



## **SCOPE**

This Policy on Board Diversity applies to the Board of Directors of the Scan Steels Limited. The Nomination and Remuneration Committee of Directors of the Company had formulated this policy and the same was approved by the Board at its meeting held on 24th May, 2016. This Latest amended Policy has been recommended by the NRC and approved by the Board of Directors of the Company at its meetings held on 01.02.2022.

## **PURPOSE**

As per Regulation 19(4) read with Part D of the Schedule II of the Securities Exchange Board of India (Listing Obligation & Disclosure Requirements) Regulations 2015 (“LODR Regulations”), the Nomination and Remuneration Committee has to devise a Policy on Board Diversity. The Board Diversity Policy (‘the Policy’) is adopted in compliance with the provisions of “LODR Regulations and sets forth the approach to diversity on the Board of Directors of the Company (‘the Board’).

The primary objective of this Policy is to provide a framework and set standards for having a diversified Board with ability to base its decisions after evaluating multiple options as compared to homogeneous Boards and help improve the performance of the organization significantly. The Company believes in equality of opportunity in all aspects of its business and does not discriminate on the grounds of race, gender, disability, nationality, religious or philosophical belief, age, family status or any other factor for appointing a person as a Director of the Company.” A diversified Board not only enhances Board effectiveness by ensuring rational, pragmatic and quick decision making but also better understands and connects with the stakeholders to attain the Company’s stated goals and strategic objectives. In determining its approach on diversity, the Company should also take into account other factors including its own business model, ethics, policies and industry specific needs from time to time.

## **POLICY**

A truly diverse Board will include and make good use of differences in the skills, regional and industry experience, background, race, gender, nationality and other distinctions between Directors and would support the attainment of its strategic objectives and its sustainable development. These differences should be considered in determining the optimum composition of the Board.

### **Nomination and Remuneration Committee**

The NRC, under the Nomination and Remuneration Policy, is authorised to select potential candidates for appointment as Directors to the Board. The committee has the primary responsibility for identifying suitably qualified candidates to become members of the Board and in carrying out this responsibility, shall give adequate consideration to this policy.

When selecting candidates to be appointed as Directors to the Board, the NRC shall assess appropriate mix of diversity, the selection of candidates shall be based on a range of diversity perspectives, including but not limited to gender, age, culture, and educational background, ethnicity, professional experience, skills and knowledge, personal and professional ethics and integrity, experience and expertise in one or more fields of business including finance, accounting, management, sales, marketing, administration, research, corporate governance,



technical operations, law or any other discipline related to the business of the Company to ensure an overall diversity in the skill sets of Board as a whole, keeping in mind the current business operations, future growth, diversification plans and also the need to fill in the competency gaps, if any.

For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- a. use the services of an external agencies, if required;
- b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
- c. consider the time commitments of the candidates.

The Company recognizes that gender diversity is a significant aspect of diversity and acknowledges the role that woman with the right skills and experience can play in contributing to diversity of perspective in the Boardroom. The Company, under the provisions of the Companies Act, 2013, Rules made there under and the Listing Regulations would have adequate number of woman director on its Board including woman independent director.

The Company will be able to ensure Board diversity if shareholders are able to judge for themselves whether the Board as constituted is adequately diverse. The Company shall continue to provide sufficient information to the shareholders about the qualifications, expertise and characteristics of each Board Member.

**POLICY REVIEW**

This Policy should be read with the Nomination and Remuneration Policy as amended by the Board of Directors of the Company, from time to time.

This Policy may be amended, modified or supplemented from time to time to ensure compliance with any modification, amendment or supplementation to the Listing Regulations and if any, Provisions of Companies Act or as may be otherwise prescribed by the NRC/ Board from time to time.

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