



AFCONS INFRASTRUCTURE LIMITED

POLICY ON BOARD DIVERSITY

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VERSION CONTROL

Version	Description	Adoption Date	Approval by
1.0	Adoption of New Policy	12/09/2024	Nomination and Remuneration Committee and Board of Directors

A. BACKGROUND

1. In terms of the Regulation 19(4) read with Part D of Schedule II of the Securities Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations 2015 (**“Listing Regulations”**), the Nomination and Remuneration Committee has to devise a Policy on Board Diversity.
2. This Policy on Board Diversity (**‘the Policy’**) is being adopted in compliance with the provisions of Listing Regulations and sets forth the approach to diversity on the Board of Directors (**‘the Board’**) of Afcons Infrastructure Limited (the **“Company”** or **“Afcons”**)

B. OBJECTIVE

1. The objective of the Policy is to ensure an inclusive and diverse Board which optimizes a balance of skills, experience, expertise and diversity of views appropriate to the business of the Company resulting in optimal decision-making & assisting in the development and execution of a strategy which promotes success of the Company for the collective benefit of its stakeholders.

C. APPLICABILITY

1. The Policy applies to the composition and diversity of the Board only and does not apply to diversity in relation to the other employees of the Company.

D. POLICY STATEMENT

1. The Company believes that diversity in the Boardroom is conducive to achieving effectiveness of its Board and maintain the highest standards of corporate governance. The Company sees diversity at Board level as an essential element in maintaining a competitive advantage. A truly diverse Board will enhance the quality of the decisions made by the Board by utilizing different skills, genders, qualifications, professional experiences, knowledge, background and other special qualities etc. of the members of the Board, necessary for better business results, achieving advantage, effective corporate governance, and sustainable and balanced growth.
2. The Company ensures that appointment of Board members shall be based on merits like skills, experience and expertise of a person which helps the Board as a whole by taking into account various qualities of a person that the Board might consider relevant to function effectively and efficiently.
3. The composition of the Board shall be in accordance with the Articles of Association of the Company, the Companies Act, 2013, Listing Regulations as well as other statutory, regulatory and contractual obligations of the Company.

4. In the process of having a diverse Board based on the aforementioned criteria, the following norms need to be assessed:

a. **Optimum composition**

- i. The Board shall have an optimum combination of Executive and Non-executive Directors;
- ii. As per the Listing Regulations at least half of the Board should comprise of Independent Directors (where the Chairman of the Board is Executive or a Promoter or related to Promoter) or at least one-third of the Board should comprise of Independent Directors (where the Chairman of the Board is Non-executive), including a woman Director; and
- iii. The Company shall strive to maintain gender equality on the Board.

Further, the Company shall maintain the composition of Board as per the provisions of Companies Act, 2013 and Listing Regulations, as amended thereof from time to time.

b. **Functional diversity**

- i. Appointment of Directors to the Board of the Company should be based on specific needs and business of the Company.
- ii. Appointment should be made based on the qualification, knowledge, experience and skill of the proposed appointee which is relevant to the business of the Company.
- iii. Knowledge and experience in domain areas such as Finance, Legal, Risk Management, Information technology, Industry specific and general management etc., should be duly considered while making appointments to the Board level.
- iv. While appointing Independent Directors, care should be taken as to the independence of the proposed appointee is in accordance with Section 149(6) of the Companies Act, 2013 read with Regulation 16(b) of the Listing Regulations.
- v. Directorships in other companies may also be taken into account while determining the candidature of a person.

E. ROLE OF NOMINATION AND REMUNERATION COMMITTEE

1. The Nomination and Remuneration Committee (“NRC”), inter alia, is responsible for:
 - a. reviewing and assessing the composition of the Board as well as for identifying and recommending to the Board, the appointment of new directors keeping in mind the individual candidates’ skills, merit, experience, qualification, knowledge, positive attributes and independence and area of specialization which the Board as a whole requires in order to be effective;
 - b. assessing the appropriate mix of diversity, skills, experience and expertise required on the Board;
 - c. reviewing and reporting to the Board in relation to Board Diversity; and
 - d. oversee the conduct of the annual review of the Board effectiveness.
2. In reviewing the Board composition, NRC shall consider the benefits of all aspects of diversity including, but not limited to, those described above, in order to enable it to discharge its duties and responsibilities effectively.

F. REVIEW AND AMENDMENTS

1. The Nomination and Remuneration Committee / Board may review this Policy from time to time for effective execution of this Policy. The Nomination and Remuneration Committee/Board reserves the right to amend this Policy from time to time based on changing requirements as prescribed by SEBI/Stock Exchange(s) or any other appropriate Regulatory / Statutory Authority/ies.
2. This Policy is intended to be in conformity with the Listing Regulations and the Companies Act, 2013 as on the date of its adoption. However, if due to subsequent modifications in the Listing Regulations, the Companies Act, 2013 or any other Applicable Laws, a provision of this Policy or any part thereof becomes inconsistent with the Listing Regulations, the Companies Act, 2013 or any other Applicable Laws, then the provisions of such Listing Regulations, the Companies Act, 2013 laws, or such Applicable Laws as modified, shall prevail.

G. DISCLOSURE OF THE POLICY

1. The Company shall disclose this Policy on its website. The necessary disclosure, if any, about the Policy will also be made as per the requirements of Listing Regulations and the Companies Act 2013.

H. EFFECTIVE DATE

1. This Policy is approved by the Nomination and Remuneration Committee and Board of Directors of the Company on 12th September, 2024 respectively.
2. The Policy shall be effective from the date of the listing of the Equity Shares of the Company.
