



**STOVEC INDUSTRIES LIMITED**

**BOARD DIVERSITY POLICY**

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### **Purpose**

As per Clause 49 (IV) (B) (3) of Listing Agreement with Stock Exchanges, the Nomination and Remuneration Committee is required to devise a Policy on Board Diversity and accordingly this policy on Board Diversity is formulated. The Board Diversity Policy ('the Policy') sets out the approach to diversity on the Boards of Directors of Stovec Industries Limited ('the Board').

### **Scope of Application**

The Policy applies to the Board of Directors of Stovec Industries Ltd.

### **Policy Statement**

Stovec Industries Limited (hereinafter will be referred as 'Stovec') recognizes and embraces the benefits of having a diverse Board and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage. A truly diverse Board will include and make good use of differences in the skills and industry experience, background, race, gender and other distinctions between Directors. These differences will be considered in determining the optimum composition of the Board and when possible should be balanced appropriately. All Board appointments shall be made on merit, in the context of the skills, experience and knowledge which the Board as a whole requires to be effective.

The Nomination and Remuneration Committee ('the Committee') of the Board will review and assess qualification, skills, experience and knowledge at the time of appointment of new Director(s) on the Board. The Committee will also oversee the conduct of the annual review of Board effectiveness.

In reviewing Board composition, the Committee 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.

### **Measurable Objectives**

The Committee will discuss and agree annually all measurable objectives for achieving diversity, if any required, on the Board and recommend them to the Board for adoption. At any given time the Board may seek to improve one or more aspects of its diversity and measure progress accordingly.

### **Monitoring and Reporting**

The Committee will report annually, in the corporate governance section of the Stovec's Annual Report a brief summary of this Policy and progress made towards the measurable objectives set for implementing the Policy.

### **Review of the Policy**

The Committee will review the Policy as and when the need arises, which will include an assessment of the effectiveness of the Policy. The Committee will discuss any revisions that may be required and recommend any such revisions to the Board for approval.