

POLICY ON BOARD DIVERSITY

This policy is framed in keeping the approach to achieve diversity on the Board of Directors (the 'Board') and requirements given under the listing agreement with Stock Exchanges. As Part of Corporate Governance practices, the Board of Directors of Salora International Limited has adopted the following policy and procedure with regard to avail the benefits of having a diverse Board that possesses a balance of skills, experience, expertise and diversity of perspectives appropriate to the requirements of the businesses of the Company. The Company sees 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 distinctions between Directors. These differences will be considered in determining the optimum composition of the Board and when possible should be balanced appropriately.

This Policy shall be called as 'Policy on Board Diversity' to promote the principles for good corporate governance at the Company.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee (NRC) of the Company is responsible for framing of this Policy and to recommend to the Board for adoption. NRC shall also review and assess Board composition on behalf of the Board and recommend to the Board, the appointment of any new person as Director shall be based on his/her qualifications, experience, skills, qualities, positive attributes and independence keeping in view requirements of the Board.

Further, to attain the appropriate diversity at Board level based on the aforementioned aspects, following criteria needs to be considered:

(i) Composition and Gender Diversity

- a. The Board shall have an optimum combination of executive and non-executive directors and not less than fifty percent of the Board of Directors comprising non-executive directors.
- b. At least half of the Board should comprise of independent directors (where the

Chairman of the Board is executive) or atleast one-third of the Board consisting of independent Directors (where the Chairman of the Board is non-executive).

In any case, the Company should strive to ensure that the number of independent directors do not fall below 3 (Three) so as to enable the Board to function smoothly and effectively.

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

(ii) Functional Diversity

a. Appointment of Directors to the Board of the Company should be based on the specific needs of business and composition of the Company. Appointments shall be done on the basis of qualification, knowledge, experience and skill of the proposed appointee which is relevant to the business of the Company.

b. Knowledge of and experience in Business, Strategy, Trading, Finance, Legal, Management, Human Resources etc. should be duly considered while making appointments to the Board level.

c. While appointing independent directors, care should be taken as to the independence of the proposed appointee and the appropriate Disclosure shall be taken in this regard as provided under Section 149 of the Companies Act, 2013 and under the Listing Agreement.

d. Leadership skills, particularly current designation at other organizations and Directorships in other companies may also be taken into account while determining the candidature of a person.

(iii) Stakeholder Diversity

a. The Company may also have Directors on its Board representing the interest of any financial institution or any other person in accordance with the provisions of its Articles of Association and/or any agreement between the Company and the nominating agency.

b. As per the provisions of Section 151 of the Companies Act, 2013 read with the relevant rules made thereunder, the Company may, upon notice of not less than one thousand small shareholders or one-tenth of the total number of such shareholders, whichever is lower, have a small shareholders' director elected by the small shareholders.

AMENDMENTS AND REVIEW OF THE POLICY

The Nomination and Remuneration Committee (NRC) reserves its right to amend or modify this Policy after reviewing the Policy, in whole or in part as circumstances so warrants, or replace this Policy entirely with a new Policy. NRC will discuss any revisions that may be required and recommend any such revisions to the Board for approval.

NOTIFICATION:

This policy, as amended from time to time, shall be made available on the website of the Company.