

Policy on Board Diversity

(Approved by the Board of Directors on August 11, 2023)

1. Background

Pursuant to the Regulation 19 (4) read with Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") as amended from time to time, the Nomination and Remuneration Committee shall devise a policy on diversity of board of directors.

2. Definitions

- a) "**Board**" means Board of Directors of the Company;
- b) "**Committee**" means the Nomination and Remuneration Committee of the Board;
- c) "**Company**" means KLM AXIVA Finvest Limited;

3. Nomination and Remuneration Committee

The Board has constituted the "Nomination and Remuneration Committee" pursuant to Section 178 of the Act and the Rules made thereunder and Regulation 19 of SEBI LODR Regulations. This Policy and the terms of reference of the Nomination and Remuneration Committee are integral to the functioning of the Nomination and Remuneration Committee and are to be read together.

4. Scope of Application

The Policy applies to the Boards of Directors and not to the employees of the Company.

5. Role of the Committee

The Committee shall:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director;
- For every appointment of an independent director, evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an

independent director shall have the capabilities identified in such description;





- formulate criteria for evaluation of performance of independent directors and the board of directors;
- identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
- whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors

6. Board Diversity

The Board of Directors and the Committee shall ensure the following for each appointments to the Board:

- Board of directors shall have an optimum combination of executive and non-executive directors with at least one woman director and not less than fifty per cent. of the board of directors shall comprise of non-executive directors;
- Appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy-five years unless a special resolution is passed to that effect, in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such a person
- For the purpose of identifying suitable candidates as Independent Directors, the Committee may use the services of an external agency, if required; consider candidates from a wide range of backgrounds, having due regard to diversity; and consider the time commitments of the candidates.
- Ensuring a transparent nomination process to the board of directors with the diversity of thought, experience, knowledge, perspective and gender in the board of directors.

7. Amendments/Modifications of Policy

The policy may be amended at any time by the board of the company on the recommendation of the Nomination and Remuneration committee. This Policy is in conformity with the provisions of the Act and SEBI LODR Regulations for the time being in force. However, if, due to subsequent amendments in the provisions, a particular clause or any part thereof of the policy becomes inconsistent with the law, the provisions of the Act and SEBI LODR Regulations shall prevail.

The subsequent amendment(s) thereto to the policy, shall be published on the website of the Company.

