

K.P. ENERGY LIMITED

POLICY ON BOARD DIVERSITY

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1. INTRODUCTION:

This Policy on Board Diversity (the 'Policy') for the Board of Directors (the 'Board') of K.P. Energy Limited (the 'Company') has been formulated by the Nomination and Remuneration Committee ('NRC') in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations') 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 designed to emphasise the importance of Board diversity by utilising the unique abilities and experiences of individual Board Members for the benefit of the Company. Its primary objective is to establish a framework that enables the Board to provide informed recommendations to Management in alignment with the Company's business objectives.

3. LAW AND APPLICABILITY:

As per Regulation 19 (4) read with Part D of the Schedule II of the Listing Regulations, the NRC of the Company has to devise Policy on Board Diversity. The Policy applies to the composition of the Board of Directors 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 gender, religion, age, national origin or ancestry, cultural and educational background, ethnicity, marital status, 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 discrimination, and inter alia based on the following factors:

A. 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, the Company shall at all times have at least one-woman director on the Board.

B. 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.

C. 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. 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.

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 i.e. www.kpenergy.in. The necessary disclosure, if any, about the policy will also be made as per the requirements of Listing Regulations and other applicable laws.
