

# STANDARD INDUSTRIES LTD.

## BOARD DIVERSITY POLICY

### I. Preface:

The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [the Regulations] have come into force from 1<sup>st</sup> December, 2015.

The Board of Directors of the Company at its meeting held on 12<sup>th</sup> February, 2016 have approved the Board Diversity Policy in accordance with Regulation 19 read with Part D of Schedule II.

The Board Diversity Policy ('the Policy') sets out the approach towards diversity of the Board of Directors of Standard Industries Limited ('the Board').

### II. Policy Statement

The Company recognises and embraces the benefits of having a diverse Board of Directors and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage for its business. It is recognised that a Board composed of appropriately qualified people with broad range of experience relevant to the business of the Company is important to achieve effective corporate governance and sustained commercial success of the Company. A truly diverse Board will include and make good use of differences in the skills, regional and industry experience, background, race, gender and other distinctions amongst Directors. These differences will be considered in determining the optimum composition of the Board and when possible should be balanced appropriately. At a minimum, the Board of the Company shall consist of at least one woman Director. All Board appointments are to be made on merit, in the context of the skills, experience, independence, knowledge and integrity which the Board as a whole requires to be effective.

### III. Value Statements

- We believe diversity is important to board effectiveness because it will encourage a diversity of perspectives which we believe will fuel creativity and innovation.
- We commit that appointments to the Board will be based on merit as well as complementing and expanding the skills, knowledge and experience of the Board as a whole.
- We recognize and embrace the benefits of having a diverse Board, and see increasing diversity at Board level as an essential element in maintaining a competitive advantage.

- A truly diverse Board will include and make good use of differences in the skills, regional and industry experience, background, race, gender and other qualities of Directors. These differences will be considered in determining the optimum composition of the Board and when possible should be balanced appropriately. All Board appointments are made on merit, in the context of the skills and experience the Board as a whole requires to be effective.

#### **IV. Scope of Application**

The Policy applies to the Board. It does not apply to diversity in relation to employees of Standard Industries Limited or any of its subsidiary companies, which may be covered by their respective policies.

#### **V. Policy Objective**

- The Board recognises the benefits of striking the right balance in the composition of the Board of Directors by ensuring experts from different spectrum of the existing and /or future environment are co-opted on the Board to help the Company achieve its short term and long term objectives, aspirations and growth potential.
- The Nominations and Remuneration Committee ('the Committee') of the Board reviews and assesses Board composition on behalf of the Board and recommends the appointment of new Directors. The Committee also oversees the conduct of the annual review of Board effectiveness based on the evaluation of Board's performance.
- In reviewing Board composition, the Committee will consider the benefits of all aspects of diversity including, but not limited to, knowledge, thought, perspective, skills, regional and industry experience, background, gender and other qualities of Directors, in order to maintain an appropriate range and balance of skills, experience and background on the Board.
- In identifying suitable candidates for appointment to the Board, the Committee will consider candidates on merit against objective criteria and with due regard for the benefits of diversity on the Board.
- 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 the Company and the diversity representation of the Board.

## **VI. Measurable Objectives**

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. The ultimate decision shall be based on merit, objective criteria and contribution that the selected candidates will bring to the Board and the Company.

## **VII. Monitoring and Reporting**

The Committee will report annually, in the corporate governance section of the Annual Report, on the process it has used in relation to Board appointments. Such report will include a summary of this Policy, the measurable objectives set for implementing the Policy and progress made towards achieving those objectives.

## **VIII. Review of the Policy:**

The Committee will review the Policy annually, which will include an assessment of the effectiveness of the Policy. The Committee will discuss any revisions that may be required and recommend any such revisions to the Board for approval.

## **IX. Amendment**

Any change in the Policy shall be approved by the Board of Directors of the Company. The Board of Directors 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, in accordance with the applicable provisions of law.

*Approved & adopted by the Board of Directors at their meeting held on February 12, 2016.*