

SFC ENVIRONMENTAL TECHNOLOGIES LIMITED
Policy on board diversity

Policy Effective Date: November 28, 2024

1. INTRODUCTION:

This Policy on Board Diversity (the “Policy”) for the Board of Directors (the “Board”) of SFC Environmental Technologies 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.

2. 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.

3. 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.

4. 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 educational background, ethnicity, professional experience, skills, knowledge and length of service.

5. 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 Nomination Committee is responsible for ensuring that the Board has the right balance of skills, experience and knowledge and, in accordance with its terms of reference, shall:

- A. Regularly review Board composition, succession planning, talent development and broader aspects of diversity, identify suitable candidates for appointment on merit keeping in mind.
- B. the benefits of diversity in promoting the success of the Company for the benefit of all stakeholders including shareholders.

C. the skills, experience, background, independence and expertise of current members of the Board.

6. 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.

7. DISCLOSURE OF THE POLICY

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 SEBI (LODR) Regulations, 2015 and other applicable laws.