

# **POLICY ON BOARD DIVERSITY**

## **1. PREAMBLE**

Appu Marketing & Manufacturing Limited (“the Company”) recognizes the importance and benefits of having a diverse board to enhance the quality of its performance. In accordance of clause 49 of Equity Listing Agreement as amended time to time, the company has intended to set out a framework to promote diversity on the Company’s Board of Directors (“the Board”).

## **2. OBJECTIVES**

The Board Diversity Policy (“the policy”) aims to set out the approach to achieve diversity on the board of directors (“the board”) of the company.

## **3. POLICY STATEMENT**

The Company believes that a diverse Board will improve the firm’s organizational effectiveness, including the time taken to reach critical decisions; the generation of new ideas; the ability of the companies to attract new talent; and access to expertise and experience.

For appointments of persons to office of directors and deciding composition of the Board, the Nomination Remuneration and Compensation Committee (NRC Committee) and the Board shall also have due regard to this policy on Board diversity.

The Board of directors of the Company shall adhere to the criteria of having an optimum combination of executive and non-executive directors with at least one woman director and the composition of the Board shall be in accordance with the requirements of the Articles of Association of the Company, the Companies Act, 2013 and rules made thereunder, Listing Agreement and the statutory, regulatory and contractual obligations of the company.

As part of the annual performance evaluation of the effectiveness of the Board, Board Committees and individual Directors, the Committee will consider the balance of skills, experience, independence and knowledge of Directors’ on the Board and the diversity representation of the Board, including gender, how the Board works together as a unit, and other factors relevant to its effectiveness.

In reviewing Board composition, the Committee will consider the benefits of all aspects of diversity, but not limited to, those described above, in order to enable it to discharge its duties and responsibilities effectively.

## **4. MONITORING AND REPORTING**

The Nomination and Remuneration Committee is (among other things) responsible for:

- Assessing an appropriate mix of Diversity, skills, experience and expertise required on the Board and making recommendations in relation to Board succession, including the succession of the Chairman and assessing the extent to which the required skills are represented on the Board.
- Managing the process of recruiting new board directors, including: defining the requisite qualifications, skills, experience, and expertise, identifying candidates, reviewing and interviewing candidates, and making recommendations to the Board.
- The Board should ensure that it comprises Directors who are sufficiently experienced and independent of character and judgment.

The Nomination and Remuneration Committee will report to the Board on:

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- Initiatives undertaken by the Committee and progress in relation to board Diversity and to achieve the measurable objectives of the policy statement of board diversification.
- The Remuneration and Nomination Committee will report annually, in the Corporate Governance Report, on the Board's composition under diversified perspectives, and monitor the implementation of the Policy.

The Share holders of the company are best judges in determining whether the board is diversified or not. In this connection, the company pursuant to the requirements of clause 49 of the Listing Agreement intimates its shareholders about the characteristics, qualification, work experience etc., of the proposed appointees or proposed for re-appointee in its annual report.

### **5. REVIEW & AMENDMENT**

The Board of Directors on its own and / or as per the recommendations of Nomination and Remuneration Committee can amend this Policy, as and when deemed fit.

In case of any subsequent changes in the Companies Act, 2013, Listing Agreement or any other applicable rules or regulations which makes any of the provisions in the policy inconsistent with the Act or regulations, the provisions of the Act or regulations would prevail over the Policy with effect from their enforcement and the Policy would be modified in due course to make it consistent with the amended laws. Any changes or modification on the Policy would be approved by the Board of Directors of the Company.

### **6. DISCLOSURE**

This policy will be posted on the Company's website. The necessary disclosure about the policy will also be made as per requirements of Listing Agreement and Companies Act, 2013 and rules made thereunder.