



SMPP LIMITED

POLICY ON DIVERSITY OF BOARD OF DIRECTORS

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1. TITLE

This policy shall be called the 'Policy on diversity on the Board of Directors' ("**Board Diversity Policy**").

2. PREAMBLE

Regulation 19(4) read with Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (the "SEBI Listing Regulations") and Section 178 of the Companies Act, 2013, the Nomination and Remuneration committee of the board of directors ("Board") of a listed entity is required to devise a policy on diversity of board of directors.

In compliance with the SEBI Listing Regulations, the Company has formulated this Board Diversity Policy.

3. DEFINITIONS

For the purpose of this Board Diversity Policy the following terms shall have the meanings assigned to them hereunder:

- a) "**Board**" means the board of directors of the Company;
- b) "**Committee**" means the nomination and remuneration committee of the Board;
- c) "**Companies Act**" means the Companies Act, 2013, read with the rules thereunder, as amended from time to time;
- d) "**Director**" means a member of the Board; and
- e) "**Company**" means SMPP Limited.

Words and expressions used and not defined in this Board Diversity Policy shall have the meanings ascribed to them in the SEBI Listing Regulations or the Companies Act.

4. BOARD DIVERSITY

The Company recognizes diversity at Board is an essential element in maintaining a competitive advantage in the business of the Company. A diverse Board that possesses a balance of skills, experience, expertise appropriate to the requirements of the business of the Company. A truly diverse Board will include and make good use of varieties of skills, regional and industry experience, background, race, gender and other distinctions between directors. In the process of attaining a diverse Board based on the aforementioned criteria, the Committee recommends the following policy to the Board for adoption:

a) OPTIMUM COMPOSITION

- The Board shall have an optimum combination of executive and non-executive directors, the committee shall comprise of at least three directors, all directors of the committee shall be non-executive directors and not less than fifty percent of the Board of Directors shall comprising non-executive directors.
- At least half of the Board should comprise of independent directors (where the Chairman of the Board is an Executive Promoter) or at least one third of the Board should comprise of independent directors

(where the Chairman of the Board is non-executive Non promoter);

- The Company shall continue to have at least one-woman independent director on the Board to ensure that there is no gender inequality on the Board.

b) RECOMMENDATION

While recommending the appointment of new directors, the Committee will:

- Review Board composition, in view of all rules and regulations applicable to the company.
- Identify suitable candidates for appointment to the Board, considering academic qualifications, professional experience in the area of business, financial literacy / expertise, global market awareness and other relevant factors as may be considered appropriate and such other consideration as the committee may deem fit.

c) FUNCTIONAL DIVERSITY

- Appointment should be done based on the qualification, knowledge, experience and skill of the proposed appointee relevant to the business of the Company based on specific needs and business of the Company.
- Knowledge of and experience in domain areas such as finance, legal, risk management, industry, etc., should be duly considered while making appointments to the Board level;
- While appointing independent directors, care should be taken as to the independence of the proposed appointee;
- Directorships in other companies may also be taken into account while determining the candidature of a person.

d) EVALUATION

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

5. REVIEW OF THE POLICY

The Committee will review the Policy as and when required, which will include an assessment of the effectiveness of the Policy.

6. AMENDMENT

Any change in the Policy shall be approved by the Board. The Board shall have the right to withdraw and/or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding. Any subsequent amendment/modification in the Act or the rules framed thereunder or the SEBI Listing Regulations and/or

any other laws in this regard shall automatically apply to this Policy.

7. COMPLIANCE

The Committee shall be responsible for supervision of the Policy. Any queries regarding the Policy shall be referred to the Committee, who is in charge of administering, enforcing and updating the Policy.

8. INTERPRETATION

In any circumstance where the terms of this Policy are inconsistent with any existing or newly enacted law, rule, regulation or standard governing the Company, the said law, rule, regulation or standard will take precedence over this Policy.

9. VERSION HISTORY

Version	Approval date	Revision date	Description
Version 1	October 05, 2024	-	Original Policy