOPMENT CORPN. LTD. hudco corporate website, Annual Report, direct communication and/or media announcements etc., in line with the applicable statutory provisions and the relevant policies of the Company from time to time.

The Report on Corporate Governance section of the Annual Report shall bring out the activities, initiatives and efforts made by the Company towards Corporate Governance.

AUDITORS

The Statutory Auditors of the Company are appointed by the Comptroller & Auditor General of India (CAG). Further, the Company shall have Secretarial Auditor(s) as required under the applicable statutory provisions to conduct secretarial audit of the Company. The Company shall also have Internal Auditors appointed in line with the applicable statutory provisions / RBI norms from time to time.

COMPLIANCE OFFICER

The Company Secretary shall be the Compliance Officer of the Company for the purpose of these Guidelines.

REVIEW

The status with respect to compliance of governance standards, composition of committees, meetings etc. be submitted to the Board at periodic intervals.

Further, the Internal Guidelines may be reviewed from time to time and amended if required, including in view of changes in the regulatory environment, if any.

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