
Credo Brands Marketing Limited

Policy on diversity of Board of Directors

POLICY ON DIVERSITY OF BOARD OF DIRECTORS

A. PURPOSE AND SCOPE

Pursuant to Regulation 19(4) read with Clause A(3) of Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”), as amended and provisions of section 178 and other applicable provisions of the Companies Act, 2013 (“the Act”), the Nomination and Remuneration Committee (“NRC”) has framed a Policy on diversity of Board of Directors (“Policy”) setting out the approach to diversity on the Board of Directors (“Board”) of Credo Brands Marketing Limited (the “Company”). This Policy applies to the Board of the Company.

B. POLICY STATEMENT

A diverse Board shall enhance the quality of various decisions of the Board necessary for achieving desired business objectives and maintaining competitive advantage. A diverse Board will include and make good use of differences in the skills, industry and other relevant experience, background, race, gender and other distinctions between Directors. These differences will be considered in determining the optimum composition of the Board and should be balanced appropriately to the most possible and permissible extent.

The Company maintains that appointment of persons to the office of Directors should be based on merit, apart from compliance of legal and contractual requirements of the Company, that complements and expands the skills, experience and expertise of the Board as a whole taking into account knowledge, professional experience and qualifications, gender, age, cultural and educational background, and any other factors that the NRC might consider relevant and applicable from time-to-time for the Board to function effectively. In the process of attaining a diverse Board based on the aforementioned criteria, the following needs to be assessed:

I. Diversity in composition:

- The Board shall have an optimum combination of Executive and Non-Executive Directors and not less than 50% of the Board comprising Non-Executive Directors;
- Where the Chairperson of the Board is Executive or belongs to the Promoter Group, at least half of the Board should comprise Independent Directors;
- Where the Chairperson of the Board is Non-Executive and does not belong to the Promoter Group, at least one third of the Board should comprise Independent Directors;
- The Company shall have at least one Woman Independent Director on the Board.

Notwithstanding above, the Company shall ensure composition of Board in accordance with the requirements of the Act and SEBI LODR Regulations.

II. Diversity in functionality:

- Appointment of Directors to the Board of the Company should be based on the specific needs and business of the Company. Appointments should be done, inter-alia, based on the qualification, knowledge, experience and skill of the proposed appointee which is relevant to the business operations of the Company;
- Knowledge of and experience in domain areas such as Industry experience, Strategy, Financial, Technology, Leadership, Business Development, Risk & governance oversight, management, etc., should be duly considered while making appointments to the Board level;
- While appointing any person as an Independent Director, care should be taken as to the independence of such person;
- Directorships in other companies may also be taken into account while determining the candidature of a person.

C. ROLE OF NRC

The NRC shall review and assess Board composition and shall recommend to the Board, the appointment/ re-appointment of Directors based on their qualification, expertise, positive attributes, experience and independence among other matters as may be considered relevant by the NRC. In reviewing Board composition, NRC will 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.

D. REVIEW OF THE POLICY

The NRC will review this Policy, from time to time, to ensure the effectiveness of the Policy. The NRC will discuss any revisions that may be required in its discretion and recommend to the Board for consideration and approval.

E. DISCLOSURE OF THE POLICY

This Policy will be made available on the Company's website. The necessary disclosure about the Policy will also be made as per requirements of applicable laws.
