

RMC Switchgears Limited

Policy on Board Diversity

INTRODUCTION:

This Policy on Board Diversity (the “Policy”) for the Board of Directors (the “Board”) of RMC Switchgears Limited (the “Company”) has been formulated by the Nomination and Remuneration Committee (“NRC”) in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI (LODR) Regulations, 2015”) to assure that the Board is fully diversified and comprises of an ideal combination of Executive and Non-Executive Directors, including Independent Directors, with diverse backgrounds.

PURPOSE:

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.

LAW AND APPLICABILITY:

As per Regulation 19-(4) read with Part D of the Schedule II of the SEBI (LODR) Regulations, 2015, the NRC of the Company has to devise Policy on Board Diversity.

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

POLICY STATEMENT:

The Company aims to enhance the effectiveness of the Board by diversifying its composition and to obtain the benefit out of such diversity in 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.

The Policy shall conform to the following two principles for achieving diversity on the Board:

- Decisions pertaining to recruitment, promotion and remuneration of the directors will be based on their performance and competence; and
- 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.

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 any discrimination, and based on the following factors:

i. No Discrimination:

The Company/Board/NRC will ensure that no person is discriminated against on grounds of religion, race, gender, pregnancy, childbirth or related medical conditions, national origin or ancestry, marital status, age, sexual orientation, or any other personal or physical attribute which does not speak to such person's ability to perform as a Board member.

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, the Company shall at all times have at least one woman director on the Board. Any vacancy of the woman director shall be filled-up by the Board at the earliest but not later than immediate next Board meeting or three months from the date of such 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. Competency:

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, the Environment Social & Governance (ESG), green technologies, operations of the company's businesses and other disciplines related to the company's businesses.

iv. Independence

The independent directors should satisfy the requirements of the Companies Act, 2013 ('the Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the 'independence' criterion.

v. Additional Attributes

- The directors should not have any other pecuniary relationship with the company, its subsidiaries, associates or joint ventures and the company's promoters, besides sitting fees and commission.

- The directors should not have any of their relatives (as defined in the Act and Rules made thereunder) as directors or employees or other stakeholders (other than with immaterial dealings) of the company, its subsidiaries, associates or joint ventures.
- The directors should maintain an arm's length relationship between themselves and the employees of the company, as also with the directors and employees of its subsidiaries, associates, joint ventures, promoters and stakeholders for whom the relationship with these entities is material.
- The directors should not be the subject of allegations of illegal or unethical behaviour, in their private or professional lives.
- The directors should have ability to devote sufficient time to the affairs of the Company.

ROLE OF THE NOMINATION AND REMUNERATION COMMITTEE:

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.

The effective implementation of this Policy requires that shareholders are able to judge for themselves whether the Board is adequately diverse. To this end, the Company shall continue to provide sufficient information to shareholders about the size, qualifications and expertise of each Board member, in accordance with the relevant laws.

LIMITATIONS, REVIEW AND AMENDMENT:

In the event of any conflict between the provisions of this Policy and of the applicable law, the provisions of applicable law shall prevail over this Policy. Any subsequent amendment / modification to the applicable law shall automatically apply to this Policy.

REVIEW OF THE POLICY:

The NRC shall review the policy from time to time, to ensure the effectiveness of the Policy. The Committee shall discuss any revisions that may be required and recommend any such revisions to the Board for consideration and approval.

DISCLOSURE OF THE POLICY:

The Company shall disclose this Policy on its website i.e. <https://rmcindia.in>. The necessary disclosure, if any, about the policy will also be made as per the requirements of SEBI (LODR) Regulations, 2015 and other applicable laws.

***Policy has been reviewed and approved at the Board Meeting held on 20th May, 2025**