

# **PMEA SOLAR TECH SOLUTIONS LIMITED**

## **BOARD DIVERSITY POLICY**

---

## **1. PURPOSE**

In terms of Regulation 19(4) read with sub-clause (3) Para A of 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 such other regulatory provisions, as applicable, the Nomination and Remuneration Committee of the Company (the "NRC") is required to formulate a Policy for having diversity on the Board of Directors (the "Board") of **PMEA Solar Tech Solutions Limited** (the "Company") and lay down the criteria for determining qualifications, positive attributes and independence of a Director. The Board diversity policy (the "Policy") sets out a framework to achieve adequate diversity on the Board of the Company.

## **2. INTRODUCTION**

- 2.1. The Policy is framed to address the importance of a diverse Board in harnessing the unique and individual skills and experiences of various Members of the Board in such a way that it collectively benefits the business and the Company as whole. The basic essence of the Policy is to provide a framework for leveraging on the diverse knowledge and expertise of the Board which can offer its valuable guidance to the Management consistent with the Company's business perspective.
- 2.2. Board diversity is the breadth of prospective, not the mere inclusion of various diverse traits that will benefit the organization. The Company believes that a diverse Board will enhance the quality of decisions made by the Board by utilizing the different skills, qualification, experience, knowledge, etc. of the Board necessary for achieving sustainable and balanced development.
- 2.3. Words and expressions used and not defined in this Policy shall have the meaning ascribed to them in the SEBI Listing Regulations, the Securities and Exchange Board of India Act, 1992 (as amended), the Securities Contracts (Regulation) Act, 1956 (as amended), the Depositories Act, 1996 (as amended), or the Companies Act, 2013 and Rules and Regulations made thereunder.

## **3. SCOPE OF APPLICATION**

- 3.1. The Policy applies only to the members of the Board and not to the employees of the Company.

## **4. EFFECTIVE DATE**

- 4.1. This Policy shall be effective from the date of approval by the Board i.e. July 1, 2024.

## 5. POLICY STATEMENT

- 5.1. The Nomination and Remuneration Committee (the 'NRC'), shall ensure that the Board shall have an optimum combination of executive, non-executive and independent directors in accordance with requirements of the Companies Act, SEBI Listing Regulations and other statutory, regulatory and contractual obligations of the Company.
- 5.2. The NRC shall review the profile of the prospective candidates for appointment as Director on the Board taking in consideration knowledge, experience, financial literacy / expertise, global market awareness and other relevant factors as may be considered appropriate, and the Board shall have a mix of members to maintain high level of ethical standards. The NRC shall also take into consideration the provisions of the Companies Act, SEBI Listing Regulations and other statutory, regulatory and contractual obligations of the Company.
- 5.3. The NRC will largely rely on the regulatory provisions of the Companies Act, and the regulations/ guidelines as applicable on the Company for achieving diversity in compliance of these provisions and recommend the same to the Board for adoption. At any given point of time, the Board may seek to improve one or more aspects of its diversity and measure progress accordingly.
- 5.4. The Company aims to enhance the effectiveness of the Board by diversifying its composition and to obtain the benefit out of such diversity through better and improved decision making. In order to ensure that the Company's boardroom has appropriate balance of skills, experience and diversity of perspectives that are imperative for the execution of its business strategy, the Company shall consider a number of factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service.
- 5.5. The Policy shall conform to the following two principles for achieving diversity on the Board:
  - (i). Decisions pertaining to recruitment, promotion and remuneration of the Directors will be based on their performance and competence; and
  - (ii). For embracing diversity and being inclusive, best practices to ensure fairness and equality shall be adopted and there shall be zero tolerance for unlawful discrimination and harassment of any sort whatsoever.
- 5.6. In order to ensure a balanced composition of executive, non-executive and independent directors on the Board, the Company shall consider candidates from a

wide variety of backgrounds, without discrimination, and based on the following factors:

**(i). Gender:**

The Company shall not discriminate on the basis of gender in the matter of appointment of directors on the Board. The Company encourages the appointment of women at senior executive levels to achieve a balanced representation on the Board. As per the provisions of the Companies Act, 2013 and the rules thereunder, the Company shall at all times have at least one-woman director on the Board. Any vacancy of a woman director shall be filled-up by the Board at the earliest but not later than immediate Board meeting or three months from the date of vacancy, whichever is later.

**(ii). Ethnicity:**

The Company shall promote having a boardroom comprising of people from all ethnic backgrounds so that the directors may efficiently contribute their thorough knowledge, sources and understanding for the benefit of Company's business;

**(iii). Educational qualification:**

The Board should have a mix of members with different educational qualifications, knowledge and with adequate experience in finance, accounting, economics, legal and regulatory matters, corporate governance, the environment, green technologies, operations of the company's businesses and other disciplines related to the company's businesses.

5.7. The NRC, inter alia, is responsible for reviewing and assessing the composition of the Board as well as for identifying and recommending appropriately qualified candidature(s), to hold Directorship in the Company, to the Board of Directors where and if need be.

## **6. STAKEHOLDER DIVERSITY**

6.1. Subject to the provisions of Section 151 of the Companies Act, the Company may, upon notice of not less than 1,000 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.

For the purpose of aforesaid clause "Small shareholders" means a shareholder holding shares of nominal value of not more than twenty thousand rupees or such sum as may be prescribed under the Companies Act.

## **7. MEASURABLE OBJECTIVES**

7.1. NRC will discuss and agree annually all measurable objectives for achieving diversity on the Board and recommend them to the Board for adoption. At any given time, and subject to applicable law, the Board may seek to improve one or more aspects of its diversity and measure progress accordingly.

## **8. MONITORING AND REPORTING**

8.1. The Policy, as described herein and as applicable, shall also be disclosed in the Company's annual report. The Policy shall also be disclosed on the website of Company for public information.

## **9. REVIEW OF THE POLICY**

9.1. The NRC will review this Policy periodically, which will include an assessment of the effectiveness of the Policy. The NRC will discuss any revision that may be required and recommend the same to the Board for approval.

9.2. The NRC will also assess Board composition on behalf of the Board and recommend accordingly, the appointment of new directors based on their qualification, positive attributes and independence.

9.3. The NRC may modify and/or amend this Policy at any time subject to the provisions of the SEBI Listing Regulations and the Companies Act, 2013 and rules framed thereunder and any other applicable law.

\*\*\*\*\*